

# Why the U.S. Military Budget is ‘Foolish and Sustainable’

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by Benjamin H. Friedman and Justin Logan

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*Abstract: What defense budget the United States should have and what defense budget it can afford are separate questions. The debate raging in Washington about Pentagon spending ignores the distinction. Doves insist that we need a more modest military strategy because the current one is wasteful and economically unsustainable. Hawks say that the current approach is sensible and affordable. This article takes a third path, arguing that U.S. military policy is likely to remain extravagant because it is sustainable. We adopted our current strategy—which amounts to trying to run the world with the American military—because we could, not because it was wisest. Wealth and safety make the consequences of bad defense policy abstract for most U.S. taxpayers. So we buy defense like rich people shop, ignoring the balance of costs and benefits. We conflate ideological ambition with what is required for our safety. Unfortunately, the current political demand for austerity and fewer wars will only temporarily restrain our military spending and the ambitions it underwrites.*

This essay first addresses the end of the recent military buildup and the paths defense spending might take in the next decade. It then argues that because current U.S. defense posture is designed for projecting power abroad, not protecting Americans, taxpayers could save great sums on the Pentagon by adopting a more modest strategy. Third, the essay explains why these arguments, even when buttressed by deficit concerns, anti-tax ideology, and rising entitlement costs, will probably offer only limited restraint on U.S. military ambitions and spending.

## Is the Buildup Ending?

U.S. defense spending is most likely at the end of a massive buildup and the start of a moderate drawdown. From 1999, when defense spending began to rise after the post-Cold War peace dividend, until 2010, when war spending peaked, defense spending outlays grew 77 percent in real terms, reaching the highest point since World War II. The non-war portion grew 46 percent, making it roughly commensurate with the heights of the Reagan administration's buildup. Much of the new funding went to activities that do not increase military capability—the wars, administration, and rising salaries and health care for service-members and Pentagon civilians. Nonetheless, the services all received substantial boosts in their procurement accounts, which they used, despite various weapons-buying fiascos, to recapitalize force structure, leaving the force far more capable than it was in the 1990s.<sup>1</sup>

At \$531 billion, the non-war portion of the Pentagon's 2012 budget is slightly higher in nominal terms than the 2011 budget. The draft 2013 non-war defense budget is marginally lower than 2012, however, and would be the first time that the Obama administration attempted to cut base defense spending.<sup>2</sup> Their current plan is to grow the Pentagon budget slightly slower than inflation for the rest of the decade, resulting in an 8 percent real cut by 2020. (The odds of that plan surviving a possible Republican presidency are low.) Including war costs, defense spending began falling in fiscal year 2011 and—assuming that current plans to exit Afghanistan hold and no other wars start—is slated to decline by 27 percent over the decade.

The Pentagon could be in for even deeper cuts. The Budget Control Act—the deficit deal passed in summer 2011—requires cuts of roughly \$1.2 trillion in federal spending by 2021. It created a joint Congressional committee to identify the savings that Congress would then pass by the end of 2011. The committee's failure triggers another way to get those savings: budget caps enforced by the taking—sequestration in budget speak—of any spending above that mark. Half of those savings are to come from the Pentagon. Once you adjust for lowered interest payments on debt, as the law instructs, that is about \$500 billion over nine years. That amount is applied equally across Pentagon programs and taken, starting in January 2013, in annual chunks of \$55 billion, as compared to current Pentagon plans. Under sequestration, non-war defense spending would fall by about 17 percent in real terms from 2010-2020. If the current wars end as planned and no new ones start, military spending would fall by more than a third over the decade.

<sup>1</sup> Russell Rumbaugh, "What We Bought: Defense Procurement From 2001-2010," Stimson Center, October 2011, <http://www.stimson.org/images/uploads/research-pdfs/Contentv2.pdf>.

<sup>2</sup> Tony Capaccio, "Obama Administration Urges Flat 2013-2017 Defense Spending Plan," *Bloomberg*, December 7, 2011, <http://mobile.bloomberg.com/news/2011-12-06/white-house-calls-for-flat-13-17-dod-budget>.

Sequestration, however, is unlikely to occur. Neither the White House nor either party's Congressional leadership favors it. Democrats, however, understand the prospect of sequestration is a hostage they can trade to Republicans in another budget deal. So, Democratic leaders—including the President—say that they will not spare the Pentagon from sequestration without Republican compromise on other items, like the expiration of some of the Bush tax cuts at the end of 2012. A deal of that type might include additional defense cuts made under normal budget rules rather than sequestration. But if Republicans take back the White House and Senate next fall, their first act might be to prevent sequestration by cutting other spending.

Current fights about defense spending are more likely to determine the size and depth of the coming drawdown rather than whether to have it. One reason is that cuts tend to continue for several years. The buildup that began with the Korean War and increased Cold War tension gave way to a drawdown under the fiscally prudish Eisenhower administration that shed roughly 28 percent of defense spending. Real growth resumed under John F. Kennedy and lasted until the peak of Vietnam. Defense outlays then fell 40 percent before growth resumed in 1978. Outlays began to fall again in 1989 as the Cold War ended, resulting in another 28 percent drop before reaching their post-Cold War nadir in 1998.<sup>3</sup> Something about the politics that cause cuts seems to make them last.

Another reason to expect a prolonged drawdown is that bureaucracies prefer it that way. They can use their pull to trade sudden disruptive cuts for more gradual adjustments that yield commensurate savings with less disruption. The Pentagon may soon gamble that they cannot avoid further cuts, so they should push to make them slow and manageable. A third factor favoring a prolonged drawdown is that it makes sense. The U.S. military budget underwrites global ambitions that bear little attachment to the safety of Americans.

### **Reorienting U.S. Grand Strategy for an Insular Maritime Power**

The dirty little secret of U.S. defense politics is that the United States is safe—probably the most secure great power in modern history. Weak neighbors, vast ocean barriers, nuclear weapons and the wealth to build up forces make almost nonexistent the threats that militaries traditionally existed to thwart. Americans cannot seriously fear territorial conquest, civil war, annexation of peripheral territories, or blockade. What passes for enemies here are small potatoes compared with what worried most states at most times.<sup>4</sup> Most

<sup>3</sup>The figures in this paragraph are taken from the Office of Management and Budget's Historical Tables, specifically, Table 6-1, Composition of Outlays: 1940-2016, [www.whitehouse.gov/sites/default/files/omb/budget/fy2012/assets/hist06z1.xls](http://www.whitehouse.gov/sites/default/files/omb/budget/fy2012/assets/hist06z1.xls).

<sup>4</sup>John Mueller, "The Catastrophe Quota: Trouble after the Cold War," *Journal of Conflict Resolution*, September 1994, pp. 355-375.

U.S. military interventions affect U.S. security at best marginally. We have hopes and sometimes interests in the places where we send troops, but no matter how much we repeat it to honor the troops, it is untrue that they are fighting to protect our freedom.

Despite this geopolitical fortune, Washington's defense establishment acts as if the country is terribly insecure. Rather than adopt a defense posture appropriate to our circumstances—one becoming an insular maritime power—or admit that our military policy is aimed at something other than safety, we talk as if no corner of the world is too irrelevant to threaten us. Republican and Democratic foreign policy leaders employ slightly different stories and terminology (primacy or neoconservatism on the right, Wilsonianism or liberal internationalism on the left) to justify the same actions—dispensing forces and promises abroad, meddling and bossing, and generally acting as a continental power on most continents. Like most great powers, the United States exercises power where it can and then tells itself that the exercise was necessary to its security.

If U.S. defense policy actually aimed at defense, the Cold War would have been far less global.<sup>5</sup> The United States would have pulled troops from Europe and Asia once its allies had the wealth to protect themselves—criteria met somewhere in the middle of the Cold War—and the post-Cold War drawdown would have been larger. We would today have fewer allies, fewer wars, and a far smaller military based mostly at home. Below are three strategic changes that would take the United States toward that end, allowing great savings.

### **No More Free Rides**

First, the United States should stop paying security subsidies to rich allies in NATO, Japan and South Korea by garrisoning troops in their nations and guaranteeing their security. The same goes for the various informal allies the United States has accumulated. What U.S. allies get from its protection is clear: a defense discount that frees their treasuries to buy other things. What the United States gets is murkier. One answer is weak allies, whose free ride on the American taxpayer prevents them from developing independent military power. Many foreign policy analysts see that infantilization as hidden benefit of alliances, a way to maintain relative power advantages and global leadership. But weak allies are in fact a hidden cost, a means of guaranteeing that the U.S. taxpayer pays an excessive share of the cost of achieving common goals.

Standard arguments for maintaining the alliances come in two contradictory strains. One, drawn mostly from the run-up to World War II, says that without American protection, the ally would succumb to a rival power, either by force or threat of force, heightening the rival's capability and danger to the

<sup>5</sup> Christopher Layne, *The Peace of Illusions* (Ithaca, NY: Cornell University Press, 2006).

United States. The other argument says that without the United States, the ally would enter a spiral of hostility with a neighbor, creating instability or war that disrupts commerce and costs America more than the protection that prevented it.

The main problem with the first argument is that no hegemon today threatens to unify Europe or Asia. Europe is troubled by debt, not conquest. Russian GDP is today roughly equivalent to that of Spain and Portugal combined. Whatever Russia's hopes, it has no ability to resurrect its Soviet Empire, beyond perhaps those nations in its near abroad that Americans have no good reason to defend. Even today, the military capabilities of Europe's leading powers are sufficient to defend its eastern flank, and they could increase their martial exertions should a bigger threat arise.

Asia is tougher case. South Korea's military superiority over its northern neighbor is sufficient to deter it from an attempt at forcible reunification. By heightening North Korea's security, nuclear weapons may reinforce its capacity for trouble-making, but they do not aid offensive forays. U.S. forces long ago became unnecessary to maintaining the peninsula's territorial status quo.

Chinese efforts to engage in old-fashioned conquest are unlikely, at least beyond Taiwan. Its more probable objective is a kind of Asian Monroe doctrine, meant to exclude the United States.<sup>6</sup> China naturally prefers not to leave its maritime security at the whim of U.S. policymakers and, thus, has sought to improve its anti-access and area-denial capabilities. In the longer term, China's leaders will likely pursue the ability to secure its trade routes by building up longer-range naval forces. They may also try to leverage military power to extract various concessions from nearby states.

Washington's defense analysts typically take those observations as sufficient to establish the necessity that U.S. forces remain in Asia to balance Chinese military power. But to justify a U.S. military presence there, one also needs to show both that Asian nations cannot or will not balance Chinese power themselves and that their failure to do so would greatly harm U.S. security. Neither is likely.

Geography and economics suggest that the states of the region will successfully balance Chinese power—even if we assume that China's economic growth allows it to continue to increase military spending.<sup>7</sup> Bodies of water are natural defenses against offensive military operations. They allow weaker states to achieve security at relatively low cost by investing in naval forces and coastal defenses. That defensive advantage makes balances of power more stable. Not only are several of China's Asian rivals islands, but

<sup>6</sup> John J. Mearsheimer, *The Tragedy of Great Power Politics* (New York: W. W. Norton, 2001), p. 401.

<sup>7</sup> For doubts on that score, see for example, Keith Crane et al., *Modernizing China's Military: Opportunities and Constraints* (Santa Monica, CA: RAND, 2005), pp. 42-43.

those states have the wealth to make Chinese landings on their coast prohibitively expensive. India's mountainous northern border creates similar dynamics.

The prospects of Asian states successfully deterring future Chinese aggression will get even better if, as seems likely, threats of aggression provoke more formal security alliances. Some of that is already occurring. Note for example, the recent joint statement issued by the Philippines and Japan marking a new "strategic partnership" and expressing "common strategic interests" such as "ensuring the safety of sea lines of communication."<sup>8</sup> This sort of multilateral cooperation would likely deepen with a more distant U.S. role. Alliances containing disproportionately large states historically produce free-riding; weaker alliance partners lose incentive to shore up their own defenses.<sup>9</sup>

Even if one assumes that other states in the region would fail to balance China, it is unclear exactly how U.S. citizens would suffer. China's territorial ambitions might grow but are unlikely to span the Pacific. Nor would absorbing a few small export-oriented states slacken China's hunger for the dollars of American consumers.

The argument that U.S. alliances are necessary for stability and global commerce is only slightly more credible. One problem with this claim is that U.S. security guarantees can create moral hazard—emboldening weak allies to take risks they would otherwise avoid in their dealings with neighbors. Alliances can then discourage accommodation among neighboring states, heightening instability and threatening to pull the United States into wars facilitated by its benevolence. Another point against this argument is that even if regional balancing did lead to war, it would not obviously be more costly to the U.S. economy than the cost of the alliance said to prevent it. Neutrality historically pays.<sup>10</sup>

The larger problem with the idea that our alliances are justified by the balancing they prevent is that wars generally require more than the mutual fear that arms competition provokes. Namely, there is usually a territorial conflict or a state bent on conflict. Historical examples of arms races alone causing wars are few.<sup>11</sup> This confusion probably results from misconstruing the causes of

<sup>8</sup> See discussion in Justin Logan, "Asia's Free Riders," *ForeignPolicy.com*, November 9, 2011, available at [http://www.foreignpolicy.com/articles/2011/11/09/asias\\_free\\_riders?page=full](http://www.foreignpolicy.com/articles/2011/11/09/asias_free_riders?page=full).

<sup>9</sup> On free riding in alliances, see Mancur Olson, Jr and Richard Zeckhauser, "An Economic Theory of Alliances," *The Review of Economics and Statistics*, August 1966, pp. 266-279; John R. Oneal, "The Theory of Collective Action and Burden Sharing in NATO," *International Organization*, Summer 1990, pp. 379-402.

<sup>10</sup> Eugene Gholz and Daryl G. Press, "The Effects of Wars on Neutral Countries: Why It Doesn't Pay to Preserve the Peace," *Security Studies*, Summer 2001, pp. 1-57.

<sup>11</sup> Randall Schweller, "Bandwagoning for Profit: Bringing the Revisionist State Back In," *International Security*, Summer 1994, pp. 72-107; Marc Tractenberg, "The Question of Realism," *Security Studies*, Fall 1993, pp. 156-194.

World War I—seeing it as a consequence of mutual fear alone rather than fear produced by the proximity of territorially ambitious states.<sup>12</sup>

Balances of power, as noted, are especially liable to be stable when water separates would-be combatants, as in modern Asia. Japan would likely increase defense spending if U.S. forces left it, and that would likely displease China. But that tension is very unlikely to provoke a regional conflagration. And even that remote scenario is far more likely than the Rube Goldberg scenario needed to argue that peace in Europe requires U.S. forces stationed there. It is not clear that European states would even increase military spending should U.S. troops depart. If they did do so, one struggles to imagine a chain of misperceived hostility sufficient to resurrect the bad old days of European history.

### **Threats to Trade are Overstated**

The second major strategic concept that ought to be discarded is the idea that without American global military dominance, globalization or world trade would be in jeopardy. The argument says that trade requires access to the global commons, which is typically defined as the areas of the sea, space, and air “that belong to no one state and that provide access to much of the globe,”<sup>13</sup> and that access to the commons depends on U.S. military forces, especially naval patrols.

This argument is flawed because it sees global trade as brittle rather than robust. Three faulty assumptions produce that mistake.<sup>14</sup> The first is that United States is the only country with the interest and capability to ensure the flow of trade. Many states, however, are wealthy and dependent enough on trade to defend their shipments if they were required to. If the skies or seas are vulnerable, there are various parties besides the United States with an interest in securing them.

Another false assumption is that threats to peacetime commerce are plentiful. Beyond the localized and economically small problem of piracy, security threats to global trade are few. Policing against theft is essential to international commerce, but few shipments require military protection to reach their destination. No state today regularly uses force to disrupt trade. Most states would do so while at war, but that is an argument for a navy

<sup>12</sup>Keir Lieber, “The New History of World War I and What It Means for International Relations Theory,” *International Security*, Fall 2007, pp. 155-191.

<sup>13</sup>Barry R. Posen, “Command of the Commons: The Military Foundation of U.S. Hegemony,” *International Security*, Summer 2003, p. 8.

<sup>14</sup>These are especially evident in official strategy documents. See for example, Barack Obama, “National Security Strategy,” May 2010, [http://www.whitehouse.gov/sites/default/files/rss\\_viewer/national\\_security\\_strategy.pdf](http://www.whitehouse.gov/sites/default/files/rss_viewer/national_security_strategy.pdf); p. 14. U.S. Department of Defense, “Quadrennial Defense Review Report,” February 2010, [http://www.defense.gov/qdr/images/QDR\\_as\\_of\\_12Feb10\\_1000.pdf](http://www.defense.gov/qdr/images/QDR_as_of_12Feb10_1000.pdf), p. xiv.

capable of keeping sea lanes open amid wars, not using it to patrol the seas at all times.

The third flawed assumption is that economic interdependence is economic vulnerability. The former is a condition that advantages trade. The latter is trade that depends on an irreplaceable source of production or supply line. That vulnerability gives states sound economic reason to use force to stabilize supplier regions or police a trade route. Globalization, the linking together of markets, heightens supply options and thus reduces dependence on any particular source. It is like the difference between villagers depending on one market for food and townspeople choosing among supermarkets. For the United States, unrest in a supplier state or interruption of a supply chain is likely to create market adjustment, a minor price increase, and little eventual harm to consumers.<sup>15</sup> Efforts to prevent such disruptions might even distort price signals by subsidizing the price of goods brought from risky regions.

This argument applies to most goods, including oil.<sup>16</sup> Because oil is a global commodity, disruptions in supply in one place are likely to result in offsetting production increases elsewhere. True, some disruptions—like a major Middle-Eastern war—could overcome the ability of alternative producers to compensate. But if policymakers think it sensible to avoid the possible price spike that results, supply reserves are a better and cheaper means than military options. U.S. military interventions, particularly in that region, may increase instability and oil's price rather than suppress them.

### **No to Nation-Building**

The third strategic concept inflating U.S. defense spending is the presumed importance of trying to change the domestic politics of foreign states. These missions, whether called regime change, counterinsurgency or state-building, have been regular features of U.S. foreign policy for more than a century. They are always justified by some combination of liberal ideology and U.S. security arguments. Because our focus here is the irrelevance of these missions to national security, we address only the latter, which have lately justified these missions as a tool for counterterrorism and non-proliferation.

Effective counterterrorism does not require repairing the politics of states where terrorists dwell. The U.S. occupations of Iraq and Afghanistan show that achieving stability—let alone liberal democracy—in such disordered states is substantially more costly, in every sense, than the trouble the project is meant to prevent. Less obviously, the newly received wisdom that “failed states” cause terrorism is wrong. A tiny minority of failed states has

<sup>15</sup> Gholz and Press, “The Effects of Wars on Neutral Countries,” p. 3.

<sup>16</sup> Eugene Gholz and Daryl G. Press, “Protecting ‘The Prize’: Oil in American Grand Strategy,” *Security Studies*, Fall 2010, pp. 453-85.

provided haven for terrorists that target Americans, meaning that the theory lacks correlation, let alone causation. The chief example of this supposed problem, Afghanistan in the late 1990s, was a threat not because the government failed but rather because its government allied itself with al Qaeda. Having made the Taliban government more effective in the 1990s would have done nothing to prevent the 9/11 attacks.<sup>17</sup> Anarchy is the source of many woes, but they are mostly borne by the locals.

There are many flaws in the species of technocratic idealism nowadays described as state-building or counterinsurgency. Skeptics of these missions are right to bemoan the hubris required to believe that American planners have the wisdom to organize the politics of foreign states. An even more glaring error is the assumption that we can implement our plans—the confusion of the power to occupy states with the power to run them. The Powerpoint slides containing plans for these missions rarely mention nationalism, or the related -isms that define identities regularly offended by the imposition of foreign troops and conducive to armed resistance, including terrorism. Those -isms explain why foreign military occupation tends to increase the amount of terrorism aimed at the occupier.<sup>18</sup>

Thankfully, the theory that overthrowing governments is an efficient means to prevent or discourage weapons proliferation has only been tried once, sort of, in Iraq. That experience should discredit the concept, not just by showing its unreasonable costs but also by highlighting the perverse incentives it creates. The competing experiences of North Korea on one hand and Iraq and Libya on the other have helped show why Iran should want nuclear weapons. Reducing the anxiety of adversary states might dampen their desire to acquire the only reliable deterrent against the United States. Heightening their anxiety by public contemplation of regime change is likely to increase their desire for nuclear weapons rather than discourage it.

### **A Military Budget for an Insular Maritime Power**

Without the strategic justifications just criticized, the U.S. military could be far cheaper. As a rich state remote from trouble, the United States can afford a wait-and-see approach to distant threats, letting others bear the initial cost of meeting them. Abandoning the pretension that global trade depends on U.S. protection would allow vast reductions in overseas missions and peacetime military expenditures. Avoiding the conflation of foreign disorder with foreign threats would allow American leaders to plan for fewer occupational

<sup>17</sup>Justin Logan and Christopher Preble, “Fixing Failed States: A Dissenting View,” in Christopher J. Coyne and Rachel L. Mathers, eds., *The Handbook on the Political Economy of War* (Cheltenham, UK: Edward Elgar, 2011), pp. 379-396.

<sup>18</sup>Robert Pape, *Dying to Win: The Strategic Logic of Suicide Terrorism* (New York: Random House, 2005).

wars. Shedding these missions would allow the Pentagon to lose force structure—reducing the number of U.S. military personnel, the weapons and vehicles procured for them, and operational costs.<sup>19</sup> The resulting force would be more elite, less strained and far less expensive—it could be reduced in cost by a quarter to a third, leaving aside war costs. Here is a rough overview of the savings that sort of force would offer to taxpayers. Certainly, these estimates are rough and deeper cuts would be possible.<sup>20</sup>

A disinclination to occupy poor states and protect rich ones would leave far fewer missions for U.S. ground forces. Cutting a third of the units in the Army and Marines as troops retire would save at least \$250 billion over the decade and leave a force capable of winning any conceivable ground war. Additional tens of billions could be saved by cutting personnel associated with these missions from other services.

A U.S. Navy designed to surge to fight rare wars rather than patrol the world in the name of stability could operate at least three fewer carrier battle groups and air wings, leaving eight and seven, respectively, and get rid of half its expeditionary strike groups, leaving five. The total number of planned ships could fall from 313 to 240 or so. Rather than building two attack submarines a year, the Navy could build one, reducing the total to 40 by 2020, eight years ahead of schedule. The Pentagon could cancel the littoral combat ship and the short-takeoff and vertical-landing version of the F-35 Joint Strike Fighter. These reforms would save around \$125 billion from the Department of the Navy over the next ten years.

Another \$85 billion or so could be saved by cutting about a third of the roughly 2,000 fighter and attack aircraft operated by the Air Force. Precision munitions have vastly increased each aircraft's striking power, making the reduced force plenty capable of handling its reduced responsibilities under a reformed strategy, especially when buttressed by carrier-based airpower.

U.S. nuclear superiority is so overwhelming compared to rivals that halving the nuclear arsenal and eliminating nuclear-armed bombers would not jeopardize the ability to retaliate sufficiently against a nuclear first strike, even given the currently bloated target list. The arsenal becomes even more

<sup>19</sup> Pentagon leaders tend to respond to this argument by pretending that troops brought home from overseas must then be stationed domestically. That allows them to deny that overseas forces are expensive. See, for example, remarks of Robert Gates, "America in the World," American Enterprise Institute, May 24, 2011. So, to be clear, the saving from reducing commitments to defend allies come by lowering manpower requirements, not just by removing the troops from their present locations.

<sup>20</sup> The savings mentioned here are current as of December 2011. The budgetary changes announced by the White House in early 2012, especially reductions in the ground forces and tactical air wings, would, if implemented, encompass some of these recommendations and thus the savings they would produce. These recommendations draw on Benjamin H. Friedman and Christopher Preble, "Budgetary Savings from Military Restraint," Cato Policy Analysis, September 23, 2010, <http://www.cato.org/pubs/pas/PA667.pdf>.

wasteful under a strategy that requires fewer deterrent threats on behalf of allies. Those cuts, along with reductions in spending on weapons infrastructure, would save at least another \$50 billion over ten years.

This reduced force structure would massively reduce the military's need for real estate and administrative support. The Pentagon could hire fewer officers, civilians, and contractors. Combatant commands could be consolidated or eliminated. Additionally, intelligence and research and development budgets could be cut by 10-15 percent. These savings would amount to roughly \$400 billion over ten years.

### **The Sustainability Problem**

The arguments in the last section are good reasons to adopt a more modest military strategy and slash defense spending. But reason does not determine U.S. military strategy. Opportunities and constraints do. Americans tolerate waste and foolishness in the name of security primarily because we can afford it. It is not a great oversimplification to say that we do what our wealth and relative power allow and call the product a security strategy.

The trouble is less that the costs of our military policies are low than that they are diffuse.<sup>21</sup> For most Americans, the only direct cost of foreign policy fiascoes are marginally higher tax rates and unsettling newscasts. Since the draft's end, war kills only the volunteer military and foreigners. By contrast, for Europeans living 100 years ago or the Athenians portrayed by Thucydides, foreign policy failures meant conquest and mass death. Even successful wars would kill many sons and consume a considerable portion of societal wealth.

This argument is consistent with realism. Realism sees rival power, or appreciation of its possibility, as the source of restraint in both domestic and international politics.<sup>22</sup> Power checks power. We can preach self-restraint, but preaching rarely restrains when opportunities for indulgence arise.

The absence of proximate threats to American security permits military ambition. If the United States were threatened by a peer competitor in the Western Hemisphere, Americans would have to choose between confronting that threat and engaging in state-building operations in a Muslim country or

<sup>21</sup> Anthony Downs, *An Economic Theory of Democracy* (New York: Harper and Row, 1957); Mancur Olson, *The Logic of Collective Action* (Cambridge, MA: Harvard University Press, 1971).

<sup>22</sup> Hans Morgenthau approvingly cites John Randolph's statement that "you may cover whole skins of parchment with limitations, but power alone can limit power." See Morgenthau, *Politics among Nations* (New York: Knopf, 1971), p. 219. See also Reinhold Niebuhr, *The Irony of American History* (Chicago: University of Chicago Press, 2008 [1952]); and Deborah Boucoyannis, "The International Wanderings of a Liberal Idea, or Why Liberals Can Learn to Stop Worrying and Love the Balance of Power," *Perspectives on Politics*, December 2007, pp. 703-727.

hedging against remote threats on behalf of security clients in Asia or Europe. But no local threats tie U.S. forces.

Neither do foreign rivals much constrain U.S. adventurism. U.S. military forces would run into trouble if they were asked to invade China or approach various other hostile coasts.<sup>23</sup> The price of occupying states that prefer otherwise has also proved restrictive. Still, invitations for U.S. military aid outnumber restrictions. Many if not most countries either invite our forces to stay or at least would peacefully accept their imposition. The world never lacks for civil unrest whose victims Americans might save at low cost, and outraged editorialists reliably take up the cause. Congress's halls are rarely free of emissaries claiming a U.S. war for their nation would advance U.S. security. Temptation always beckons.

Scholars often attribute this freedom to roam to the post-Cold War circumstance, arguing that Communist rivals checked U.S. ambitions during the Cold War. This is true to an extent. The prospect of war with the Soviets helped keep U.S. troops out of Eastern Europe and North Vietnam. The Chinese chased us from North Korea. Yet the Communist threat also generated invitations from allies for alliances and garrisons. The Soviet Union did not keep the United States from squandering enormous sums, a decade of attention, and 60,000 dead in a war in Indochina for no good security reason.

The permissive environment that even the Cold War offered for U.S. military action was noted at the time by Kenneth Waltz. In a 1967 article opposing the Vietnam War, he judged that “the world balance has now tipped in America’s favor,” and that consequently

if the restraints of international politics press less closely, the question of internal restraint looms ever larger. To study the politics of peace, then, requires examination of domestic politics, especially the politics of the world’s most powerful nation.<sup>24</sup>

Waltz understood that international politics could both restrain and tempt, and that the latter circumstances were liable to produce policies contrary to the *realpolitik* he preferred. He also saw that without powerful external constraints, only domestic forces can force a strategic reappraisal. If that were the scenario in the midst of the Cold War, it is certainly true today. So for some time the chief obstacles of U.S. military ambitions will be domestic.

We see three such restraints today: bad memories of recent wars, relative poverty, and competing priorities for domestic capital: personal consumption enabled by low tax burdens and entitlement costs. These forces forge allies for strategic restraint, sources of competition for the money we spend on the military. They already restrain ambitions and spending somewhat and will likely do so for the foreseeable future. But they are unlikely to prove powerful enough to force the tradeoffs necessary to produce a strategic

<sup>23</sup> Posen, “Command of the Commons.”

<sup>24</sup> Kenneth N. Waltz, “The Politics of Peace,” *International Studies Quarterly*, September 1967, pp. 202, 207.

reversal. Below we explain why these restraints will probably prove limited or temporary.

Just as the memory of the Vietnam War created temporary disinclination to intervene—the Vietnam syndrome—the unhappy American experience in Iraq and Afghanistan has already cast a cloud over U.S. military action.<sup>25</sup> The intervention in Libya, for example, occurred only with solemn promises that no U.S. ground forces would participate, and U.S. forces, for once, supported Europeans. The mood is liable to prove ephemeral, however. The Vietnam syndrome, after all, did not stop the various minor military interventions that took place in the 1980s, and it melted as the Persian Gulf War and the Cold War's end helped restore American enthusiasm for military solutions to foreign troubles.

Moreover, the Iraq and Afghanistan wars will likely cast a shorter shadow than Vietnam. The current wars, unlike Vietnam, are fought by volunteer forces. That fact, along with far lower casualty figures, has helped prevent anti-war sentiment from becoming a powerful political force.<sup>26</sup> The ability to finance the wars in part with deficit spending has had a similar effect. Many of those who will pay the wars' bill are either too young to vote or not yet born. And thankfully, no war tragic enough to create a deeper syndrome appears likely in the near future.

Doves often claim that U.S. military policies and their cost are economically unsustainable. But that is a problem that would solve itself. To paraphrase Herb Stein, unsustainable things end.<sup>27</sup> The current economic malaise should not distract us from how much wealth creation has reduced the burden of expansive military policies. Americans now spend more on defense than they did at the height of the Cold War, but the percentage of wealth devoted to that purpose is far lower. It takes less than five percent of gross domestic product, leaving plenty for other priorities. That such a small slice of American wealth accounts for nearly half the world's military spending shows how cheap military hegemony has become for Americans.

Nonetheless, the rising cost of competing domestic priorities checks military spending. The military budget's economic sustainability, in other words, does not assure its political sustainability. If one plots the percentage of American economic output going to health care and the military since World

<sup>25</sup> John Mueller, "The Iraq Syndrome," *Foreign Affairs*, November/December 2005, pp. 44-55.

<sup>26</sup> Michael C. Horowitz and Matthew S. Levendusky, "Drafting Support for War: Conscription and Mass Support for Warfare," *Journal of Politics*, May 2011 pp. 524-534; Robert S. Erikson and Laura Stoker, "Caught in the Draft: The Effects of Vietnam Draft Lottery Status on Political Attitudes," *American Political Science Review*, May 2011, pp. 221-237.

<sup>27</sup> He put it this way: "If something cannot go on forever, it will stop." See, for example, Herb Stein, "Quotations: On Money, Madness, and Making Mistakes," *Slate*, May 16, 1997. [www.slate.com/articles/business/it\\_seems\\_to\\_me/1997/05/herb\\_steins\\_unfamiliar\\_quotations.single.html](http://www.slate.com/articles/business/it_seems_to_me/1997/05/herb_steins_unfamiliar_quotations.single.html).

War II, the two lines form a flattened X, with health care now approaching the 20 percent once consumed by the Pentagon. Even in boom years, health care spending crowds out some military spending. And the United States has less ability to avoid tradeoffs than ten years ago. As recent analysis by Cindy Williams demonstrates, fiscal imbalances created by the rising costs of entitlement programs, relatively low taxes, and a massive defense establishment will increasingly bring those priorities into conflict.<sup>28</sup>

The Congressional Budget Office (CBO) has two scenarios for the U.S. government's future revenue and spending. Their "extended baseline" scenario assumes the maintenance of current law. That requires several dubious political assumptions: that the Affordable Care Act's reductions in payments to doctors will occur; that the Bush tax cuts will expire as scheduled; and that the alternative minimum tax and the tax brackets themselves will not be adjusted for inflation. CBO's "alternative scenario" makes the opposite and more likely assumptions, and accordingly paints a much grimmer actuarial picture. It estimates that debt held by the public will rise to over 100 percent of GDP by 2021 and over 190 percent of GDP by 2035.<sup>29</sup> Given the potentially severe consequences of such shortfalls, including depressed economic growth and rapidly rising interest rates, the military budget would be an increasingly appealing target for cuts, especially if one considers the political obstacles to radical reform of entitlements or the tax structure.

These same forces suggest a possible crackup on the political right. Of CBO's two alternatives in which increased tax revenues are not included, sizeable cuts come to national defense. If cuts are evenly apportioned among national defense, mandatory spending, and nondefense discretionary spending, national defense falls to 1.6 percent of GDP by 2035, as opposed to 4.7 percent today. If cuts are proportionately allocated to the three spending areas, national defense still declines as a percentage of GDP to 2.6 percent.<sup>30</sup> These tradeoffs could divorce the limited-government faction in the Republican Party from the faction that seeks continually to increase military spending.<sup>31</sup>

There are various ways the Pentagon might escape the brunt of these forces. Robust economic growth, for one, would mean that even declining portions of GDP could buy a military more or less commensurate with today's,

<sup>28</sup> Cindy Williams, "The Future Affordability of U.S. National Security," October 28, 2011, available at [http://web.mit.edu/ssp/people/williams/Williams\\_Tobin\\_paper\\_102811.pdf](http://web.mit.edu/ssp/people/williams/Williams_Tobin_paper_102811.pdf).

<sup>29</sup> *Ibid.*, p. 13.

<sup>30</sup> *Ibid.*, p. 16.

<sup>31</sup> The tension is already mounting. For example, during a recent speech at the American Enterprise Institute, Rep. Howard P. "Buck" McKeon said "If it came that I had only two choices, one was a tax increase and one was to cut defense over and above where we already are, I would vote to strengthen defense." McKeon, Remarks during question and answer portion of "Defending America and the Quest for Peace: 10 Years after 9/11," American Enterprise Institute, September 12, 2011.

limiting the need to reduce its ambitions. The expiration of even a substantial chunk of the Bush tax cuts would greatly reduce pressure on discretionary spending, including the Pentagon's share. Additionally, international change could shift political priorities. The popularity of transferring funds from entitlement programs to the Pentagon or raising taxes to fund it would increase if threats did. Perhaps the most likely escape scenario is that Washington continues to resist any dramatic departure from the current status quo of entitlement spending growth, military spending growth and current tax rates, preferring gradual reforms to all three and continued deficits.

## Conclusion

Today's politics of austerity show how U.S. leaders might avoid the strategic reappraisal we support. Despite mildly reduced spending in coming years, the Pentagon's new strategic guidance did not reflect a substantial revision of missions. Far from jettisoning alliances, the Obama administration is keen on increasing the military commitment to Asia while keeping forces in Europe and the Middle East. Occupational wars are less popular than ten years ago, but U.S. forces recently undertook minor interventions in Libya and central Africa. Democrats with power over the military budget have so far proved unwilling to sacrifice much of it for entitlements, preferring tax increases. Budget caps have tested but not broken the alliance between anti-tax Republicans and neoconservatives. The standard position among Republican presidential contenders, most notably Mitt Romney, is that we should extend the Bush tax cuts and increase military spending.

The well springs of current American military ambitions and spending run deep enough to mostly overcome these domestic restraints. The U.S. military of the 2010s and 2020s will likely have a moderately less ambitious strategy and smaller budget than that of last decade. But the ambitions will still be hegemonic and the budget massive, hardly those of a normal country concerned chiefly with its own affairs. Unfortunately, the old Bolshevik saying, "the worse, the better" may apply for those seeking to rein in American military ambition. Ironically, we are left to push for military restraint while rooting against the conditions liable to produce it.

