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**Defense Budgets, Planning, and the New Fiscal and
Global Realities**

**Before the
Subcommittee on National Security and Foreign Affairs of the
House Committee on Oversight and Government Reform**

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Chairman Tierney, Ranking Member Flake, and members of the subcommittee, thank you for the opportunity to testify today on rethinking the defense budget and achieving national security through sustainable spending. There is no more important priority on the discretionary side of our federal budget than restoring discipline to defense planning and budgeting.

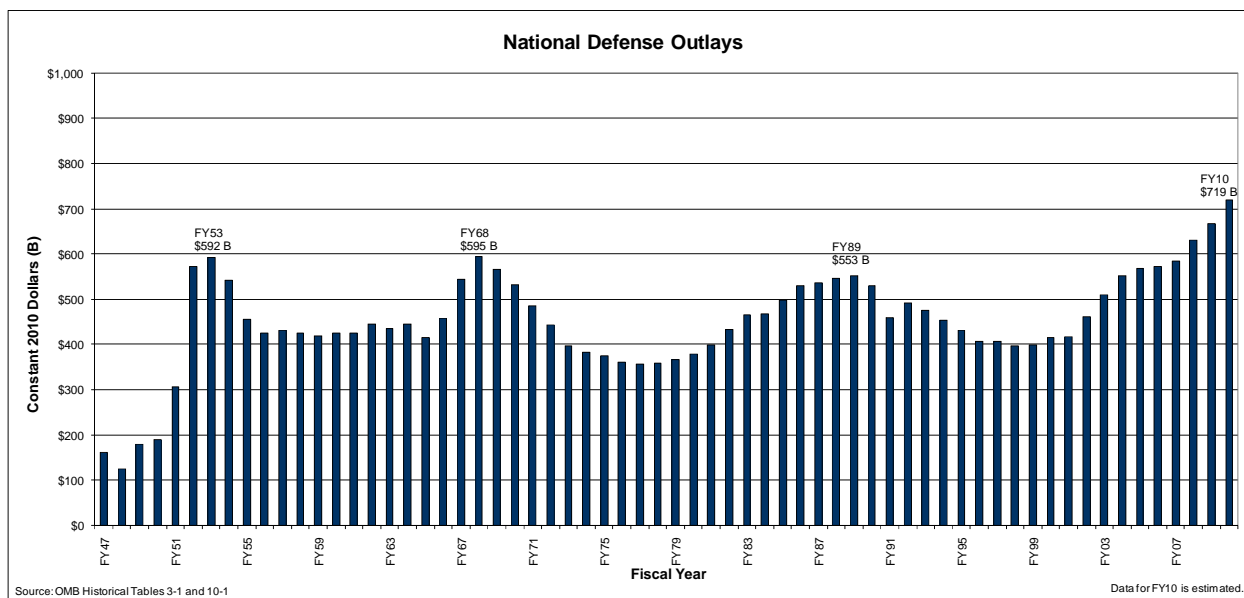
Our defense budgets have reached a level unprecedented since the end of World War II, outstripping the security challenges we face and contributing significantly to our fiscal dilemmas. As Admiral Mike Mullen, Chairman of the Joint Chiefs of Staff, put it recently, “I think the biggest threat we have to our national security is our debt.”¹

Defense planning and budgeting have not responded to this reality. In fact, the Pentagon has avoided prioritizing missions, calculating risks, and managing in a disciplined way. It is increasingly critical to do so. Regaining fiscal balance, improving our economic health, and restoring our global role all hinge on it.

Now is the time to change direction and focus carefully on setting priorities to discipline defense plans and budgets.

Unprecedented defense budgets are a significant part of the federal spending problem

We live in a world today that is unusually secure for Americans, even after accounting for conflict in Iraq and Afghanistan. Our defense spending over the past decade, however, has not reflected this relative security.



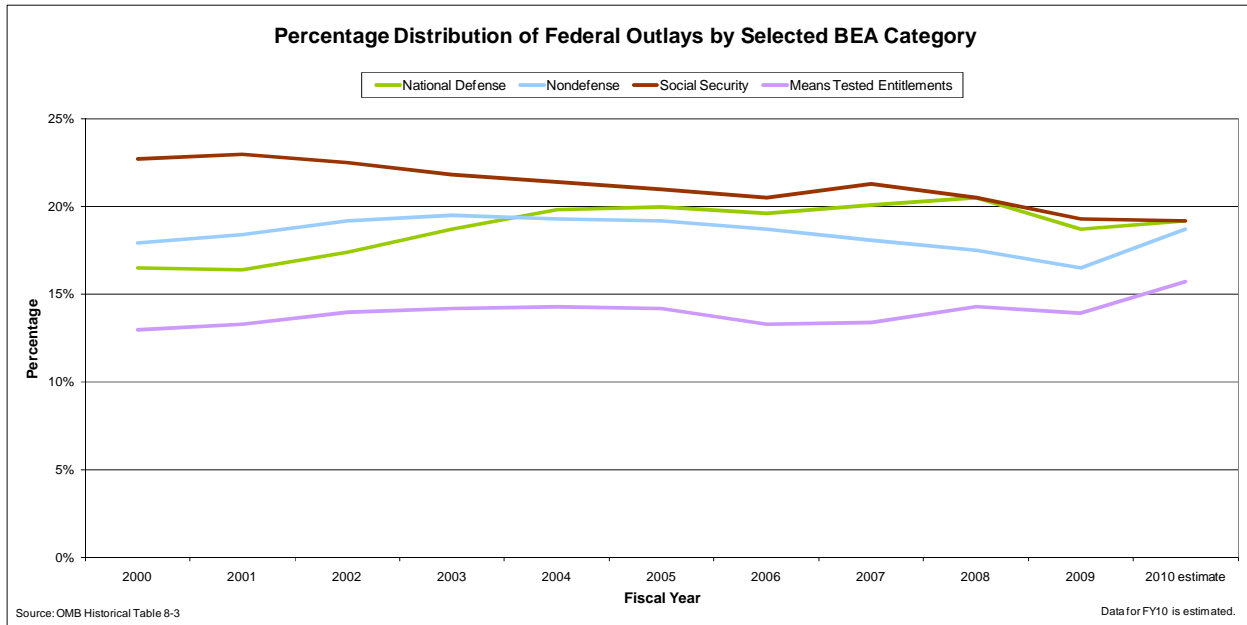
The threat of terrorist attack is real but in no way equals the existential threat we faced during the Cold War. We are more than twenty years beyond the shadow of global nuclear annihilation, yet real national defense outlays (budget function 050) this year will be 30% higher than the Cold War peak in 1989. Combat fatalities are our most tragic cost of war, and we are fortunate that this cost is far lower in Afghanistan and Iraq (more than 4,300) than in Korea (36,500) or

¹ Admiral Mike Mullen, “Tribute to the Troops,” 24 June 2010: <http://www.jcs.mil/speech.aspx?ID=1413>.

Vietnam (58,200).² Yet real defense spending this year surpasses the Korean War peak in 1953 by 22% and Vietnam in 1968 by 21%.

At \$719 billion, fiscal year 2010 will be our most expensive year for national defense since the Second World War. It is not an outlier. Six of the ten most expensive years have registered in the past decade.

Outlays of this magnitude give national defense a 19.2% stake of all FY10 federal spending. This equals Social Security, and is 3.5% higher than that of all means-tested entitlement programs combined. Defense spending clearly plays a role in our overall deficit problem.



Such high levels of spending are unlikely to last. We are, in fact, facing a moment of defense budget decline, pressured by deficits and the end of the wars. Defense planners have not begun to cope with this emerging tidal wave. Doing so will require more serious planning and mission prioritization than has been carried out so far.

The fiscal tidal wave

The defense budget crested for the post-World War II period at the same time that deficits and debt hit historic highs. The American Reinvestment and Recovery Act and auto industry bailouts pushed the FY 2009 federal deficit to 10% of GDP, its highest level since 1945. Publicly-held debt will reach 64% of GDP in FY 2010, a level unmatched since 1951, and the Congressional Budget Office estimates that it could equal GDP by the end of the decade. Persistently high and growing federal debt has serious consequences for the economy, posing risks of higher interest rates, decline in the value of the dollar, lagging demand for Treasury notes, slower economic growth, and flat or declining wages.

There is growing bipartisan concern about this problem, including the President’s National Commission on Fiscal Responsibility and Reform and a private effort at the Bipartisan Policy Center. These efforts recognize that success in deficit reduction and debt control requires all

² See Iraq and Afghanistan totals at <http://www.defense.gov/NEWS/casualty.pdf> and Korea and Vietnam totals at <http://aad.archives.gov/aad/series-list.jsp?cat=WR27>.

parts of federal budgeting to be on the table, including revenues and spending of both the mandatory and discretionary types. National defense cannot be exempt.

The Changing Policy Universe

This fiscal tidal wave coincides with a significant change in the global security environment: the coming withdrawal of American forces from Iraq and, soon, from Afghanistan. The American public and the Congress supported unprecedented growth in the defense budget as we entered these two conflicts. That process works in reverse as well. Support for such high levels of defense will erode as our forces return.

Our departure from Iraq is formalized in the status of forces agreement that we negotiated with the government of Iraq. We will reduce our footprint there to 50,000 forces by August of this year, and will redeploy fully by December 2011. Our withdrawal from Afghanistan, though less formal, is becoming ever firmer as the rationale for an extended presence in that country becomes less and less clear. Frustrating as the situation in Afghanistan is, no amount of forces and funding can return us to 2001.

This change in the policy environment is increasingly evident. The bipartisan Obey-McGovern-Jones amendment calling for a withdrawal timetable for Afghanistan received 162 votes earlier this month. At last week's Senate Foreign Relations Committee hearing, Ranking Member Lugar (R-IN) offered his view that "both civilian and military operations in Afghanistan are proceeding without a clear definition of success." Sen. Bob Corker (R-TN) was even more direct. "I send letters to parents and spouses, and what I feel, because of this lack of clarity, is that we are in Afghanistan because we're in Afghanistan."

Though these issues were not addressed in the Sustainable Defense Task Force report, the end of these conflicts will have a profound impact on public support for high levels of defense spending. This change is important because the wars have contributed significantly to the lack of discipline in defense budgeting. Abuse of the emergency supplemental process embodies this problem.

The past decade's emergency supplemental appropriations ostensibly have been dedicated to the war efforts. In reality, they have funded defense spending wholly unrelated to Iraq and Afghanistan. This administration deserves some credit for seeking greater clarity and discipline by creating an overseas contingency operations title in the defense budget request, but sizeable concerns still remain. Operations and Maintenance (O&M) funds in this title are quite fungible with those in the base budget. "Long-term reconstitution" also is funded in this title despite being non-emergency by definition. Rebuilding fiscal discipline means eliminating these abuses, ending the practice of funding operations in Iraq and Afghanistan through a separate title, and making base budget trade-offs to support remaining war and reconstitution costs. After ten budget years of these operations, and on the point of withdrawal, this spending is eminently foreseeable. It should be foreseen.

War-related policy change combined with growing fiscal pressure will lead to deeper reductions in defense than currently foreseen in Pentagon projections. This reality is not without precedent. From 1985 to 1998, a similar conjuncture of tidal waves hit defense. Sustained efforts at deficit reduction through the Gramm-Rudman-Hollings act of 1985 and the Budget Enforcement Act of 1990, together with the end of the Cold War, rapidly and significantly lowered national defense spending. Across two administrations of both parties, this spending fell 20% in constant dollars, active duty forces declined from 2.2 million to 1.5 million, and the Defense Department civilian

cadre receded from 1 million to roughly 700,000. Hundreds of acquisition programs were terminated, and procurement spending dropped 51%.

Discipline will be hard; half measures will not provide it.

Given these pressures, greater defense planning and budgeting discipline is urgently needed. Imposing that discipline will be difficult, however, because of mounting internal pressures for budget growth. Half-measures will be insufficient to overcome this challenge.

- *End strength expansion.* The Defense Department has added more than 95,000 to the Army and Marine ground forces since 2001, and Congress is being asked to fund an additional, temporary increase of 22,000.³ End strength is one of the principal drivers of defense budgets, however. Obtaining real savings in defense will involve end strength reductions, beginning with a roll-back of the ground force expansion undertaken because of the wars, as the Sustainable Defense report urges. Further reductions will be linked to the issue of mission prioritization, which I discuss below.
- *Personnel costs outpacing end strength growth.*⁴ Military personnel routinely receive pay increases at least half a percent above the standard used for government raises.⁵ Spending on personnel, as measured by per-troop spending for the active component, increased at an average of more than 4% per year between FY 1998-2008.⁶ Payroll costs need urgent attention, as the Task Force report suggests.
- *Sharp price increases in DOD health care.* The DOD Unified Medical Budget regularly grows above the rate of inflation, rising from \$19 billion in FY 2001 to \$50.7 billion in FY 2010. TRICARE Prime premiums have not increased since FY 1995 despite overall growth in health care costs, and the share of TRICARE's total health care delivery covered by premiums has fallen from 27% to 9% over that period. To its credit, the Defense Department has regularly asked Congress for increases in TRICARE enrollment and other fees, but Congress has rejected them. Health care cost control will be difficult, but it is necessary.
- *Defense "overhead" is growing and hard to control.* The Defense Department spends an estimated 42% of its budget on what would be called "overhead" costs in the private sector, according to a Defense Business Board report that the Secretary of Defense routinely cites.⁷ This "tooth-to-tail" spending ratio corresponds to a

³ Army Chief of Staff Gen. George Casey is said to be considering another 7,000 in temporary increases. See Megan Scully, "Army Chief of Staff Will Decide Soon on Force Increase," *Congress Daily*, May 6, 2010, online at <http://www.govexec.com/dailyfed/0510/050610cdpml.htm>. Navy and Air Force uniformed personnel have declined a total of 76,000 over the same years. Department of Defense, Office of the Under Secretary of Defense, Comptroller, *National Defense Budget Estimates for FY 2011*, Table 7-5.

⁴ DOD's budgets for military personnel rose from \$78.9 billion in FY 2001 to \$143.5 billion in the FY 2011 budget request, growth of 85% in current dollars and 35% in constant dollars. *National Defense Budget Estimates for FY 2011*, Table 6-8.

⁵ The standard generally used is the Department of Labor's Employment Cost Index. CBO estimates that cash compensation for service members, including tax-free cash allowances for housing and food is "greater than that of more than 75 percent of civilians of comparable age and educational achievement." "Evaluating Military Compensation," Statement of Carla Tighe Murray before the Subcommittee on Personnel of the Senate Committee on Armed Services, April 28, 2010.

⁶ Calculated from *National Defense Budget Estimates for FY 2011*, Tables 6-11 and 7-5

⁷ Defense Science Board, *Task Group Report on Tooth-to-Tail Analysis, Report FY08-2, April 2008*, p. 3, at <http://www.dtic.mil/cgi-bin/GetTRDoc?AD=ADA491670&Location=U2&doc=GetTRDoc.pdf>

continual growth in the “tail” in the forces themselves. McKinsey recently estimated that 23% of active duty U.S. battalion-equivalent units are in combat or combat service branches compared to an industrial world average of 37%.⁸ Over time and including deployed contractors (now a growing component of the “tail”), only 25% of the soldiers deployed to Iraq in 2005 were appropriately categorized as “tooth.” This compares to 39% in 1945 WWII theaters, 35% in Vietnam circa 1968, and 30% in Operation Desert Storm.⁹ Sharpening the point of the spear and shrinking the handle will be important but very difficult.

- *Operations and Maintenance Costs continue to grow.* O&M costs, which fund much of the “tail” (as well as the defense civil service) grow steadily at a real rate of roughly 2-3% per year. These needs have been under-budgeted for decades. The FY 2011 budget requests a significant increase in O&M (8.5%), but out-year forecasts again do not keep pace.¹⁰ This spending will continue to grow as the Defense Department increases its civilian acquisition work force by at least 20,000.¹¹
- *The receding mirage of acquisition reform.* The most recent Government Accountability Office examination of major defense acquisition programs notes that 79% of them have “moderately unstable” or “highly unstable” costs and schedules. Only 21% “appeared to be stable and on track.”¹² The Department has responded with program terminations that Secretary Gates estimates have saved \$330 billion over their lifetime. It has proposed substitutes for many of these programs, however, and the out-year budget estimates for these substitutes have not been netted against that estimate. Moreover, some of the program terminations (F-22, C-17, F-35 alternate engine) were not included in the Department’s out-year budget estimates, meaning there are no savings in the budget forecast from these decisions. Decades of experience in acquisition program cost growth suggest caution in presuming future success.¹³
- *Inability to meet financial audit standards.* Process-driven savings are nearly impossible to locate because, as the Pentagon itself notes, it is “one of a very few cabinet level agencies without a ‘clean’ financial audit opinion.”¹⁴ The Government Accountability Office has been pointing this out for years. It has been notoriously

⁸ Scott Gebicke and Samuel Magid. *Lessons From Around the World: Benchmarking Performance in Defense*,” McKinsey and Company, 2010, p. 7, at

http://www.mckinsey.com/clientservice/publicsector/pdf/TG_MoG_benchmarking.pdf

⁹ McGrath, John J. “The other end of the spear: the tooth-to-tail ration in modern military operations,” CGSC Combat Studies Institute: Table B-2.

¹⁰ *National Defense Budget Estimates for FY 2011*, Table 6-8.

¹¹ Funding to support the 785,000 civilian employees at DOD is provided through the O&M title in the budget. The number of DOD civilian personnel has grown from 687,000 in 200, or 14.2% *National Defense Budget Estimates for FY 2011*, Table 7-5.

¹² GAO, “Defense Acquisitions: Strong Leadership Is Key to Planning and Executing Stable Weapon Programs,” GAO-10-522, May 2010, p.5. These more stable programs, however, represented under 9% of the total cost estimates for the overall major program portfolio. Same, pp.6-7.

¹³ CBO estimates that DOD budgets for acquisition should be 15% above current projections to accommodate likely cost growth. CBO, *Long-Term Implications of the Fiscal Year 2010 Defense Budget*, p.19.

¹⁴ FY2011 Defense Department Budget Request Overview Book, pg. 7-16.

difficult to correct, despite repeated efforts by successive administrations. Squeezing out process-driven savings requires overcoming this colossal problem.¹⁵

The Defense Department currently is trying to find savings largely through process changes and efficiencies. Such adjustments are meritorious but will fall well short of coping with these pressures. In fact, the very budget projection these minimal reforms are designed to accommodate is, itself, unrealistic, given the approaching tidal waves. Secretary Gates has made it clear he needs process savings in order to make do with only 1% real growth in the defense budget instead of the 2-3% growth he considers necessary. Not only will process savings not get him there, though, his projection of continued real spending growth diverges from the budget realities that the Pentagon faces.

Mission planning will require discipline

The only way to cope with serious budget decline at the Defense Department is through greater discipline in defense mission planning. Sadly, the latest Quadrennial Defense Review ducked this challenge. Instead, it simply layers new missions on top of the old, sets no priorities, and advocates that risks should be reduced across the board. In the Department's own words:

*This QDR...assumes the need for a robust force capable of protecting U.S. interests against a multiplicity of threats, including two capable nation-state aggressors. It breaks from the past, however, in its insistence that the U.S. Armed Forces must be capable of conducting a wide range of operations, from homeland defense and defense support to civil authorities, to deterrence and preparedness missions, to the conflicts we are in and the wars we may someday face.*¹⁶

No strategic context is provided for these missions, and they are given no relative importance. The consequence is that we end up with an unrealistic, and unfundable, list of missions spanning the range from deterrence and conventional war, to patrolling the world's oceans, to expanding the U.S. role in counterinsurgency, stabilization (nation-building), fighting terrorists and aiding security forces on a global basis, and an expanded role in homeland defense. This is nothing more than a recipe for defense forces and budgets to grow without limits well into the future.

But the budgets will not be there, and prioritizing missions is the first step to disciplining planning and budget choices. As Christopher Preble and Ben Friedman put it in the Sustainable Defense report, "We can save great sums and improve national security by adopting a defense posture worthy of the name."¹⁷ The United States needs to redefine its global role and the supporting military missions. Erskine Bowles, co-chair of the President's commission on deficit reduction, was correct when he stated recently that "I personally am not crazy about being the world's policeman, nor do I think we can afford to be."¹⁸

A first step will be to draw the right lesson from Iraq and Afghanistan. That lesson is not that we now need a military capability and an expanded military mission to intervene globally in all instances of conflict, disorder, terror attack, and "insurgency." A clearheaded assessment of the

¹⁵ The Performance measurements part of the Overview Budget (p.7-36) notes that DOD can validate as "audit ready" less than 10% of its Treasury funding balances and less than 15% of its Statement of Budgetary Resources.

¹⁶ Pg. 42

¹⁷ Pg. 34

¹⁸ See <http://thehill.com/homenews/administration/106525-obama-fiscal-commission-chief-eyes-spending-caps-entitlement-reforms>.

international challenges we face after Iraq and Afghanistan suggests a potential prioritization of missions that could maintain, or even enhance, our security at less cost and with smaller forces.

Dealing with terrorist organizations, particularly Al Qaeda and its related organizations, is an important security challenge, but this challenge needs to be carefully defined. Terror attacks are not an existential threat. Terror is a tactic, not an ideology, and not all terrorist organizations threaten our national security. Discrimination in the definition of this challenge will be an important part of disciplining defense planning. So too will an honest assessment of the required force structure. This priority mission does not demand significant forces, and spending should reflect that reality.

Counterinsurgency, stabilization and reconstruction (state-building), and related assistance to security sectors are more debatable missions once the wars in Iraq and Afghanistan have wound down. It is not clear that the U.S. military should have global missions of this kind. The underlying reality internationally is that of state fragility and weakness, a fundamental global security dilemma. Yet not every fragile state or internal conflict poses a U.S. security problem, not every weak state demands a U.S. response, and not every security sector requires U.S. support. Indeed, using counterinsurgency to drive force planning dramatically overstates the problem. It is not clear what insurgencies ought to be a target of U.S. military attention. Moreover, stabilization and reconstruction are predominantly civilian missions. The military has no peculiar skill in them, and could even be counterproductive in trying to execute them.¹⁹ A more careful analysis of the fragile state challenge and the military's mission in meeting that challenge is badly needed. It would likely yield significant defense savings as the military moves away from such missions and civilian responsibilities for governance assistance grow, as I discuss below.

“Building partner capacity” is part of this mission, and demands equally close scrutiny. Security sector support, particularly for another country's military, can be an important element in providing greater stability in fragile states. The Defense Department has had an implementation responsibility in this area for decades, based on State Department guidance and funding. The military's peculiar expertise extends only to direct military support, however, and specifically does not extend to assisting other countries' police, gendarme, border control, or other security forces.

No expansion of defense authority or funding is needed in this area, Pentagon plans to the contrary. Clearly DOD has an implementation role in this area, narrowly construed. But the administration should focus on how to strengthen our own civilian capacity to provide such assistance, in cooperation with other countries and international organizations. Moreover, security sector assistance is only part of the capability that the U.S. government needs to build to deal with the broader challenge of “governance” in weak and fragile states around the world. The military has no special expertise in confronting this broader challenge. It is, in fact, largely a civilian task. The executive and the Congress should reflect this by restraining Pentagon ambitions and spending in this area and strengthening our own civilian capabilities to assist other countries with political institutionalization, ministry support, and economic development.

¹⁹ As the DOD counterinsurgency field manual (FM 3-24) notes on page 2-9, “civilian agencies or individuals with the greatest applicable expertise should perform a task...There are many U.S. agencies and civilian IGOs with more expertise in meeting the fundamental needs of a population under assault than military forces have...”

Presence in the global sea lanes is another important mission area for the military. Freedom of movement on the seas is a fundamental element of open global exchange, one of the pillars of our economy. Such missions also establish U.S. presence globally and can play a role in deterring or coping with the rising problem of piracy. This mission requires naval forces, though even those can be constrained without a loss of effectiveness, as the Task Force report suggests.

A number of other missions also are important parts of the military's routine but already receive sufficient resources. These include humanitarian operations, disaster relief, and non-combatant evacuation operations. Far less common but even more important is the military's responsibility to support civil authorities and, should it be needed, to defend the United States homeland. The National Guard plays an important role here, as do military logistics for disaster relief and emergencies, such as a terrorist attack.

The more demanding mission for the Defense Department and the military, in terms of personnel and resources, is that of deterrence, alliance support, and conventional war. Even here, the risks are lower than during the Cold War. We face only a small risk of conventional or regional war. Of the original scenarios that support the 2 MRC concept, for instance, one (Iraq) no longer exists and the other (North Korea) poses significantly lower risks for U.S. or South Korean forces, which are quite capable. There are precious few other areas where a use of massive US conventional forces is plausible or likely, making it possible to consider options both for overall ground force reductions, as recommended by the Task Force, and the move of some capability to the Reserves and National Guard.

Some will argue that a threat from China is an exception. Indeed, the QDR assertion of an anti-access / area-denial mission is, in all likelihood, aimed at ensuring that China does not block U.S. access in the Western Pacific. All too typically, however, this mission is defined in the QDR as a global requirement even though there is precious little evidence that any other countries pose a serious challenge to US military access. The assertion of such a mission could easily become a self-fulfilling prophecy, however, encouraging other states to create such a capability precisely because the U.S. is building a capability to prevent it. Yet this mission has a major impact on defense budgets for submarines, missile technology, long-range strike, and naval forces, among other areas, all of which need to be reexamined for potential savings, given the low level of such a threat. Finally, strategic forces have a less significant mission today than during the Cold War. These forces could be significantly reduced, even below the levels supported by the "New START" treaty presently before the Senate. The Task Force report makes reference to an Air Force study which found that real deterrence requires only 311 warheads, 1,239 fewer than the ceiling set by the "New START."

There will be disagreement over this brief review of missions. The bottom line, however, is that the Pentagon has made no effort to define priorities. Setting them would lead to substantial reductions in the U.S. force structure, as well as significant savings in procurement and research on programs linked to lower priority missions. These would include next generation attack submarines, amphibious assault capabilities, and air-to-air combat fighters, as the Task Force report suggests.

Fiscal responsibility now demands that we clearly evaluate our interests and security needs related to a broad and realistic view of the global challenges we face, define the priority defense missions that result, and reshape the budget accordingly. Missions that don't connect with U.S.

interests, address lesser risks, or are more properly handled elsewhere in the government shouldn't be funded through the defense budget.

Process Reforms Could Help

More disciplined planning and budgeting processes would contribute to identifying and implementing the potential savings I have discussed. The Pentagon must do a better job in this regard.

First, the Department should treat “capabilities-based planning” with caution. According to the 2001 QDR, such planning was more useful than threat-based planning because “the United States cannot know with confidence what nation, combination of nations, or non-state actor will pose threats.” In response to this information gap, “a capabilities-based model - one that focuses more on how an adversary might fight than who the adversary might be and where a war might occur - broadens the strategic perspective.”²⁰

It is important to plan with uncertainty in mind, but this kind of un-prioritized planning easily assumes adversaries that do not actually exist and, in fact, can create such adversaries by miscommunicating our strategic intent. Even when we have an adversary, treating the usage of all capabilities as equally desirable overstates the risk of conflict.

Second, the Department also should terminate the annual ‘unfunded requirements’ exchange between the Congress and the military services. Reciprocally, Congress should restrain itself from requesting these letters. The Secretary has imposed some welcome restraint on this process, but these letters continue to weaken the Office of the Secretary of Defense and the Chairman’s efforts to integrate Service budgets and make trade-offs.²¹

A final process reform that could significantly change the tone of defense planning and help integrate broader interagency planning would be for Congress to amend the QDR authorization (10 USC §118) to direct the Defense Department to solicit and incorporate inputs from the State Department and the ODNI on the QDR’s strategic assumptions and planning scenarios. These assumptions and scenarios drive the tools that the Defense Department develops to support U.S. foreign policy, but it currently only takes such comments on a voluntary and ad hoc basis. A statutory requirement would be helpful here in strengthening the planning processes of all three institutions.

Finding savings by choosing the right tools

The counterpart of restraining the Pentagon’s missions and disciplining its budget is strengthening U.S. civilian capabilities to undertake some of the above missions. Nuclear proliferation is one area where the QDR asserts a primary defense mission even though the civilian responsibility is actually paramount.

The Nuclear Nonproliferation Treaty has been our best bulwark against proliferation for forty years. Brazil, South Africa, and a number of former Soviet states have disarmed mature nuclear programs under its auspices. Its global legitimacy is the crux of pressure presently being applied to Iran, North Korea, and Syria. There is no better example than this for how treaty negotiation, diplomatic monitoring, educational exchanges, scientific aid, and biting sanctions serve our national interest.

²⁰ Pp. 13-14

²¹ For additional discussion on this topic see <http://budgetinsight.wordpress.com/2010/03/15/gates-battles-nominal-requirements/>.

The defense responsibility for this mission is and should be decidedly secondary and supportive of this diplomatic enterprise. Conventional forces can play a role in deterring proliferators. Defense intelligence is a corollary to diplomatic monitoring. The military can conduct enforcement missions, for example through the Proliferation Security Initiative. Yet most authority in this area ought to belong to the civilian institutions that lead our efforts.

Rebalancing the tools in our national security toolkit and then funding missions, like nuclear counter-proliferation, through the proper budget function will discipline the defense budget greatly. Moreover, much of the money associated with transferred missions can be saved outright because of the relatively low cost of civilian institutions relative to the Pentagon.

One process proposal that can facilitate this redefinition of institutional responsibilities and begin the process of more balanced planning would be for the administration to propose a single budget function for national defense and international affairs (merging budget functions 050 and 150). This would be a first step in encouraging the administration to consider the synergies between our national security capabilities. Greater use of joint hearings and deliberations between defense and foreign affairs authorizers and appropriators in the Congress would also make a significant contribution to this more balanced view of American statecraft and its resources.

Conclusion

The looming tidal wave of deficit reduction, debt control, and changes in our international role all make it increasingly urgent for the Congress to reexamine our defense budgets and defense priorities. Discipline in defense planning and budgeting is long overdue and increasingly urgent, given these challenges. Congress and the administration can no longer ignore the reality that Americans have neither the will nor the wallet for unprecedented spending that does not set priorities for our statecraft.