



Holding the Line: U.S. Defense Strategy

By Cindy Williams, MIT Security Studies Program

In setting a defense agenda for the coming decade, the U.S. faces three major challenges. First, Washington has not yet formulated a military strategy that comes to terms with the end of the cold war. The centerpiece of Clinton strategy—being prepared to nearly simultaneously fight and win two major theater wars against enemies about as capable as Iraq before the 1991 Gulf War—was initially a rationale for preserving America's cold war force structure. Continuing to adhere to the two-war strategy not only siphons resources from peacekeeping and other operations that the nation asks of its military, it also exaggerates the threat posed by regional powers such as North Korea and Iraq. As a result, it distorts perceptions of armed might and preparedness and unnecessarily strains the military.

The Bush administration appears poised to jettison the two-war concept—a good start toward breaking with

the past. It also seems to be shifting greater emphasis onto Asia, another reasonable move, in light of the virtual elimination of the cold war's dangerous political fault lines between Western Europe and its eastern neighbors and given legitimate concerns about strategic stability in East Asia.

While focusing on China as a rising and important regional power is sensible, modifying the two-war Clinton strategy by touting China as the new cold war enemy is not. China's current gross domestic product is less than 8% of the U.S. level; China's defense spending comes to less than 15% of the

Pentagon's budget. The U.S. has more weapons of almost every type than does China, and Chinese weapons inventories generally lag by a generation or more. Exaggerating the Chinese threat makes no more sense than overstating the threats posed by Iraq and North Korea. Declaring an unnecessary cold war against China risks dangerous strategic consequences in the region and could spark a new arms race that would raise the cost of defense well above the peak levels of the first cold war.

Washington's second challenge is that although current U.S. forces are trimmer than during the cold war, they

have not been reshaped to meet the needs of the future or to take full advantage of modern technologies. The third challenge is financial; keeping today's military at its current size and equipping it as planned will cost substantially more money in the future. Although a huge projected budget surplus means that federal coffers could accommodate a rise in defense spending, the nation has other priorities for the windfall. Furthermore, simply raising budgets in an effort to solve problems would make it easier to ignore the first two challenges and delay the overhaul of strategy, forces, and equipment plans that America desperately needs.

The three challenges are intertwined. Adopting a military strategy that reflects genuine interests, threats, and priorities would open the door to reshaping conventional forces—Army combat divisions, Air Force tactical wings, and Navy surface and attack submarine fleets—that are the heart of American fighting power and account for the lion's share of defense budgets. By eliminating elements of the armed forces and reining in ambitious equipment plans left over from the cold war, Washington could save enough money to hold budgets at today's levels in real terms for a decade or more.

Conversely, holding the line against further increases in defense spending could stimulate innovative thinking and modernization of fighting concepts, force structure, and weapons. One thing is certain: Simply adding to defense budgets to feed every Pentagon desire will make it easier to postpone needed change.

It is unclear how the administration will move to resolve the deep problems in U.S. military strategy, forces, and budgets. Early reports indicate the review may largely continue to ratify weapons plans that the Clinton administration inherited from the cold war. Moreover, no serious reshaping of conventional force structure seems to be on the agenda.

Ultimately, fiscal realities and nondefense budget priorities will likely force the administration to embrace conventional force structure reductions and to cancel or substantially curtail expensive weapons programs that are no longer suited to any realistic view of the future. If so, the administration may face an uphill political battle both with the Pentagon and with Congress as it attempts to realize its priorities for the budget surplus, to realign weapons programs, and to modernize the military.

Key Points

- The U.S. can keep a powerful military and protect important security interests without a rise in defense spending over the coming decade.
- Holding defense spending to today's levels will require reducing conventional forces and altering some modernization programs.
- The Bush administration's defense review affords an opportunity to overhaul the nation's military strategy, forces, and equipment plans in light of the challenges and opportunities of the new century.

Problems with Current U.S. Policy

Current U.S. defense policy is hampered by an outdated strategy, outdated forces, and budget pressures.

Outdated Strategy

Press reports indicate that the Bush administration will cast off the two-war concept, a move in the right direction. Clinton strategy declared that preparing to fight in two major theater wars at about the same time was the military's number one priority, even if armed forces were engaged in humanitarian interventions, peacekeeping operations, or other actions. This inconsistency between actual military operations and declared priorities put substantial strain on the armed forces.

President Bush promised during the 2000 election campaign to reduce day-to-day demands on the military. To date, however, the focus for potential reductions has been to avoid new humanitarian missions and to withdraw troops from the Balkans. Neither the administration nor Congress has suggested lowering deployments to Kuwait, Saudi Arabia, and Qatar, which account for about three-quarters of U.S. armed forces rotated overseas; reducing troops stationed in Europe and Asia; or cutting back on the military's exercise of diplomacy. These operations—and probably new ones that even President Bush will find impossible to avoid—seem here to stay.

Furthermore, today's conventional forces are larger than needed for the potential conflicts with North Korea and Iraq that justified the two-war "building blocks" a decade ago. Supporting today's economically strong and militarily capable South Korea against the weakened North would likely require about half the forces currently envisioned for one war. Similarly, prevailing against today's Iraq, weakened by the Gulf War, daily no-fly patrols, and a decade of economic sanctions would take substantially fewer units than the Pentagon claims.

Acknowledging the mismatch between armed forces and realistic missions, the Defense Department in recent years developed a concept of "overmatch," requiring U.S. forces to be much stronger than actually needed to defeat likely threats. Many observers would agree that the U.S. should have such an insurance policy for one war, but maintaining two such insurance policies is unnecessarily expensive. Moreover, exaggerating the size of the forces needed to fight and win against realistic enemies distorts the estimation of U.S. military capability needs.

Outdated Forces

After the cold war ended, the U.S. reduced its conventional force structure. But the remaining forces look like a shrunken version of their cold war predecessors. One reason is that decisionmakers never changed the cold war pattern for dividing the defense budget among the military branches. Current plans for equipping the military also bear a strong resemblance to those of the cold war. Several systems planned during the cold war have been canceled, but almost every major item in today's plans had been part of Pentagon shopping lists during the cold war.

If the focus of Bush security policy tilts toward Asia, as most observers believe it will, then breaking out of the cold war balance between military branches is crucial. For example, in coming to Taiwan's assistance in a cross-strait conflict, American air and sea power would be

more useful than ground forces. The forces the Defense Department envisions for major theater wars are quite unsuited—and vastly oversized in the ground component—for such a scenario.

Furthermore, within its various branches, the armed forces are not properly configured or equipped for many of the jobs they are asked to do. For example, the Army has too few of the specialized units that participate repeatedly in peace operations; its structure and rotation policies exacerbate the problems of restoring readiness after such operations. The Air Force expressed concern after Kosovo that reconnaissance and air defense suppression units were stretched thin. And the Navy lacks the integrated capabilities it needs to track and destroy diesel-electric submarines in the shallow coastal waters where it expects to fight in the future. These problems are all symptomatic of a wider ill: the military has not restructured or sufficiently modified its equipment plans to handle the real missions it faces.

Given the striking changes in the world during the past decade and the rapid advances in technologies for weapons, sensors, navigation, and communications, it would be an astonishing coincidence if the strategy appropriate to the new environment truly required the same allocation of resources, the same military units in the same proportions, and the same equipment as was developed for the cold war. Keeping forces that no longer make sense and holding onto inherited equipment plans reduce resources available for addressing new international security issues. More critically, it fosters a business-as-usual attitude that stifles much-needed innovation and creativity in every aspect of military affairs.

Budget Pressures

Keeping today's armed forces at their present size and outfitting them with the equipment the Defense Department plans to buy will cost tens of billions of dollars more in future years than the current \$310 billion.

Rising weapons costs, pressure for added pay and benefits for military and civilian personnel and retirees, and the growing costs of administration and infrastructure will swell the price tag of maintaining the current force structure. Adding money for Bush priorities like national missile defense will further increase the upward pressure.

The Pentagon has hoped for years to offset cost growth by reforming processes for material acquisition and by seeking efficiencies in infrastructure activities such as base operations, logistics, and health care. Such reforms are critical, but such proposals typically meet with strong opposition from military leaders reluctant to consolidate functions or break traditions, from communities and business leaders wary of economic impacts, from military families concerned about changing the

Key Problems

- U.S. military strategy has not come to terms with the end of the cold war. The inconsistency between declared priorities and actual demands puts strain on the armed forces that is not warranted, given the vastly reduced threats.
 - Today's armed forces and their modernization plans are not well-suited to the future.
 - Maintaining the current military and equipping it as planned will cost substantially more in the future than today.
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structure of pay and benefits, and from members of Congress desiring to protect their districts. Overcoming such opposition requires civilian leaders to exercise enormous political will.

Moreover, even when political obstacles are overcome, savings are often not as large as anticipated. Unfortunately, the savings that can realistically be achieved through acquisition and infrastructure reforms will fall far short of averting budget growth. Other miracle cures often recom-

mended—e.g., further reducing nuclear forces or sharing the defense burden with allies—are similarly unlikely to hold defense spending in check.

The administration can resolve this issue by increasing defense budgets. But the president clearly has other priorities for projected surpluses: reducing taxes and debt, overhauling Medicare and providing prescription drug coverage for the nation's neediest elderly, privatizing Social Security, and improving education.

Toward a New Foreign Policy

Defense Secretary Rumsfeld's review of military strategy, forces, and equipment plans offers a critical opportunity to rethink priorities in light of the future.

Toward a New Military Strategy

America must decide as a nation how it means to use its military and then develop a military strategy consistent with the decision. Assuming that smaller-scale contingencies—including missions in the Persian Gulf, which account for three-quarters of deployed U.S. forces—will continue, Washington must stop pretending that preparing for two major wars, with forces substantially larger than are needed to prevail against any known

enemy, takes precedence over all such smaller actions.

The first priority of conventional forces should be to fight and win wars. But the military's double insurance policy—"overmatch" for two major theater wars—is overly conservative and requires more conventional forces than the U.S. needs. A more appropriate hierarchy puts a single large war in first place, gives second priority to smaller-scale contingencies, and relegates any second large war to third priority—to be handled over time, as forces permit.

ade of the Taiwan Strait is important and likely, then the U.S. should emphasize naval and air forces at the expense of ground units.

Toward a More Affordable Military

By overhauling military strategy, forces, and equipment plans in light of the challenges and opportunities of the new century, the U.S. can ensure a very able military well into the future, without the rise in defense spending that current military allocations and plans will require. The new book, *Holding the Line: U.S. Defense Alternatives for the Early 21st Century*, outlines three strategic options, each of which would allow the Pentagon to reduce conventional forces and reshape plans for new equipment. The first, based on a maritime-centered strategy, would position forces especially well to fight wars when they do not have access to a developed local base structure. The second emphasizes military capabilities needed for long-term peacekeeping operations and for expelling adversaries from defended positions. The third exploits the potential of air forces to project power rapidly in a relatively unpredictable world. By eliminating outdated forces and scaling back on ambitious plans for equipment that made sense for the cold war but do not fit with these visions of the future, all three choices would keep defense budgets constant in real dollars for at least a decade. All would break with the fiscal strategy that annually divides defense budgets into rigid shares for the different branches but makes a mockery of military strategy. By making better use of modern technologies and emphasizing forces and equipment that make sense for the future instead of the past, all three options offer substantial military advantages over the Pentagon's current plans. The book establishes that the nation has more than one strategic alternative to hold the line against future defense spending increases while keeping a very strong military, better suited for future missions and interests than the one the Pentagon envisions.

Some observers hold that the U.S. should develop a strategy independent of budgetary considerations: "Let budgets follow strategy, not the other way around." But strategy means making choices and setting priorities in the face of constrained resources. It is therefore important to come to terms with budget, forces, and strategy in consonance.

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Key Recommendations

- Drop the "two major theater war" standard in favor of a military strategy that matches realistic threats, interests, and missions.
 - Break with the annual tradition of dividing the defense budget into rigid shares among the military branches.
 - Reduce and reshape conventional forces and modernization plans to suit the new century and to hold the line against further increases in annual defense spending.
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Toward More Suitable Forces

Dropping the strategic requirement for fighting a simultaneous second major theater war of the size the Pentagon currently envisions would allow the nation to reduce conventional forces and procurement plans by 15 to 20% across the board. The smaller forces would be more than adequate to handle a single war while conducting multiple smaller-scale contingencies at least as well as today's forces. Across-the-board force reductions would be the easiest choice from a bureaucratic point of view. They would also go a long way toward solving defense budget problems. However, such reductions would leave unaddressed the fundamental mismatch between the current military branch allocations (and the equipment the Pentagon envisions for them) and likely future operations.

Instead, Washington should reshape conventional forces and modernization plans to reflect national interests and priorities of the future, solve specific military problems, and take better advantage of modern technologies. For example, if coming to Taiwan's aid in a mainland block-

Sources for More Information

Organizations

Center for Defense Information

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Publications

Michael E. O'Hanlon, *Defense Policy for the Bush Administration, 2001-2005* (Washington: The Brookings Institution, 2001).

Cindy Williams, ed., *Holding the Line: U.S. Defense Alternatives for the Early 21st Century* (Cambridge, MA: MIT Press, 2001).

Foreign Policy in Focus is a joint project of the Interhemispheric Resource Center (IRC) and the Institute for Policy Studies (IPS). The project depends on sales and subscription income, individual donors, and grants from foundations and churches. *In Focus* internships are available, and we invite article queries and comments.
ISSN 1524-1939

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