

The Korb Report: A **Realistic Defense** for America

By Dr. Lawrence Korb

DEFENSE

ABOUT THE AUTHOR



Lawrence J. Korb is a senior fellow at the Center for American Progress and a senior advisor to the Center for Defense Information both in Washington, D.C. Prior to joining the Center, Korb was Vice President and Director of Studies at the Council on Foreign Relations. He has also been Director of the Center for Public Policy Education and Senior Fellow in Foreign Policy Studies at the Brookings Institution. He was also Dean of the Graduate School of Public Affairs at the University of Pittsburgh, Vice President for Corporate Operations at Raytheon Company, and Director of Defense Studies at the American Enterprise Institute. From 1981-1985, he served in the Reagan Administration as Assistant Secretary of Defense for Manpower, Installations, and Logistics.

SUMMARY



Without diminishing America's ability to fight extremists, American can save \$60 billion by eliminating Cold War-era weapons systems and programs designed to thwart the former Soviet Union – weapons and programs that are not useful in defending our country from extremists or the other threats we now face.

HERE'S WHERE THESE SAVINGS WOULD COME FROM:

- About **\$13 billion** would be saved by reducing the nuclear arsenal to no more than 1,000 warheads, more than enough to maintain nuclear deterrence.
- About **\$7 billion** would be saved by cutting most of the National Missile Defense program, retaining only a basic research program to determine if this attractive idea, which has proven to be an utter failure in actual tests, could ever work in the real world.
- About **\$26 billion** would be saved by scaling back or stopping the research, development, and construction of weapons that are useless to combat modern threats. Many of the weapons involved, like the F/A-22 fighter jet and the Virginia Class Submarine, were designed to fight the defunct Soviet Union.
- Another **\$9 billion** would be saved by eliminating forces, including two active Air Force wings and one carrier group, which are not needed in the current geopolitical environment.
- And about **\$5 billion** would be saved if the giant Pentagon bureaucracy simply functioned in a more efficient manner.

If Congress and the President make these cuts, not only would they have more money to spend on other priorities, but they would also make our military stronger, allowing our soldiers to focus on the weapons, training, and tactics they need to do their jobs and defend our nation.

I **NTRODUCTION** It might seem paradoxical to call for reducing the size of the annual defense budget in the midst of war. Some might even call it unpatriotic or isolationist. But the fact is that the wars in Afghanistan and Iraq are not being funded by the regular annual defense budget. The costs of these wars are being paid for in supplemental appropriations that are considered separately from the defense budget that we will be analyzing in this report.

To date, Congress has approved more than \$300 billion in supplemental funds to conduct these

wars. The vast majority of this money goes to fighting the insurgency in Iraq. These costs, which continue to run about \$6 billion a month, are not the subject of this analysis. However, these budget supplemental appropriations do have an impact on the federal deficit and also constrain the federal government's ability to fund many social programs because the Bush Administration has not raised taxes to pay for the war. In fact it has done the opposite, reducing taxes primarily on the wealthy.

Moreover, the cost of the war in Iraq is much greater than what the Bush Administration led the Congress and the American people to believe before the invasion. In early 2003, the head of the Agency for International Development, Andrew Natis, stated that the reconstruction of Iraq would cost the U.S. taxpayer about \$1.5 billion per year. Paul Wolfowitz, then the Deputy Secretary of Defense and now the head of the World Bank, provided similarly unrealistic lowball estimates.

There's no doubt that had the president told the American people before the invasion that within two years after the invasion of Iraq, this nation would

have spent \$300 billion and lost more than 1,850 lives so that Iraq could have an election, he would have been laughed out of the ballpark. The invasion and its cost were justified on the bogus grounds that Saddam Hussein possessed weapons of mass destruction, including nuclear weapons, and had ties to Al Qaeda. In fact the danger that Saddam supposedly presented was so hyped by the administration that the majority of Americans believed

he had actually been involved in the attacks of September 11. Because of the now famous Downing Street memo, which was written by British intelligence, we now know that the administration fixed the intelligence to support the invasion and

did no realistic planning for the post-major conflict phase of the war.

Some might argue that President Bush had to make substantial increases in the regular defense budget because reductions that former President Clinton had made during his time in office left the military in very bad shape. During the 2000 presidential campaign, Vice President Cheney repeatedly told the military that "help was on the way," and Condoleezza Rice, who headed the National Security Council in Bush's first term and is now the Secretary of State, went so far as to compare the state of the U.S. military at the end of the Clinton years to that of our armed forces on the eve of Pearl Harbor.

These statements of Cheney and Rice were not just campaign hyperbole, they were flat out distortions. In real terms— that is, after accounting for inflation — the defense budget actually grew slightly during the Clinton years, increasing from \$356 billion in Clinton's first term to \$383 billion in his last budget, in spite of the fact that the Cold War had ended. It was in the first George H. Bush administration that the defense

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budget declined, dropping by 16 percent in the elder Bush's four years in office.

Moreover, President Clinton actually spent more on defense than the elder Bush's Secretary of Defense, one Dick Cheney, had recommended. In January 1993, just before leaving office, Cheney presented a six- year defense budget plan to the Congress. Clinton actually spent \$2 billion more than Cheney had argued was necessary. And he actually saved some weapon systems, like the \$10 billion Seawolf submarine program and the \$50 billion dollar V-22 Osprey, which Cheney had recommended be cancelled.

The absurdity of the claims by Cheney and Rice about the state of the U.S. military was demonstrated by its outstanding performance in Afghanistan and

Iraq. The forces which performed so magnificently had been recruited, trained and equipped by the Clinton budgets. The first George W. Bush budget could not go into effect until October 1, 2001.

Finally, some might argue that much of the increase in the regular or baseline defense budget by the Bush Administration must be the result of what President Bush mistakenly calls the global war on terrorism.

Would that it were so. The Department of Defense has only a minor role in protecting the homeland. That burden falls upon the Department of Homeland Security, which has an annual budget of \$40 billion.

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At the most about 2 percent of the Department of Defense budget, or less than \$10 billion, is for homeland security. And as mentioned above, when the Department of Defense takes the offensive against terrorism, as in Afghanistan and Iraq, the Pentagon receives a budget supplemental.



If there were any doubt that even in the midst of the so-called war on terrorism, the Pentagon is still buying weapons it does not need and paying more for those weapons than it should, one need only look at the Boeing tanker deal that the Pentagon tried to push through Congress last year. After internal government emails became public as a result of

complaints from Senator John McCain (R-AZ,) we now know several things about the attempt to get the taxpayers to spend \$23.5 billion for over 100 of these planes. First, the Air Force does not need new tankers. Its own analysis showed that its existing fleet would last until 2040. Second, when Boeing came to the Air Force, and “offered” to build ten 767’s to serve as tankers, the Air Force changed their own analysis to create a need for these tankers. Third, the Air Force could not purchase the new tankers within their existing budget without canceling or slowing down another expensive program like the F/A-22 Raptor, since budget rules demanded that the entire \$23.5 billion cost of the planes be counted when they were bought. Fourth, while leasing allowed the Air Force to spread the cost out over many budgets, it would have cost at least \$5 billion more in the long run. Fifth, the Air Force cooked the books to make leasing appear cheaper. Sixth, those within the Pentagon who challenged the need for the tankers or their costs were prevented from letting the Congress and the American people know.

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To demonstrate that many of the recommendations we make will not undermine national security, it is important to note that several of the recommendations for cuts BLSP made in 2000 have now been carried out. Moreover, these reductions were made after September 11. For

example, five years ago, we recommended canceling the Crusader artillery system and the Comanche helicopter. Secretary Rumsfeld canceled the Crusader in 2002 and the Army killed the Comanche a year later. Had they followed our advice earlier and not let these programs continue in research and development, the American people could have saved several billion dollars. For example, by the time Rumsfeld cancelled the Crusader, \$11 billion had already been spent.



Table I: Defense Budget: Current and Realistic (\$ in billions)

Budget Category	FY 2006	Realistic	Difference	Percent Reduction
READINESS				
Personnel	\$111			
O&M	\$148			
Total	\$259	\$250	\$9	3%
INVESTMENT				
Procurement	\$78			
RDT&E	\$70			
Construction	\$12			
Total	\$160	\$122	\$38*	
DOE & other	\$23	\$10	\$13	57%
TOTAL	\$442	\$382	\$60	14%

*includes \$5.0 billion savings from eliminating waste and inefficiency.

THE FISCAL YEAR (FY) 2006 DEFENSE BUDGET

The Pentagon is asking Congress for \$442 billion for fiscal year 2006, which begins on October 1, 2005, and it would like to spend about \$3 trillion over the next five years. The fiscal year 2006 budget request is about \$20 billion more than it received in 2005 and more than \$100 billion higher than the budget President Bush inherited from President Clinton. In fiscal year 2006, the United States will spend more on defense than the rest of the world combined. And U.S. allies will spend another \$300 billion. Our strategic competitors, Russia and China, will spend less than \$100 billion between them. Moreover, the total combined budgets of such potential adversaries as North Korea, Iran, Syria, Cuba, Libya, and Sudan will be less than \$50 billion.

In the 2006 defense budget, \$111 billion (about 25 percent) will be spent on the pay and benefits of 1.4

million active duty and 800,000 selected or ready reserve military personnel. (The pay of a reservist who is mobilized or called to active duty, as 400,000 have been since September 11, is funded in the supplemental appropriation. The operations and maintenance costs of the forces in Iraq are also covered in the supplemental appropriation.) The Pentagon spends \$148 billion, or 33 percent of its budget, on routine operating and maintenance costs for its 21 Army and Marine active and reserve ground divisions, 11 Navy Carrier battle groups, and 31 Air Force, Navy and Marine air wings. Included in this are pay and benefits for the 700,000 civilians employed by the Department of Defense.

Another \$160 billion or 36 percent of the budget goes for new investment. This is broken down into \$78 billion for buying new planes and ships and tanks; \$69 billion for doing research and developing and testing new weapons; and \$12 billion for building the facilities for the troops and equipment.

Table II: Changes in Investment Programs

WEAPON SYSTEM	FY 2006 Request in Billions	Realistic, in Billions	Savings FY 2006 in Billions	Total Cost, in Billions	Number of Units	Unit Cost in Millions	Savings FY 2006-2011, in Billions
BMD	10.5	3.0	7.5	350.0	n/a	n/a	37.0
F/A-22	4.3	1.0	3.3	64.0	178.0	360.0	25.0
SSN-774	2.6	0.3	2.3	94.0	30.0	3133.0	12.0
DD(X)	1.8	0.0	1.8	20.0	10.0	2000.0	10.0
V-22	1.8	0.2	1.6	50.0	458.0	109.0	10.0
C-130(J)	1.6	0.0	1.6	16.0	100.0	100.0	8.0
F-35	5.2	2.0	3.2	257.0	2458.0	104.0	13.0
Space Weapons	5.0	0.0	5.0	?	?	n/a	25.0
FCS	3.4	1.0	2.4	150.0	n/a	n/a	15.0
R&D	70.0	65.0	5.0	n/a	n/a	n/a	45.0
Total	106.2	72.5	33.7				200.0

The vast majority of the final 10 percent, or \$44 billion, is spent by the Department of Energy on maintaining and safeguarding the 10,000 nuclear weapons in our inventory.

As indicated in Table 1, this baseline, or regular defense budget, can be reduced by about \$60 billion to \$382 billion, or by 14 percent, without jeopardizing national security. This realistic amount is six times more than either China or Russia spends on defense, and almost as much as the rest of the world combined. And in real terms, it is exactly the same size as the defense budget Bush inherited from Clinton, and more than the budget Clinton inherited from the first President Bush. In addition, we will show how to save another \$10 billion by having the Pentagon ask Congress for a rescission or refund on money that has been appropriated

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Our reductions will come primarily in four areas: nuclear forces; cold war era conventional weapons systems; small reductions in Air Force and Navy force structure; and eliminating some of the waste and inefficiency in the Pentagon. In making these reductions, we will draw on analysis done by the Congressional Budget Office, the General Accounting Office, and a report of the task force on a Unified Security Budget for the United States, 2006 (a group of which I was a member).

NUCLEAR FORCES

For the upcoming fiscal year, the Bush Administration proposes to spend nearly \$18 billion on its strategic and tactical nuclear forces. If one adds the approximately \$11 billion that the Pentagon is spending on missile defense, the United States is spending nearly \$30 billion a year on nuclear deterrence. This is the same amount it spent on average during the Cold War, which ended 15 years ago. The Bush Administration argues that this high level of spending on nuclear weapons is necessary to carry out its new nuclear strategy, which was spelled out in its December 2002 Nuclear Posture Review. The new strategy authorizes the first use of nuclear weapons in a preemptive attack against nations that the administration concludes are rogues close to acquiring nuclear weapons.

About \$11 billion a year will go to operating, maintaining and modernizing the bombers and land- and sea-based missiles that carry the 7,000 nuclear weapons in the American arsenal. About 6,000 of these weapons are classified as strategic or intercontinental while the other 1,000 are tactical or battlefield weapons deployed in Europe. Nearly \$1 billion of the \$11 billion will be spent on new Trident submarine-launched ballistic missiles.

Since each of these nuclear weapons has on average 20 times the destructive power of the bomb dropped on Hiroshima, which killed 140,000 people immediately and 240,000 people eventually, the number of weapons is far in excess of

what the United States needs to deter any current or prospective nuclear power from launching an attack on the United States, its allies or its interests. Immediately reducing the number of strategic nuclear weapons to no more than 1,000, eliminating all the tactical or battlefield weapons, and not developing any new weapons will not undermine deterrence in any way and would save a little more than \$8 billion.

In 2006, the administration is asking Congress to allocate nearly \$7 billion for nuclear weapons activities. This money, which is under the control of the Department of Energy, will be spent on researching, expanding and upgrading U.S. nuclear capabilities, as well as for the development of two new nuclear bombs: a new small nuclear weapon or mini-nuke, and a Robust Nuclear Earth Penetrator, or the Bunker Buster.

During the Cold War, the United States spent less than \$4 billion a year on average on these nuclear weapons activities. Reducing the weapons activities budget to its Cold War level by eliminating the programs to develop

new nuclear weapons and reducing the number of warheads to 1,000 would save a little more than \$4 billion.

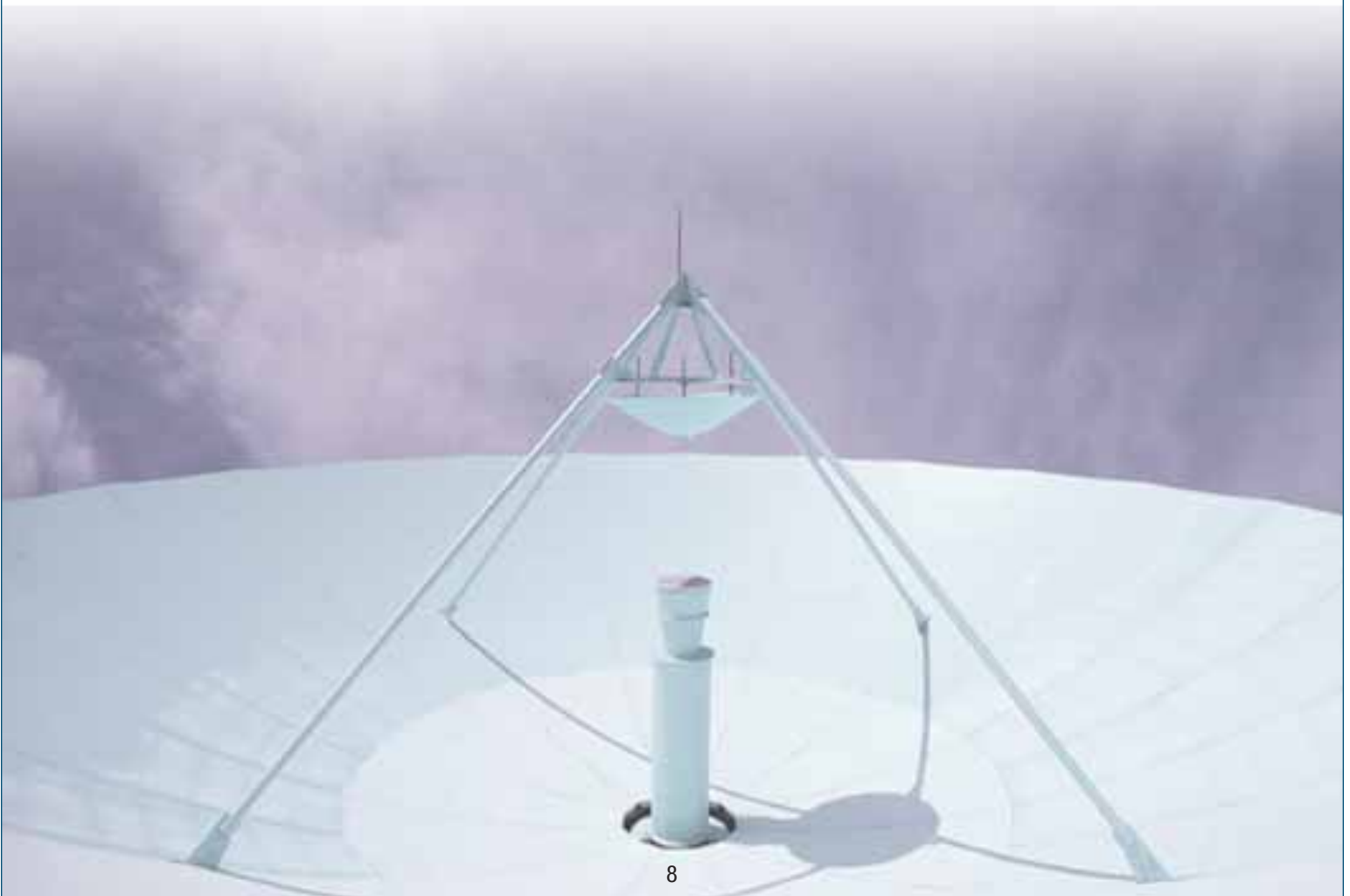
Taking these steps would not only save about \$13 billion, they would actually make us safer. As both President Bush and Senator Kerry agreed in the 2004 presidential campaign, the greatest threat to our national security is a nuclear weapon falling into the hands



of a terrorist group with a global reach. But, if the United States continues to undermine the letter and spirit of the Nuclear Nonproliferation Treaty (NPT) by maintaining an excessively large nuclear force structure and actually trying to develop new nuclear weapons, it will not have any credibility in getting the rest of the world to work with us in slowing nuclear proliferation. The failure of the United States to convince the world to cooperate with us in the May 2005 NPT Review Conference is an indication of our lack of credibility in this area.

Forgoing the development of these smaller nuclear weapons will also make it more difficult for us to actually use nuclear weapons. These smaller nuclear weapons, coupled with the administration's provocative new nuclear preemptive strategy, will inevitably blur the line between conventional and nuclear weapons. Even conservative Republicans like Congressmen David Hobson (R-OH), Joel Hefley (R-CO), and Curt Weldon (R-PA), as well as many military leaders, are alarmed by this nuclear revival.

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BALLISTIC MISSILE DEFENSE

There's no doubt that this nation needs to be concerned about ballistic missile attacks against our troops in the field (Theater Missile Defense or TMD) or against U.S. territory (National Missile Defense or NMD) — and indeed it is. Since President Reagan gave his speech 22 years ago that urged the nation to develop a defense against Soviet intercontinental ballistic missiles, this nation has spent about \$150 billion in a vain attempt to construct such a defense.

President Bush, who in his 2000 campaign promised to deploy a national missile defense before the end of his first term, has spent nearly \$40 billion on this since taking office. Indeed, one of his first acts after taking office was to double the size of Clinton's ballistic missile defense budget—from \$5 to \$10 billion— and withdraw from the anti-ballistic missile (ABM) treaty on the grounds that the agreement, negotiated by President Nixon, would preclude the United States from developing and deploying an effective missile defense. For 2006, the administration is seeking \$10.5 billion for the missile defense program.

Using the funds already allocated, the Bush Administration has already placed eight missile interceptors at launch sites in Alaska and California and expects to have 27 ground- and sea-based interceptors in place by the fall of 2005. If the 2006 budget is approved, the administration would add 16 more interceptors next year. Eventually, the Bush administration would like to deploy a large layered system that will include space-based interceptors. The total cost of the Bush plan over the next 20 years will exceed \$200 billion.

There is increasing evidence that no matter how much money is spent and no matter how long we continue to test it, the system can never work effectively.

There are two problems with the Bush approach. First, the system is not ready for deployment. It has not been successfully tested in over three years. Moreover, to fulfill Bush's campaign promise, the Pentagon took a number of shortcuts that put schedule ahead of performance. The shortcuts included insufficient ground tests of key components, a lack of specifications and standards, and a tendency to postpone the resolution of difficult issues. Finally, there is increasing evidence that no matter how much money is spent and no matter how long we continue to test it, the system can never work effectively.

Second, even if missile defense were to work perfectly, and that is by no means assured, it is still addressing a low-priority threat. Enemy nations can deliver nuclear weapons in many cheaper, more reliable and more accurate ways (for

example, placing a nuclear weapon in a container rather than firing a long-range missile with a return address). The entire BMD program can be reduced from \$10.5 billion to \$3 billion. This would allow the Pentagon to continue testing NMD and provide sufficient funding for such TMD programs as the Patriot (PAC-3) program, which protects the troops in the field.



I **INVESTMENT PROGRAMS**

During the 2000 presidential campaign, President Bush promised to transform the military from a force designed to fight the Soviet military on the plains of Europe to a smaller, more agile force capable of dealing with the challenges of the 21st century. As part of this transformation, then-Governor Bush promised to cancel a large number of weapons systems designed to re-fight the Cold War. The wars in Afghanistan and Iraq demonstrated how inappropriate these Cold War relics are to fighting the global war on terrorism.

Yet since taking office, President Bush has cancelled only two of these systems, the army's Crusader artillery

system and the Comanche helicopter program. Consequently a large portion of the \$160 billion investment program in 2006 is still being spent on systems that deal with threats from a bygone era. Moreover, the cost of those systems will continue to grow in the future unless steps are taken now.

By 2011, the investment budget is expected to grow to about \$200 billion. But that figure is really a lowball estimate. The Bush Administration has \$1.5 trillion worth of weapons systems in various stages of development. And that number assumes that the Pentagon can successfully meet its current cost goals for new weapons systems, something it has not been able to do in this administration. In the past four years alone, the top five weapon systems under development have increased in cost from \$281 billion to \$521 billion, an increase of \$240 billion or 85 percent.

The Pentagon can reverse this trend by taking the following steps. First, cancel outright the following weapon systems: the F/A 22 Raptor fighter attack aircraft; the SSN 7-74 Virginia Class attack submarine; the DDX Destroyer; the V-22 Osprey Tilt Rotor transport aircraft; the C-130 J transport aircraft; and all offensive space-based weapon systems. In addition, the Pentagon should slow down the development of the tri-service F-35 Joint Strike Fighter and the Army's Future Combat System. These steps will save \$30 billion in 2006 alone and more than \$100 billion over the next five years.

F/A-22 RAPTOR

The Raptor is the most unnecessary weapon system currently being built by the Pentagon. It was originally designed to achieve superiority over Soviet fighter jets that were never built. Back in 1985 the Air Force claimed it could build about 750 of these stealth fighter jets for \$35 million each or at a total cost of \$26 billion. Over the last 20 years, the total cost of the program has continued to grow even as the number of planes to be purchased has declined. Just a year ago the Air Force said it could purchase 275 raptors for \$72 billion or about \$262 million per aircraft. At the current time the



Pentagon says it can buy 178 planes for \$64 billion. Assuming no further cost growth, this will mean spending about \$360 million per plane for an unnecessary aircraft, a \$100 million increase in the unit cost in just one year.

The performance of the current generation of Air Force fighters in Afghanistan and Iraq, as well as in the first Persian Gulf War, makes it clear that the Air Force already has the capability to achieve air superiority easily and quickly against any enemy or nation. To put it bluntly, the Taliban, Al Qaeda, and Iraqi insurgents do not have jet fighters for the Raptor to conquer.

The Air Force has recognized this and has added a ground attack or bombing mission to the Raptor. But using the world's most expensive fighter, which travels at twice the speed of sound, for attacking ground targets is neither cost-effective nor technically feasible. Instead

the Air Force should cancel the F/A-22 now and the Pentagon should ask Congress for a rescission on the funds for the program that have been authorized but not spent.

To prevent an excess of aging in the aircraft fleet, the Pentagon should buy upgraded F-16, block sixty planes. Cutting the 2006 request of \$4.3 billion for 24 Raptors and asking for a rescission for the authorized funds will save \$10 billion. About \$1 billion of this could be allocated to purchasing 30 upgraded F-16s, resulting in a net savings of \$9 billion this year and \$5 billion per year for the next five years.

SSN-774 VIRGINIA CLASS SUBMARINES

Like the Raptor, the primary role of the Virginia Class submarine is to combat the next generation of Russian



submarine which, we now know, will never be built. The Navy plans to buy 30 of these boats to replace the SSN-688 Los Angeles Class submarines at an estimated cost of \$94 billion or more than \$3 billion for each submarine. For 2006 the Navy is asking Congress to appropriate \$2.6 billion for one boat and plans to build one vessel per year through 2011 and increase to two per year beginning in 2012.



As these Virginia Class submarines are built, the Navy plans to retire the existing Los Angeles Class submarines early — that is, before

their normal service life is reached. Canceling the Virginia Class and refueling the reactors of the Los Angeles Class can save \$2.3 billion in 2006 and \$12 billion over the next five years.

DD(X) DESTROYER

The proposed DD(X) is a new class of surface combatant that is substantially larger than any existing surface ship — that is, cruiser or destroyer — and is sized more for open ocean warfare against another naval superpower than its stated mission of providing fire support in crowded, dangerous, close-in coastal areas for forces ashore. The program, begun in 1996, has been beset by technological and cost difficulties. The projected unit price has already risen from \$2.7 billion to \$3.3 billion, and at the current rate, the Navy will probably spend about \$20 billion for the first five ships. Canceling the program will save \$1.8 billion in 2006 alone and \$10 billion over the next five years. Moreover, the Navy's Littoral Combat Ship (LCS), which is already under development and will cost \$12 billion for 60 ships or about \$200 million each, is better suited for actual operations ashore.

V-22 OSPREY

The Pentagon began development of the Osprey, which takes off and lands like a helicopter and once airborne flies like a plane, about 20 years ago. It was originally supposed to be a joint service program, but the Army dropped support for the program in the late 1980s. In 1991, then-Secretary of Defense Richard Cheney canceled the program because of cost concerns and continuing technical problems.

Cheney's decision was overridden by Congress and, with the support of Presidents Clinton and George W. Bush, the Department of Defense has now spent \$15 billion on the program. Yet the Osprey is still in a test phase and nowhere ready for operational deployment. Moreover, several accidents, three of which resulted in fatalities,



have occurred during this time. Finally, the cost of the program has risen from about \$30 billion to over \$50 billion.

Under current plans, the Pentagon intends to buy 458 of these aircraft at a cost of over \$100 million each. This assumes that the Pentagon can get costs under control and solve the technical problems. Even if this unlikely scenario comes to pass, the Osprey will be only marginally more capable than existing helicopters in terms of speed range and payload, yet cost at least five times as much. Canceling the V-22 and buying an equivalent number of existing helicopters will save \$1.6

billion in 2006 and \$10 billion over the next five years. And the Pentagon will then save another \$5 billion by asking for research funds appropriated but not allocated for the Osprey.

C-130J

The Pentagon has already spent \$2.6 billion to purchase 50 C-130J transport aircraft. But none of these planes has met commercial contract specifications. It has 168 deficiencies that could cause death, severe injury or illness. Consequently the C-130J cannot perform its intended mission of transporting troops and equipment into combat zones and can be used only for training. Secretary of Defense Rumsfeld is so concerned about the aircraft that he has considered canceling the program. And during the 1990s, when Congress had appropriated more funds for the aircraft than the Pentagon requested, the Air Force contended it did not need the planes. And yet in 2006, the Pentagon is requesting \$1.6 billion to buy 12 more of these aircraft, and the Air Force now contends that it needs the plane. If the Air Force has its way, it would purchase 100 planes at a total cost of \$16.4 billion, or about \$164 million per plane. Canceling the C-130J will save \$1.6 billion in 2006 and \$8 billion over the next five years.

This aircraft should be built. It is more cost-effective to produce the new JSF platform than to upgrade older systems which by 2010 will need to be replaced.

F-35 JOINT STRIKE FIGHTER

The F-35 joint strike fighter (JSF) is an ambitious program to build three related but slightly different aircraft for the Air Force, Navy, and Marine Corps. Current plans call for building 2,458 planes at a total cost of \$257 billion, or slightly more than \$100 million per plane.

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Moreover, since all of these variants use common parts and are manufactured on a single and large-scale production line, it is more affordable than allowing each of the services to develop its own unique aircraft. Finally, since so many allied countries are willing to purchase the fighter, the joint strike fighter will improve our inter-operability with allied forces.

However, given the technological challenges of trying to build three fairly different planes from one design, the program should not be rushed. This country's overwhelming numerical and qualitative advantage in tactical aircraft will not soon be challenged. Therefore, the JSF program can afford to slow down and be reduced from the requested \$5.2 billion in 2006 to \$2 billion and from \$26 billion to \$13 billion over the next five years.



SPACE-BASED OFFENSIVE WEAPONS

The U.S. military already relies heavily on space to conduct its operations. It uses satellites to gather data, speed communications, and conduct electronic eavesdropping. This use of space is considered defensive.

However, the Pentagon now wants the President to sign a new national security directive to enable the military to establish and maintain space superiority. Secretary of Defense Donald Rumsfeld wants the United States to pursue the option to deploy weapons in space to deter threats and defend against attacks on U.S. interests. Under his leadership, the Pentagon has pushed ahead with a multibillion-dollar space weapons program and is developing plans for deployment in the near term.

There are five space-based offensive weapons currently being developed by the Pentagon. First, there are “killer satellites” that would destroy or disrupt an enemy satellite in space. Second, there is the Common Aero Vehicle, or hypersonic aircraft, that can be launched in mid-air and swoop in from space to hit targets up to 3,000 miles away. Third, there is the Hypervelocity Rod Bundle, known as “Rods from God,” consisting of tungsten bars weighing 100 kg or more, deployed from a permanently orbiting platform and able to hit terrestrial

targets at 120 miles a minute (or 7,200 miles an hour) with the force of a small nuclear weapon. Fourth, there is the Space Based Laser or Eagle that employs space-based relay mirrors to direct rays against ground targets. Fifth, there is a program that would use intense radio waves from space to disable old enemy communications.

However tempting the prospects of such expanded strike capabilities might appear at first glance, the reality is that the deployment of such weapons would not only

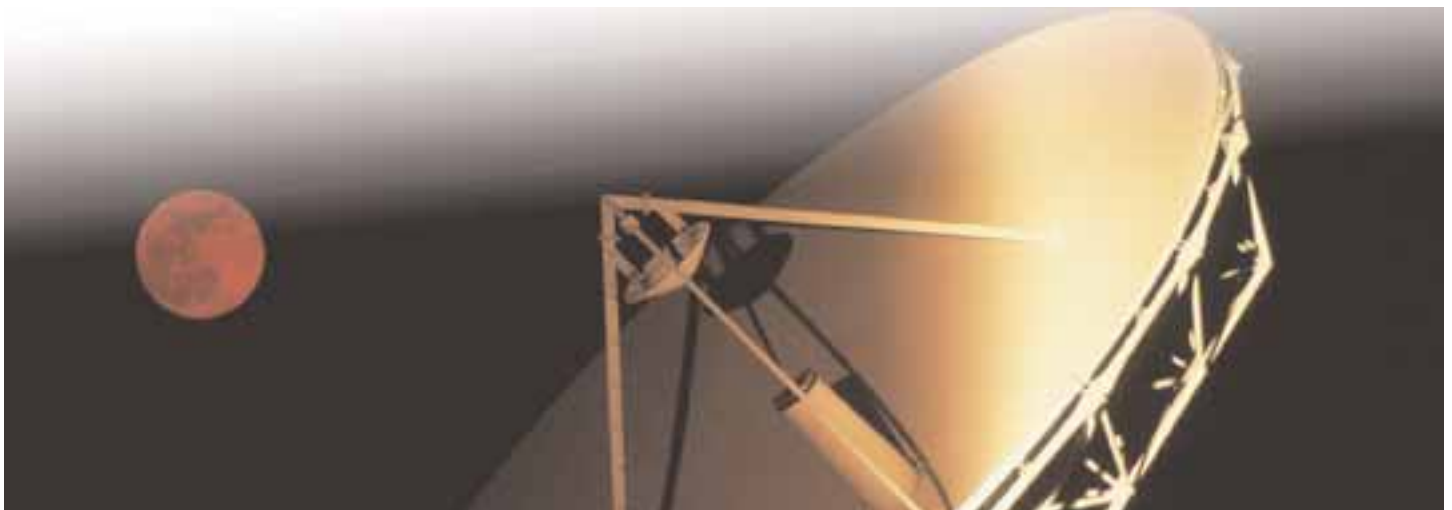
undermine our national security, it would also be an enormous misallocation of defense resources.

Space-based weapons would not significantly expand U.S. military superiority. Our conventional and nuclear weapons are already capable of destroying any of the ground targets that space-based weapons would, and they can do it at a fraction of the cost. Existing intercontinental

ballistic missiles can match the destructive force of the proposed “Rods from God” space weapons program. Richard Garwin, one of the chief nuclear scientists behind the development of the hydrogen bomb, has calculated that the cost per target of a space-based laser would be almost twice that of a Tomahawk missile.

In addition, land- and sea-based forces can be repositioned, concealed or hardened to avoid being destroyed, while space-based weapons are locked into predictable orbits that literally have no place to hide and

Space-based weapons would not significantly expand U.S. military superiority. Canceling these weapons would save \$5 billion this year and at least \$25 billion over the next five years.



are very delicate. Space-based weapons do not have a distinct advantage when it comes to dictating the timing of an attack. A space-based laser attack, for instance, would be restricted to the period when the weapon is over enemy territory; thus, after the first orbit our enemy would know precisely when such an attack would be possible and when it would not.

Finally, deploying space-based weapons is an ineffective way of maintaining the military advantage that we currently derive from our space assets. Our enemies will not allow themselves to be drawn into an expensive, high-tech space-based weapons race that the United States would surely win. Rather, they will take a page out of the Iraqi insurgents' playbook and fight us with far more cost-effective, low-tech asymmetric tactics.

An asymmetric battle could be fought by our enemies with two simple tools: nuclear weapons (ICBMs) and space mines. A nuclear weapon is capable of wrecking havoc on all assets in low Earth orbit by littering space with dangerous debris. It can also disrupt satellite operations with its electromagnetic pulse and radiation. Space mines, meanwhile, will be able to neutralize satellites in more distant orbits by simply releasing pellet clouds into a flight path.

Because these offensive programs are financed in the classified or "black" budget, it is impossible to tell precisely how much the Pentagon has already spent on them. The best guess is that the Bush Administration has already spent at least \$20 billion and is requesting \$5 billion more in the 2006 budget. Canceling these

weapons would save \$5 billion this year and at least \$25 billion over the next five years.

FUTURE COMBAT SYSTEM (FCS)

The Future Combat System is an Army program to build a family of 18 combat vehicles and other systems, including unmanned aerial vehicles and sensors, which will be linked together into an integrated and very complex system. The Army intends to begin equipping its first units with the future combat system in 2011, and eventually will equip about one third of its troops at a cost of at least \$99 billion.

The Future Combat System is necessary for the Army because it will make units more deployable, lethal and survivable. However, its current schedule is far too ambitious, given the complexity of the program. Of the network of 53 crucial technologies, 52 are unproven. Therefore, the \$3.4 billion requested in 2006 should be reduced to \$1 billion, and the \$25 billion proposed over the next five years cut back to \$10 billion.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION (R,D,T&E)

In today's dollars, the Pentagon spent \$46 billion on research, development, test and evaluation (RDT&E) in fiscal year 2001. For fiscal year 2006, this budget has jumped to about \$70 billion. In real terms, this is an increase of over 50 percent, and it's \$20 billion more than the Department of Defense spent on RDT&E in fiscal year 1985, the peak of the Reagan buildup.

Such a large amount for developing sophisticated futuristic weapons is hard to justify in fighting the global war on terrorism. This amount can easily be reduced by \$5 billion in fiscal year 2006 and \$45 billion over the next five years. This is in addition to the cuts in the specific systems listed above.

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FORCE STRUCTURE

The so-called “war on terrorism” has been waged primarily by the ground forces of the Army and Marines. In addition to the 700,000 Army soldiers and Marines on active duty, about 200,000

Army and Marine Reservists have seen action since September 11. In the two years our military has been in Iraq and the three and a half years in Afghanistan, the Air Force and Navy have played minor roles. There are relatively few fixed targets in Afghanistan and the bombing campaign in Iraq lasted but three weeks.

At the present time, the Air Force, Navy and Marine Corps have more than 5,000 tactical combat planes and 1,800 armed helicopters. It is hard to imagine a scenario that would require such large numbers of aircraft. Therefore, two active Air Force wings and one carrier battle group can be eliminated without

overburdening the remaining forces. The annual costs of two wings and the carrier battle group amount to about \$9 billion.

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WASTE AND INEFFICIENCY

Secretary of Defense Rumsfeld estimates that more than \$20 billion a year could be saved by fixing procurement and business

operations. The General Accounting Office and the Congressional Budget Office estimate that \$1 billion a year could be saved by consolidating various activities. Our realistic budget would ask the Pentagon to save \$5 billion a year by eliminating waste and duplication.

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CONCLUSION

The U.S. military must be structured to protect the nation and our global interests. At the present time, this nation is threatened by a group of radical jihadists who object to our policies. In addition, the military, with the help of our allies and partners, needs to deter and if necessary deal

with such contingencies as an attack by China on Taiwan, a North Korean invasion of South Korea, or an Iranian attack on Israel or Saudi Arabia. Our realistic defense budget will be more than adequate to fulfill these responsibilities and will save at least \$200 billion over the next five years.



This report was published by **Business Leaders for Sensible Priorities**, formed in 1996 by top American businesspeople who believe that the federal government's spending priorities are undermining our national security. Business Leaders for Sensible Priorities' 600 members include the present or former CEOs of Bell Industries, Ben and Jerry's, Black Entertainment Television, Hasbro, Men's Warehouse, and Phillips Van Heusen—as well as Ted Turner and Paul Newman. Our aim is to stop funding of weapons designed to defeat the former Soviet Union, and transfer the resulting \$60 billion in savings (15% of the Pentagon budget) to schools, health care, and other priorities.

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To learn about becoming a member of Business Leaders, contact:

Gary Ferdman
P. O. Box 1976
Old Chelsea Station
New York, NY 10113
212-243-3416
garyblsp@aol.com

For media inquiries, contact:

Jason Salzman
Cause Communications
303-292-1524