

Myths vs. Realities of Pentagon Spending

Myth: *The military has been cut to the bone. Any more cuts would be “doomsday.”*

Reality: Nearly all of the purported ‘cuts’ to the Pentagon’s budget are actually reductions in the rate of growth, rather than true cuts in funding levels. In reality, even if sequestration is fully enacted as planned under the 2011 Budget Control Act, the Pentagon’s base budget would only return to 2006 levels (adjusted for inflation), which at the time was among the highest levels of spending since World War II.¹

The Pentagon has asked for \$525 billion in funding for fiscal year 2013 – a reduction of only \$6 billion from the current year. The Pentagon budget would then resume its upward climb, rising to \$567 billion in 2017.² As former Assistant Secretary of Defense Lawrence J. Korb has noted, “even when adjusted for inflation, Panetta’s reductions halt the growth in the Pentagon’s budget, but they... do not bring the budget down much from its current level.”³ And while Congress has yet to enact funding for fiscal year 2013, it appears ready to increase the Pentagon’s budget, replacing the Defense Department’s extremely modest reductions with another year of growth.

Current reductions must also be measured against the unprecedented growth in Pentagon spending over the past 13 years. Since 1998, the Pentagon’s base budget has grown by 54% (adjusted for inflation).⁴ Moreover, with the country turning the page on a long decade of war in Iraq and Afghanistan, the planned reductions represent a historically small drawdown when compared with those following the end of Korea, Vietnam, and the Cold War.⁵

Myth: *Defense spending is at near historic lows as a share of GDP, and is scheduled to drop even further as a share of GDP under current plans.*

Reality: Spending as a percentage of GDP does not accurately reflect defense capabilities. Instead, spending should be measured against actual threats to our country and actual spending by other countries. We spend more on the Pentagon

¹ Bloomberg News: [Pentagon Would Keep 2006 Spending Power Under Cuts, CBO Finds](#)

² US Department of Defense: [Budget Fact Sheet](#)

³ Center for American Progress: [Panetta’s Trimmed Defense Budget Is a Good First Step-but It Isn’t Enough](#)

⁴ Project on Defense Alternatives: [The Dynamics of Defense Budget Growth, 1998-2011](#)

⁵ Salon: [Obama’s Republican plan for the Pentagon](#)

and related military activities than all of our potential adversaries combined – over four times what China spends – and roughly double what we spent in 2001.⁶

Defense spending includes not just the Pentagon’s budget, but also intelligence, veteran’s affairs, defense-related atomic energy programs, defense-related interest on the national debt and other defense-related agencies such as the Department of Homeland Security. Altogether, this constitutes 23% of the entire federal budget, more than half of discretionary spending, or \$832 billion.^{7 8 9}

Myth: *Defense cuts will result in massive layoffs, leaving large numbers of unemployed veterans and encouraging outsourcing.*

Reality: Pentagon spending is not a jobs program, and in fact, it is a particularly poor job creator. Virtually any other use of the same money – including a tax cut – creates more jobs. At a time of austerity, maintaining bloated Pentagon budgets will mean cuts in spending on education, infrastructure, clean energy and other needed public investments, resulting in a net loss of jobs nationwide.¹⁰ Cutting Pentagon spending will likely save more jobs than cutting nonmilitary funds, which produce 50% larger economic benefits during times of normal growth.¹¹

We have added 100,000 troops to build our force up for the Afghan and Iraq wars, but we no longer need such a high troop level. Through normal attrition, we can responsibly get back down to previous levels. Significantly, both Marine Corps Commandant Gen. James F. Amos and his predecessor, retired Gen. James T. Conway, believe the current Marine Corps is “both too large and too heavy to fulfill its traditional missions going forward.”¹²

The largest savings can come from eliminating overpriced service contractors. Outsourcing is an even poorer job creator than Pentagon spending as a whole.¹³ Growth in contracting, driven by an army of high-priced lobbyists, has been one of the main causes of growth in the Pentagon’s budget over the past decade. And with several recent years of record profits and billions in backlogged orders, Pentagon contractors have both plenty of money and work to keep their employees busy for years to come.

Myth: *Military cuts will leave the military a “hollow force.”*

Reality: Our conventional and nuclear forces are more capable, better equipped, and better trained than any other military force in the world.¹⁴ For example, as former Secretary of Defense Robert Gates explains, with 11 large, nuclear-powered carriers, the U.S. Navy can carry twice as many aircraft at sea as the rest of the

⁶ [Stockholm International Peace Research Institute: *Background Paper on SIPRI Military Expenditure Data, 2010*](#)

⁷ [CSBA Online: *Of the FY 2012 Defense Budget*](#)

⁸ [Cato at Liberty: *Misleading Images on Defense Spending*](#)

⁹ [Center for Strategic and Budgetary Assessments: *Analysis of the FY 2012 Budget*](#)

¹⁰ [Center for International Policy: *Military Spending: A Poor Job Creator*](#)

¹¹ [The National Bureau of Economic Research: *NBER Working Paper No. 16311*](#)

¹² [Joint Chiefs of Staff: *Gates, Mullen Support Force Reduction Plans*](#)

¹³ [POGO: *Bad Business: Billions of Taxpayer Dollars Wasted on Hiring Contractors*](#)

¹⁴ [CNN: *Obama Unveils Plans for Pared-down Military*](#)

world combined, and the Marine Corps is the largest force of its type, exceeding in size most nations' armies.¹⁵

Despite the scare tactics over 'hollowing out the force,' the reality is that sensible reductions can strengthen U.S. defense capabilities by eliminating waste of limited resources on unnecessary programs. Further, as the U.S. marginally reduces the size of our active duty forces, we will strengthen the capabilities of the Air Force, Navy and Special Forces, creating a more agile and responsive fighting force.¹⁶ The danger of creating a "hollow force" comes not from sensibly reshaping our defense, but from Congress protecting pet projects and contractors and lobbyists protecting corporate welfare. We simply cannot afford to keep buying weapons the Pentagon itself has said it does not want. As Secretary of Defense Leon Panetta has testified, "some of the [Congressional Defense bills] seek to reverse the decisions to eliminate aging and lower priority ships and aircraft. My concern is that if these decisions are totally reversed, then I've got to find money somewhere to maintain this old stuff, where it's got me in a situation where I've got to hollow out the force. We have got to be able to retire what is aged and what we can achieve some savings on."¹⁷

Myth: *China's rapid militarization threatens American supremacy.*

Reality: The truth is that China's "rapid" militarization pales when compared to the current strength of the US military. If the rest of the world combined its capability, the U.S. Navy could still carry twice as many aircraft at sea and have more nuclear-powered attack and cruise missile submarines. Secretary Gates has outlined that "in terms of total missile firepower, the U.S. arguably outmatches the next 20 largest navies. All told, the displacement of the U.S. battle fleet – a proxy for overall fleet capabilities – exceeds, by one recent estimate, at least the next 13 navies combined."¹⁸ Today, the United States Air Force is the most technologically advanced military unit in the world,¹⁹ and General Schoomaker has called this Army the "the best led, trained and equipped Army that I've ever seen in the field."²⁰

Lastly, it is important to note that China is seeking to be a regional power, not a global one. Moreover, China's influence in the Asia Pacific is limited, as surrounding nations look to the U.S. as a balancer to China.²¹

¹⁵ U.S. Department of Defense: [Gates: Sea Services Must Question Embedded Thinking](#)

¹⁶ South Asia Analysis Group: [United States Defense Strategic Review 2012: Global and Regional Implications Analyzed](#)

¹⁷ Secretary Leon Panetta: [Testimony on the FY13 Defense Budget](#)

¹⁸ Center for Arms Control and Nonproliferation: [U.S. vs. Global Defense Spending](#)

¹⁹ U.S. Air Force.com: [United States Air Force](#)

²⁰ U.S. Department of Defense: [The Best Led, Trained, and Equipped Army](#)

²¹ South Asia Analysis Group: [United States Defense Strategic Review 2012: Global and Regional Implications Analyzed](#)

Myth: *The U.S. Navy is smaller than it's been since 1917. Our Air Force is smaller and older than any time since 1947.*

Reality: Counting the number of ships or aircraft is not a good measure of defense strength because their quality has increased dramatically in recent decades. As General Martin Dempsey highlights, “capability is more important than size,” and the U.S. military has drastically increased its effectiveness since 1917 or 1947 in terms of training, precision targeting, and missiles.²²

The independent fact checking website, PolitiFact, recently illustrated the ridiculousness of this myth. As they explain, in 1947, it took dozens of planes and literally hundreds of bombs to destroy a single target because they were so inaccurate. But thanks to smart bombs and stealthy aircraft, today it only takes a single plane and often a single bomb to destroy a target. To understand the absurdity of these historical comparisons, imagine someone arguing that the United States were weaker today than in 1941 because of the massive decrease in our horse-drawn cavalry regiments (we had 15 in 1941 and none today).²³ Simply put, the weapons of today are stronger, smarter, more agile and require fewer platforms to deploy, making historical comparisons completely irrelevant.

Myth: *The last ten years of war severely stressed the military and left the equipment run-down. We need to “reset the force.”*

Reality: In the past decade, the average soldier and unit has benefitted from better training, equipment, and technology, placing the military in excellent shape. Since 2001, the U.S. has spent roughly \$1 trillion on defense procurement, for which funding has grown from \$62.6B in FY01 to \$135.8B in FY10 with the help of supplemental war funding.²⁴ The military has used this spending to modernize its force, while cancelling ineffective acquisition programs and reducing the amount of outdated equipment bought in order to upgrade its current resources and pursue expensive, select systems, such as unmanned aerial vehicles.²⁵

We have a new kind of military. We do not need to update the aircraft and equipment that we had in the past if they do not support the new kinds of missions we encounter today. With the threats of the 21st century requiring a leaner, more agile military, the focus will be on superior technology and equipment that a smaller force can use. For instance, the Air Force contends that it can maintain America’s air superiority without increasing the size of its air fleet, as long as it is awarded unmanned aircraft.²⁶ With more than \$4.1 billion spent, unmanned aerial vehicles have increased since 9/11 from 60 to more than 6,000 today and are actively employed in all current combat missions.²⁷

²² New York Times: [Defense Budget Limits Reach of a Campaign Promise for the Navy](#)

²³ PolitiFact: [Mitt Romney says U.S. Navy is smallest since 1917, Air Force is smallest since 1947](#)

²⁴ Stimson: [What We Bought: Defense Procurement from FY01 to FY10](#)

²⁵ Stimson: [What We Bought: Defense Procurement from FY01 to FY10](#)

²⁶ Wired: [Pentagon Looks to Double Its Unmanned Air Force](#)

²⁷ PBS: [Inside the CIA’s “Kill List”](#)