

# The defense budget: a study in decline

by Carol White

The current attacks upon the Pentagon are intended to create a picture of a bureaucracy which has wantonly wasted lavish public funds which were placed at its disposal. The truth is just the opposite. Defense spending under the Reagan administration over the past four years, compares unfavorably with the figures spent on defense when Jimmy Carter was President!

In Fiscal Year 1981 (which began in October 1980, the final year of Carter's term of office), real growth in defense budget authorization increased by 13.0%. This peak has never been reached during the Reagan years, and from fiscal 1986 to 1989, we have seen decrease rather than growth in the defense budget, every single year.

The last four years' net losses have amounted cumulatively to 10-11%, and expectations are that minimally, Gramm-Rudman cuts of approximately 9% will become mandatory this summer, as interest rate hikes and bank failures begin to have their impact. Worse yet, the Congressional Budget Office projects a budget deficit for FY 1990 of \$167 billion, which would entail automatic cuts in the military component of at least \$30 billion. It should be noted that these projections do not anticipate a financial crash of the magnitude which informed financial analysts predict will occur no later than January 1989.

## The case of the SDI

While the budget line for research, development, testing, and evaluation (RDT&E) increased by 90%, in real terms, during the Reagan administration, money for research and exploratory development—in other words, development of the technology base—actually fell by 2.5%. Within that, the budget for President Reagan's Strategic Defense Initiative (SDI) suffered a similar fate.

In May of this year, Gen. James Abrahamson, director of the Strategic Defense Initiative Organization (SDIO), warned that the whole SDI effort would be undermined by any further cuts in the program. In previous years, cuts have been absorbed by a combination of narrowing the objectives of the program and stretch-outs. Abrahamson warned that the program would have to be dramatically restructured if more cuts were to be sustained.

Already the across-the-board defense cuts agreed to in last fall's budget summit between Congress and the White House had stripped \$1.7 billion from the amount originally requested by the SDIO, approximately \$6.5 billion for the SDI. The House cut \$1.5 billion from the budget, to bring it below last year's appropriation of \$3.5 billion. The Senate has sought a more modest reduction. A compromise figure is yet to be negotiated.

The present climate of scandal around the Pentagon is being orchestrated as a cover to justify the systematic destruction of the defenses of the United States and the Western alliance as a whole. One proof of this is the manner in which the bogus issue of competition has been raised. Allegedly, "insider" information was traded to industry as a way of allowing corporations to beat out the competition; but in fact the Congress has precluded such competition by forcing the program into premature choices, rather than allowing parallel lines of development. The SDI is a case in point.

At the same time that Abrahamson released his warning about the danger of further cuts in the SDI, he described how the cuts already sustained have sabotaged systems development of near-term applications, such as surveillance and early warning systems. One example is the case of Grumman and Lockheed, both of which are developing technologies for the SDI Boost-Phase Surveillance and Tracking System (BSTS). This same technology can provide early warning—within seconds—of missile attacks.

The SDIO must now terminate one of these two programs, thereby short-circuiting competition between the two corporations, which were developing systems based upon substantially different designs. Such competition is a key element in controlling costs.

While at the Moscow summit in May, President Reagan appeared to take a strong stand in defense of the SDI, against attacks on it by Mikhail Gorbachov, the reality is that a major policy shift is now in the works, to shift the program away from a multi-layered shield over the whole of the United States and Western Europe.

What is now being proposed is a version of the ludicrous proposal by Sen. Sam Nunn (D-Ga.) for an Accidental Launch Protection System (ALPS) of 100 missiles, which would conform to a narrow interpretation of the 1972 Anti-Ballistic Missile Treaty, in conformity to Gorbachov's demands. Since this proposal calls for the use of off-the-shelf—and therefore obsolete—technologies, it would be far cheaper than the SDI. This proposal is now being seconded by the Defense Science Board Task Force Subgroup on Strategic Air Defense, which was given the task of reevaluating the planned first-stage deployment of SDI by Defense Secretary Frank Carlucci at the time of Caspar Weinberger's resignation.

If the SDI is consigned to become a long-term research program, while a few obsolete missiles are placed around Washington, D.C., then the Reagan administration will have chalked up a far worse record than Neville Chamberlain.