PARTICIPANTS:

ADRIANNA PITA

MICHAEL O’HANLON
Senior Fellow - Foreign Policy
Director of Research - Foreign Policy
PITA: You're listening to 5 on 45 from the Brookings podcast network analysis and commentary from Brookings experts on today's news regarding the Trump administration.

O'HANLON: My name is Mike O'Hanlon a senior fellow in the Foreign Policy Studies program and I've been at Brookings now a quarter century, long enough to remember a lot of defense budgets. This one is one of the largest in that time period.

The request that President Trump has just sent to Congress would be for 750 billion dollars - three quarters of a trillion dollars for U.S. national defense. That counts the Pentagon's main regular peacetime activities and forces. It also counts additional costs for the war budgets as well as a lot of money packed into those war budgets without any pretense otherwise that's designed not for the operations abroad but actually for regular peacetime activities. Sort of a work around of the 2011 Budget Control Act and the caps that are imposed there. And finally, this includes the nuclear weapons expenditures and the Department of Energy's National Nuclear Security Agency budget. So, that's what we're talking about defense, the war, the nukes. And this budget is substantially above the Cold War average for those same categories if we look at the period of the 1950s, 60s, 70s, and 80s, and we average after adjusting for inflation and putting everything in 2019 dollars this would be a budget that's about 150 billion a head of or above that average. So, it's quite a bit of money. By that standard it's a relatively modest share of the U.S. economy. It's about three and a half percent of gross domestic product.

If this is approved by the Congress, and I'll come back to that question in just a second, I don't expect that it necessarily will be fully approved but something in the range of 750 billion dollars for national defense or the 050 federal budget function that would be about 150 billion, 160 billion above the inflation adjusted average for the entire Cold War when we had a Soviet Union to worry about. And when we fought hot wars in Korea and Vietnam. So, that's just a little bit of throwing some facts and figures at you to establish the
backdrop. Now let me talk about why I think this amount of money is somewhat excessive. And when I say somewhat excessive it's not because I think we're going to do bad things with the money per se or that the weapons being purchased by the military or the training that the armed forces are doing is somehow wasteful I don't want to make that argument. But, I believe that at a time when we're headed for trillion dollar federal budget deficits which I consider from all the economics I've studied over the years and learn from my economist colleagues at Brookings to be unsustainable and unhealthy for our long term economy and its fundamental health its science base its education base its infrastructure all the things that are important for long term national security and frankly long term military excellence. I think that we should be looking in each and every area of the budget for economies and efficiencies. And so, something that's more in the low 700 range to me would be more appropriate right now in the fiscal year 2019. At 716 billion for that same national defense function. And I think something in that ballpark is okay. A lot of people would say yes but defense costs grow faster than inflation. So, why would you want to stay at the same level as last year you're sort of losing ground relative to inflation if you do? And I agree with that. But the 2019 budget was a huge plus. The first two years of the Trump presidency kicked the defense budget up from the low 600 billion range under President Obama in his latter budgets to the low 700 billion range. And therefore, I think were at sort of an unnatural point of comparison if we use that 2019 budget as our starting point. I think it was sort of an inflated and somewhat pumped up perhaps somewhat larger than necessary budget. A lot of people will say it was needed to recover from all the wars and the readiness crises that all these budget problems and sequestration and government shutdowns and delayed budgets and continuing resolutions produced in the armed forces. And I would agree that there are some gaps to plug and fill which is why I wasn't completely against some level of defense budget increase but the magnitude was quite large in those 2018 and 2019 Trump budgets with a Republican controlled Congress.
And I think now we can sort of get back to a steadier stable level. So, I would favor staying in the low 7 hundreds and then seeing future years grow roughly with inflation and the overall concept that I would advocate for how we should look to make some economies and efficiencies that would be needed to rein in the Pentagon’s appetite that appetite has produced the 750 billion dollar Trump budget proposal or request the kinds of efficiencies that I would support would basically begin with the idea of putting quality ahead of quantity.

Former Pentagon official Jim Miller and I wrote a policy brief about that on the website and we said basically the Pentagon does need to strive for weapons modernization and for resilience in areas like cybersecurity for hitting the cutting edge technologies like artificial intelligence directed energy and hypersonic weapons better than more efficiently faster than China and Russia could do so for staying ahead in areas like stealth and antisubmarine warfare and submarine technology where we are ahead already and want to stay ahead. So, all those kind of emphases on high tech innovation I think are generally good appropriate for the world in which we live with Russia and China competing with us in some ways and also showing some pretty impressive technological capabilities of their own. And I don't want to reduce the emphasis on any of that innovation or modernization. And I think we have to plug gaps in our readiness more spare parts for certain weapons more money for training. We need to hasten the way in which we work weapons through the repair depots. There's been a fair amount of degradation to the force over the last 20 years because of these wars and then these budget shenanigans that have characterized Washington for the last decade that I believe we do need to address in order to compensate and to plug gaps.

So, modernization yes repairs to readiness. Yes, but growth in the size of the force. No and here both the Navy and the Air Force have been proposing roughly 25 percent increases in the size of their combat force structure. I think they can find ways to make do without such big increases. The Air Force probably needs some more long-range strike
platforms some more bombers some more resilient space satellites the Navy probably
needs to hasten its work on underwater unmanned vehicles. So, there are some areas
where their budgets could grow a little and maybe be compensated for by cuts elsewhere.
But for the most part they do not need 25 percent across the board growth which is to a
large extent what they are currently proposing. So, I would oppose and deemphasize and
be very selective about any small increases in quantity or size of the military. So, let's put
quality over quantity emphasize modernization emphasize repairs to readiness but
deephasize growth in the force in most categories of weaponry. And with that philosophy
I think we can stay in the low 700 billion range for US national defense spending.

Still a lot of money but at least some belt tightening that goes along with the broader
national need for fiscal discipline and economic discipline as we try to get those deficits at
least somewhat under control in the years to come.

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