

The Congressional Budget Office points US spending priorities towards “great power” conflict: Part One

By Nancy Hanover
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A report published by the Congressional Budget Office (CBO) in December invokes explicitly, for the first time, the shift to “great power” conflicts in making a case for the growth of military funding.

Explaining the ever-escalating military budget, it states, “the most recent Nuclear Posture Review, released in 2018, concludes that the geopolitical environment has deteriorated markedly since the last Nuclear Posture Review in 2010 and that the world has returned to a state of ‘Great Power’ competition.”

While the document provides suggestions for massive cuts in social programs to address the \$778 billion US debt, “Options for Reducing the Deficit: 2019 to 2028” makes the case that any reduction to military funding would potentially undermine the American ability to conduct war.

It warns, “the Army has soldiers in more than 140 countries, all four military services are buying highly sophisticated military weaponry to fight against Russia or China, and DoD [Department of Defense] is modernizing all elements of its nuclear forces”—initiatives which they opine could be compromised by any infringement on military spending.

The CBO, which claims to be above politics, states that in line with the “increasing assertiveness with which Russia and China conduct foreign relations,” the world “appears to be entering an era of renewed competition between major powers.” The CBO is rehashing the incessant US propaganda proclaiming Russia to be a military juggernaut menacing its neighbors although the country spent \$66.3 billion on its military in 2017, little more than one-tenth what the US spends every year. In fact, Russia’s military spending has dropped by nearly 20 percent in the last period. China reportedly spent \$146 billion in 2016, about a quarter of the US.

Nonetheless, global military spending has already hit a record \$1.7 trillion—a clear indication of the worldwide breakdown of the capitalist system and the growing threat of World War III.

The Trump administration has consistently demanded increased military spending at the expense of domestic programs. His budget last year called for dismantling 62 different federal agencies and his proposed 2018 budget called

for over \$9 billion in cuts from education. The CBO report should be taken as a sign that even more draconian proposals are in the works.

The CBO report enumerates, “Almost all components of the United States’ nuclear forces are scheduled to be modernized (refurbished or replaced by new systems over the next 20 years. Current plans call for developing and purchasing 12 new SSBNs [nuclear-powered, ballistic missile-carrying submarines], 642 new ICBMs [intercontinental ballistic missiles primarily designed for nuclear weapons] (of which up to 450 would be fielded in existing silos after the silos were refurbished, and the remainder would be spares and test stock), and 80 to 100 B-21 bombers, the next-generation long-range strategic bombers now under development. Through the mid-2030s, modernization is expected to nearly double the amount spent annually on nuclear forces (currently about \$30 billion).”

Reprising the arguments of the military planners in ruling out any reduction of nuclear weaponry, the CBO writes, “In that international atmosphere a new arms control agreement would have little chance of being reached, so a decision by the United States to reduce its stockpile to 1,000 warheads would be unilateral, which some analysts argue could reduce strategic stability.”

The “nonpartisan” CBO purportedly advises federal lawmakers on budgetary options and debt reduction in an objective manner. All official frugality is off the table, however, when it comes the US military which absorbs the vast bulk of US “discretionary” funding and is responsible for the squandering of resources on a scale never before seen by humanity.

The baseline appropriation for the Department of Defense (DoD) in 2019 is a massive \$616 billion, with an increase of about \$34 billion projected for future years through 2023. This is just a portion of the vast sums allocated to the endless wars conducted by the US which receive “overseas contingency” monies and other massive transfusions of cash, not including those earmarked for medical care and veteran services or the vast network of US spying agencies.

The “even-handed” tone of the CBO—providing pro and con positions on every line item—disguises its propaganda and political role. For example, while appearing to entertain the suggestion that the DoD budget could be reduced to levels which prevailed at the height of the Cold War, the CBO rejects this ever-so-modest adjustment out of hand. It states that should the US “slow the rate at which it modernizes weapons systems,” that it could “negatively affect the capability of the military to fight and win wars.”

At various points, the CBO report appears to be providing helpful analysis for slightly differing interests within the military-industrial-intelligence complex, no doubt related to the allocation of vastly lucrative military contracts to specific companies.

Considering the advisability of spending on a particular line item, the CBO will present “for” and “against” arguments. For example, the argument “for” buying more aircraft carriers: “ceasing production of aircraft carriers could hamper the Navy’s fighting ability. Since World War II, the aircraft carrier has been the centerpiece of the U.S. Navy. According to the Navy, each of its 10 older Nimitz class carriers can sustain 95 strike sorties per day and, with each aircraft carrying four 2,000-pound bombs, deliver three-quarters of a million pounds of bombs each day. That firepower far exceeds what any other surface ship can deliver. The new Ford-class aircraft carriers will be able to sustain even more sorties each day.”

The projected cost of the USS Gerald Ford, the country’s 11th supercarrier, is at least \$13 billion. The combined price tag of the ship and its air wing of F-35c fighters, at \$30 billion, is roughly equivalent to what the United Nations estimates for the annual cost of ending world hunger.

Alternatively, the argument “against” buying more aircraft carriers: it would save \$18 billion over 10 years. Further, the CBO points out, that “If national security interests made additional carriers necessary in the future, the Navy could restart production. However, doing so would be more expensive and complex than building new carriers is today, and it takes years to construct such large ships. Building new designs of small warships is a challenge; relearning how to build the largest warship ever produced would pose much greater challenges.” In other words, such a course of action is inadvisable from the standpoint of pursuing global hegemony.

The CBO is traditionally cited as an authoritative source “above politics” on all government funding matters. It was created in 1974 as a result of the conflict between the Congress and the Nixon administration over his “impoundments” or refusal to release billions of dollars for water pollution control, education, health programs, and highway and housing construction because he opposed these programs. The resulting flurry of lawsuits and a full-fledged Constitutional crisis was averted through the 1974 Congressional Budget and Impoundment Control Act, the creation of the CBO as well as the subsequent resignation of Nixon.

The underlying cause for the creation of the CBO was the decline of the US as a world power, expressed in its defeat in Vietnam and, financially, by the catastrophic growth of the US balance of payments deficit and national debt. The CBO’s purpose was to help keep a lid on the growing debt. Its pseudo-objective approach served to mask its fundamental objectives including dismantling the “Great Society” and the “war on poverty” programs. Historically, it has also played a significant role of providing statistical ammunition against any possible expansion of social rights. One of its directors was Peter Orszag, the Obama White House budget director, instrumental in pushing through the national slashing of healthcare costs through the Affordable Care Act.

In other words, the CBO plays a highly political role in framing US spending decisions. Their “nonpartisan” [read bipartisan] reports tend to reflect the minor tactical differences between Democrats and Republicans as they mutually work to protect the oligarchy and maintain US hegemony through the use of the military firepower. For these reasons, the military continues to have a blank check, whereas any actual reform budget proposals—such as making early education available to every youngster in America or forgiving all student loan debt—are never even broached.

Precisely the opposite. Part 2 will examine the potential budget cuts outlined by the CBO. Among those most breathtaking in their sweep and implications for society outlined in “Options for Reducing the Deficit 2019 to 2028” is the complete elimination of Head Start (a projected “savings” of \$92 billion between 2020-2018) or restricting or eliminating federal loan subsidies for higher education (\$7-\$21.6 billion).

To be continued

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