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Congress Must Not Shortchange the Military at a Time of War

Baker Spring and Brian M. Riedl

On June 20th, the House of Representatives passed its fiscal year 2007 Defense Appropriations bill. Given that the nation is at war and is conducting extensive military operations in Afghanistan and Iraq to keep Americans at home safe, it is surprising that the bill reduces the Bush Administration's request for defense funding by \$4.1 billion. The Bush Administration has responded negatively to the House action. Its June 20th Statement of Administration Policy on the bill states, "If the President is presented with a final DOD appropriations bill that significantly underfunds the Department of Defense to shift funds to non-security spending, his senior advisors would recommend that he veto that bill." This veto threat is the correct response. Congress should not be allowed to employ such budget trickery, and to shortchange vital defense operations, to boost questionable domestic spending.

During consideration of the fiscal year 2006 Supplemental Appropriations bill earlier this year, the Senate in particular attempted to add billions of dollars in domestic spending to a bill that was primarily intended to fund military operations in Afghanistan and Iraq. President Bush threatened to veto that bill unless the wasteful domestic spending was removed. Ultimately, the conference report to the bill removed the wasteful spending, and President Bush signed the Supplemental Appropriations bill into law on June 15th. Nevertheless, the delays caused by having to go through the process of removing the wasteful spending undermined

orderly management procedures at the Department of Defense. Given the direction that is already being taken for enacting the fiscal year 2007 Defense Appropriations bill, it appears that congressional appropriators have a slow learning curve.

Funding for Wartime Operations Does Not Make Up for the Cut

Defenders of the House's approach are likely to point out that the reduction in the Administration's defense request is more than offset by the bill's \$50 billion in initial funding for wartime operations in fiscal year (FY) 2007. This justification is wrong on both substantive and procedural grounds. Substantively, the \$50 billion is all but certain to be insufficient to meet the needs of wartime operations during FY 2007. A supplemental appropriations bill will still be required. Thus, the \$4.1 billion reduction from the Administration's request for the core defense program will not be made up by the \$50 billion in initial wartime operations funding. Procedurally, the primary purpose of separate wartime operations funding, including through supplemental appropriations, is to ensure that those funding requirements do

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not cut into the core defense functions of the Department of Defense. The \$4.1 billion reduction in core defense funding undermines that central purpose.

Congress should recognize that the core functions of the defense program are essential to keeping the U.S. military the best in the world. For example, many doubt that there is sufficient funding to build the number of ships the Navy needs. The production of two attack submarines a year, which will reduce unit costs, will not be accelerated under the House bill. The bill reduces funding for such vital programs as the Future Combat System for the Army, the Space-Based Radar system, the Transformational Communications Satellite, and certain elements of the missile defense program. The latter especially is urgent at a time that North Korea appears to be preparing to launch a missile in the direction of U.S. territory. At every turn, appropriators seem willing to put U.S. troops and overall national security at risk in order to satisfy an appetite for domestic spending.

If past practices hold true, Congress will "make up" this under-funding in a future supplemental bill while using the \$4.1 billion to fund all manner of new spending. This maneuver is one of many gimmicks that allow appropriators to evade budget caps set in the budget resolution. What appears to be a fiscal trade-off is in reality just budget trickery. Further, the domestic appropriations bills for FY 2007 are likely to contain numerous funding provisions to support program of dubious merit. For example, the Advanced Technology Program spends \$150 million annually on corporate subsidies, much of which goes to Fortune 500 companies such as IBM, General Electric, General Motors, and Motorola. Appropriators continue to fund 342 overlapping economic development programs. Federal program reviews estimate that 38 percent of all examined programs have no demonstrable positive impact on the populations they serve. Finally, lawmakers fund 12,000 pork projects per year, such as grants for therapeutic horseback riding, the Grammy Foundation, and the Alabama Sports Hall of Fame. Diverting vital national security funding into such dubious projects is irresponsible and dangerous.

Addressing the Entitlement Problem

Appropriators may also argue that it is not domestic discretionary spending that threatens to overwhelm defense spending in the long term but the major entitlement programs—Social Security, Medicare, and Medicaid. While this is a powerful argument, it does not justify the pursuit of wasteful spending in domestic discretionary accounts. Rather, appropriators should lead by example in exercising spending discipline.

Further, appropriators should pledge to work with those in Congress concerned about national security to curtail the projected growth in entitlement spending. Defense spending is not a major contributor to the problem of runaway federal spending. Despite that the nation is at war, Department of Defense manpower is at its lowest level in the last 65 years and about a third lower than in 1975. Further, outlays for national security consume only about 4 percent of GDP and are projected to stay at this level or decline slightly well into the future. Will Congress demand that Social Security, Medicare, and Medicaid beneficiary rolls decline by a third from current levels over the next 30 years? Will it demand that these three entitlement programs grow at rates that do not exceed overall economic growth?

A Higher Hurdle for the Veto Strategy

The Bush Administration's veto strategy towards the FY 2007 Defense Appropriations bill will be more difficult to execute than the one it successfully deployed for the FY 2006 Supplemental Appropriations bill. In the case of the supplemental bill, the Administration had the House on its side and was able to prevail in conference and avoid a veto. In the case of the FY 2007 Defense Appropriations bill, the House has already moved in the wrong direction, and Senate is likely to follow suit.

This time around, it appears more likely that President Bush will have to exercise his veto authority. Consistent with the June 20th Statement of Administration Policy, President Bush should veto the Defense Appropriations bill if it reduces funding for core defense programs in order to increase funding for non-security programs. The President should then demand that Congress send him a new bill that fully funds core defense programs.

Conclusion

American troops today are at the frontlines in Afghanistan and Iraq to protect the liberty of the American people and keep them safe from attack. In return, they deserve that Congress provides them the best possible chance to prevail. Further, this commitment should extend to the troops that will be manning the frontlines in the years ahead by starting to build the weapons and equipment they need. Congress cannot be allowed to shirk its duties in this vital area of national security. Playing shell games with vital defense funding in order to

shirk fiscal responsibility cannot be tolerated. If the troops themselves are too polite to remind Congress of its responsibilities, the American people should do so on their behalf.

Baker Spring is FM. Kirby Research Fellow in National Security Policy in the Douglas and Sarah Allison Center for Foreign Policy, and Brian M. Riedl is Grover M. Hermann Fellow in Federal Budgetary Affairs in the Thomas A. Roe Institute for Economic Policy Studies, at The Heritage Foundation.