

1973

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Lawrence J. Korb

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### Recommended Citation

Korb, Lawrence J. (1973) "Congressional Impact of Defense Spending, 1962-1973," *Naval War College Review*: Vol. 26 : No. 5 , Article 8.

Available at: <https://digital-commons.usnwc.edu/nwc-review/vol26/iss5/8>

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*The Constitution of the United States gives to the Congress what Richard Fenno has called "The Power of the Purse." In recent years, however, voices have been raised questioning the effectiveness of congressional control over government spending. Given the high cost of new weapons systems, the unpopularity of the Vietnam war, and America's traditional penchant for cutting defense expenditures after all wars, it is hardly surprising that "the hill" is now trying to reassert its prerogative over defense spending. While it is clear that the Congress has already had a decided effect on DOD spending, it remains to be seen whether these cuts represent substantive decisions which will impose a measure of actual congressional control over defense or they are merely designed to give the illusion of action to meet the political demands of the hour.*

## CONGRESSIONAL IMPACT ON DEFENSE SPENDING, 1962-1973: THE PROGRAMMATIC AND FISCAL HYPOTHESES

An article prepared

by

Professor Lawrence J. Korb

**Introduction.** Since the late 1960's, Congress has played a more vigorous role in examining the defense budget. It is not unusual for the authorization and appropriation committee hearings on the major programs in the defense budget to last more than 6 months. With increasing frequency "floor fights" over particular items have extended the legislative phase of the defense budgeting cycle midway into the fiscal year. It would appear that the days when Congress rubberstamps a \$70 billion defense budget in less than an hour are a thing of the past.

If anything, congressional examination of the FY 1974 defense budget will be even more detailed. Several Congressmen have expressed outrage over the fact that the administration had proposed a 5.6 percent rise in the defense

budget while at the same time suggesting reductions in many social programs. Senator John McLellan, Chairman of the Senate Appropriations Committee, announced in May 1973 that he would recommend a reduction of \$5 billion in the FY 1974 defense budget. The administration, despite repeated official statements that there are "no pockets of fat" in the defense budget, fully expects a reduction of at least \$3 billion.<sup>1</sup>

Despite this apparently greater congressional involvement in the defense budget process, many are still not satisfied with its impact. For example, as late as 1972, Adam Yarmolinsky, former Deputy Assistant Secretary of Defense for International Security Affairs, was urging Congress to become more actively involved in the control and

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direction of national defense by making choices about programs in the defense budget.<sup>2</sup>

However, there are some who have said that in the mid-1960's Congress was making real program choices. For example, in examining the congressional impact upon the defense budget from FY 1960 to FY 1970, Arnold Kanter argued that the distribution of congressional changes in the defense budget is consistent with the hypothesis that Congress has a programmatic as well as fiscal orientation toward defense spending.<sup>3</sup> Kanter's quantitative analysis implies that the Congress makes judgments regarding specific defense programs and their relation to national security rather than being exclusively concerned with reducing spending and eliminating waste.

Kanter, however, is not alone in his investigation. Others who have examined all or part of the same period disagree with his conclusions. For example, Carol Goss in analyzing congressional impact upon weapons procurement up through FY 1970 found that Congress had very little impact at the substantive or programmatic level,<sup>4</sup> and Edward Kolodziej found that in the FY 1960 to FY 1963 period there were comparatively few congressional initiatives and innovations in defense policy.<sup>5</sup>

There is no doubt that Congress has had some impact upon the defense budget, but the nature and extent of this impact are debatable.

There seem to be three basic positions on congressional impact upon the defense budget: fiscal, programmatic, or negligible. The fiscal position, or hypothesis, implies that Congress is primarily concerned with the level of defense spending. If this hypothesis is correct, then congressional action on the defense budget would focus on eliminating waste and inefficiencies and would take the form of across-the-board reductions or extending spending programs over longer periods.

On the other hand, the programmatic hypothesis infers that Congress addresses the defense budget in policy terms and uses its power of the purse as a tool to influence the shape of defense programs. If this hypothesis has validity, then the Congress would be concerned with such areas as the level of the manpower in the armed services and the type of weapons in the inventory.<sup>6</sup>

The negligible hypothesis is an adjunct of the other two. Those who hold it feel that although Congress attempts to affect the level of defense spending or defense programs, it has not had a great impact upon either.

In an attempt to resolve the different perceptions of congressional impact upon the defense budget, this paper will examine that impact from a fiscal and programmatic viewpoint for the period from FY 1962 to FY 1973. This particular period was chosen for two reasons. First, it is both long enough and contemporary enough to make meaningful judgments about congressional behavior. Second, it covers the entire period of time in which Congress actually examined the budget in program categories rather than by service.

In analyzing congressional impact upon the defense budget, this analysis will be dealing with new obligational authority (NOA) in the four major appropriation categories:

- Personnel
- Operations and maintenance (O&M)
- Procurement
- Research, development, test, and evaluation (R.D.T.&E.)

Congress does not act on outlays directly, and the major appropriation categories are all considered by the same subcommittee of the Appropriations Committee.<sup>7</sup> Other defense areas such as military construction and military assistance account for less than 5 percent of the total defense budget and are examined by other committees.

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**The Fiscal Hypothesis.** On the aggregate level in the period from FY 1962 to FY 1973, Congress has generally lowered the administration's budget requests. As indicated in table 1, the net impact of the Congress has been to reduce spending authority over these 12 years by \$24.5 billion, or 2.81 percent.

**TABLE 1—CONGRESSIONAL CHANGES  
IN DEFENSE BUDGET REQUESTS:  
FY 1962-1973**

Fiscal Year	Congressional Change <sup>1</sup>	
	% <sup>2</sup>	Millions of Dollars <sup>2</sup>
1962	+0.58	+268
1963	+0.48	+230
1964	-3.66	-1797
1965	-1.51	-717
1966	-0.18	-81
1967	+0.70	+403
1968	-2.30	-1638
1969	-6.75	-5201
1970	-7.49	-5638
1971	-3.13	-2147
1972	-4.02	-2951
1973	<u>-6.56</u>	<u>-5221</u>
Avg. change	-2.81	-2040
Total change		-24490
Avg. absolute change	3.10	2191

<sup>1</sup> Congress deals only with the new obligatory authority (NOA) requests of the administration.

<sup>2</sup> Excludes funds for military construction, civil defense, military assistance, and Atomic Energy Commission.

*Source:* Office of the Assistant Secretary of Defense (Comptroller)

However, this negative impact has become more pronounced in recent years. In only 1 year since FY 1963 has Congress raised the level of defense expenditures. Of greater significance is the fact that congressional reductions of the defense budget have more than doubled, reaching an average level of 5.63 percent from FY 1970 to FY 1973.

cant or meaningful? While this question cannot be answered definitively, there are at least four standards, or benchmarks, against which the congressional fiscal impact can be measured. Congressional changes in the defense budget from FY 1962 to FY 1973 can be measured against:

- the 5 percent standard of significance suggested by Richard Fenno,
- the impact of Congress prior to 1962,
- the impact of the executive branch,
- the impact of Congress in the nondefense areas of the Federal budget.

In an exhaustive analysis of the nonmilitary appropriations process, Richard Fenno argued that changes of less than 5 percent are marginal.<sup>8</sup> Applying this criteria to the congressional impact upon defense spending, we find in table 1 that its overall impact is about 50 percent below the 5 percent threshold and that in only 2 out of the 12 years did congressional changes exceed 5 percent. However, both of these significant changes occurred within the last 4 years, and reductions in these last 4 fiscal years have averaged over 5 percent.

As indicated in table 2, covering the period from FY 1950 when the first budget prepared by a unified Department of Defense (DOD) appeared, through FY 1961, Congress reduced the NOA requests of the administration by \$6.7 billion, or 1.66 percent. The pattern of congressional behavior in these first 12 years was similar to that of the last 12 years, e.g., Congress made reductions in 3 out of 4 years in each period. However, the overall impact of congressional reductions in the FY 1950 to FY 1961 period was 43 percent less than in the FY 1962 to FY 1973 period. Moreover, on only one occasion in the earlier period did congressional reductions exceed 4 percent as compared to three occasions in the latter.

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**TABLE 2—CONGRESSIONAL CHANGES  
IN DEFENSE BUDGET REQUESTS:  
FY 1950-1961**

Fiscal Year	Congressional Change	
	%	Millions of Dollars
1950	- 2.3	- 305
1951	- 0.1	- 69
1952	- 1.0	- 621
1953	- 11.3	- 4664
1954	- 3.9	- 1089
1955	- 3.6	- 1063
1956	- 1.1	- 350
1957	+1.5	+493
1958	- 1.8	- 639
1959	+2.0	+933
1960	- 0.1	- 24
1961	<u>+1.7</u>	<u>+660</u>
Avg. change	- 1.66	- 561
Total change		- 6738
Avg. absolute change	1.74	909

Source: U.S. Congress, House, Appropriations Committee, *Department of Defense Appropriations for 1964*, pt. 2, p. 585.

A measure of congressional impact versus that of the executive branch shows that during the FY 1962 to FY 1973 period administration reductions—those made by the Secretary of Defense and the President—in the service budget requests were many times greater than the cuts made by the Congress in the administration's requests for defense. As indicated in table 3, administration reductions averaged a whopping 15.86 percent.

However, this picture is somewhat distorted by administration activities during the Vietnam war years. From FY 1965 through FY 1969, Secretary of Defense McNamara's guidelines for reducing the service budget requests were totally unrealistic. He assumed that the war would end by the end of the fiscal year and that there would be no increase in the level of U.S. strength during the fiscal year.<sup>9</sup> The reductions for these 5 years averaged 23.58 percent; however, because of McNamara's

unrealistic outlook, nearly 60 percent of his reductions had to be restored by supplements. From 1965 to 1969 DOD received over \$33 billion in supplements to fight the war. If the reductions in these years are discounted by 60 percent, administration reductions fall to 9.69 percent, but if one excludes these 5 years, administration reductions average a somewhat more realistic 10.49 percent. Moreover, in the first three budgets prepared by the Nixon administration (FY 1971-73), administration reductions averaged only 3.75 percent. This is less than the average of 4.64 percent made by Congress in the same period.

**TABLE 3—ADMINISTRATION  
REDUCTIONS IN THE BUDGET  
REQUESTS OF THE MILITARY  
DEPARTMENTS: FY 1962-1973**

Fiscal Year	Percentage Reduction
1962	- 8.07
1963	- 9.78
1964	- 19.70
1965	- 28.09
1966	- 20.10
1967	- 21.59
1968	- 22.91
1969	- 24.09
1970	- 24.69
1971	- 9.05
1972	- 0.13
1973	<u>- 2.06</u>
Avg. reduction	- 15.86
Avg. absolute reduction	15.86

Source: Assistant Secretary of Defense (Comptroller)

If one looks only at the average changes in the nondefense areas of the Federal budget from FY 1962 to FY 1973, the overall congressional impact has been considerably less than that in the defense area. As indicated in table 4, Congress has reduced the nondefense areas of the budget by only 0.6 percent as compared to defense cuts of 2.8 percent. However, as the average absolute change figures indicate, this is a

somewhat misleading figure, for the absolute changes in the defense area are actually 14 percent below those in the nondefense area.

TABLE 4—CONGRESSIONAL CHANGES  
IN BUDGET REQUESTS

Congressional Changes (%) In			
Fiscal Year	Total Budget <sup>1</sup>	Defense Budget	Non-Defense
1962	-4.9	+0.6	-5.7
1963	-4.2	+0.5	-4.8
1964	-5.9	-3.7	-2.1
1965	-3.8	-1.5	-2.3
1966	-2.0	-0.2	-1.8
1967	-6.4	+0.7	-7.2
1968	-3.7	-2.3	-2.3
1969	-8.4	-6.8	-1.6
1970	-1.7	-7.5	+5.8
1971	+0.7	-3.1	+2.5
1972	-4.2	-4.0	-0.2
1973	<u>+4.7</u>	<u>-6.6</u>	<u>+10.2</u>
Avg. change	-3.3	-2.8	-0.6
Avg. absolute change	4.2	3.1	3.6

<sup>1</sup>Excludes trust funds.

Sources: Total budget changes from FY 1962 to FY 1970, from Carol Goss, "Congress and Weapons Procurement," Paper delivered at the American Political Science Association Meeting, Los Angeles, Calif., September 1970, p. 11. For FY 1971 to FY 1973 from Joint Committee on Reduction of Federal Expenditures, *1974 Budget Scorekeeping Report*, 93/1, p. 32-33. Defense budget changes from table 1.

The reason for the distortion is that over the first 8 years of the period Congress reduced nondefense expenditures each year, while in the last 4 years it has increased spending authority in these areas. From FY 1962 through FY 1969 Congress reduced the nondefense area by an average of 3.4 percent, and in 3 of those 8 years made reductions of more than 5 percent. But from FY 1970 through FY 1973 Congress has increased the nondefense area by 4.6 percent, and in 2 of these 4 years it has increased nondefense spending by over 5 percent.

The defense area picture is almost the reverse. From FY 1962 to FY 1969 defense expenditures were reduced by only 1 percent. But since FY 1970 Congress has reduced defense spending authority by 5.35 percent.

On the aggregate level the overall fiscal impact of Congress upon the defense budget in the period from FY 1962 to FY 1973 has been significant only when compared to the impact of previous Congresses. The data contained in the preceding tables indicate that the congressional impact has not been significant when compared to the 5 percent standard or administration reductions. The comparison to the nondefense area of the budget presents a mixed picture. Congressional reductions in the defense area are greater, but its absolute changes are less.

However, in looking only at the years of the Nixon administration, a period of increasing congressional involvement, a different picture emerges. As table 5 indicates, the fiscal impact of Congress on defense has been greater than 5 percent, more than that of the administration, and larger than in nondefense areas.

**The Programmatic Hypothesis.** The previous discussion centered on the congressional impact on the defense budget at the aggregate or macrolevel. However, analysis can present a distorted picture at this level. For example, in FY 1961, the overall fiscal impact of the Congress was a relatively small 1.7 percent, amounting to a net increase of \$662 million. However, this total resulted from increases of \$1.9 billion and decreases of \$1.3 billion or an absolute change of \$3.2 billion or 8.1 percent.<sup>10</sup>

To gain a more informative indication of congressional impact on defense spending, DOD's budget can be disaggregated into the separate appropriation titles, and these titles can be further broken down into individual line items within these titles. It was through

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TABLE 5—CONGRESSIONAL IMPACT: FY 1970-1973

Fiscal Year	Congressional Changes In		Administration Reductions In Service Requests
	Defense	Non-Defense	
1970	- 7.5	+5.8	*
1971	- 3.1	+2.5	- 9.05
1972	- 4.2	.0	- 0.13
1973	<u>- 6.6</u>	<u>+10.2</u>	<u>- 2.06</u>
Average	- 5.4	+4.6	- 3.74

\*FY 1970 reductions made by Johnson administration.

Sources: Tables 1 through 4.

an analysis of congressional impact upon the major appropriation titles and 28 individual line items within these titles that Kanter concluded that Congress was making program choices. The following discussion will begin by making use of the techniques employed by Kanter in these areas to assess the impact of Congress for the FY 1962 to FY 1973 period.

In examining the defense budget at the program category or appropriation title level over the past 12 years, it becomes obvious that while the direction of change made within the defense budget is almost uniform, the magnitude is not. As table 6 indicates, the changes in each title have been almost entirely negative. Congress has increased the level of funding on only two occasions in the personnel, O&M, and procurement categories and on only three occasions on the R.D.T.&E. area.

The same breakdown, however, indicates that very few changes have been made in either personnel or O&M categories, while the changes in procurement and R.D.T.&E. have been quite substantial. The changes in personnel and O&M are well below both the levels of the average and absolute changes and have vacillated within a narrow range.

Personnel changes have never exceeded

4 percent, while O&M changes have never been greater than 5 percent.

On the other hand, changes in the procurement and R.D.T.&E. categories have been consistently greater than those in the first two categories with the exception of FY 1966. So much so that changes in the procurement and R.D.T.&E. categories have satisfied the 5 percent standard of significance, and on several occasions changes in these areas have been over 10 percent.

By every standard of measurement, changes in the procurement area have been the largest. Procurement changes are more than four times greater than those in either personnel or O&M, and the average annual reduction in this category is greater than in the other three categories combined.

The disparity among the categories has been increasing since FY 1970. During the last 4 years, personnel reductions have averaged 1.87 percent, O&M 2.29 percent, procurement 11.95 percent, and R.D.T.&E. 7.49 percent. Thus procurement changes are now more than five times greater than those in either personnel or O&M.

In analyzing the 28 service line items contained within the four major appropriations titles, Kanter made use of two techniques: the relative concentration

**TABLE 6—CONGRESSIONAL CHANGES IN THE DEFENSE BUDGET,  
BY APPROPRIATION TITLE**

Title	Fiscal Year					
	62	63	64	65	66	67
Personnel	- 0.46	- 1.12	- 2.90	- 0.20	+0.27	+0.29
O&M	- 0.53	- 0.03	- 0.66	- 0.67	+0.17	+0.18
Procurement	- 1.10	+1.23	- 6.09	- 2.43	- 0.07	+1.43
R.D.T.&E.	<u>+9.48</u>	<u>+2.62</u>	<u>- 4.31</u>	<u>- 4.06</u>	<u>- 2.07</u>	<u>+1.14</u>
Total	+ .58	+0.48	- 3.66	- 1.51	- 0.18	+0.70
	<b>68</b>	<b>69</b>	<b>70</b>	<b>71</b>	<b>72</b>	<b>73</b>
Personnel	- 1.00	- 1.92	- 3.31	- 1.23	- 1.06	- 1.88
O&M	- 1.46	- 4.49	- 4.28	- 0.78	- 1.68	- 2.42
Procurement	- 4.00	- 14.07	- 14.58	- 7.65	- 9.67	- 15.91
R.D.T.&E.	<u>- 2.25</u>	<u>- 5.68</u>	<u>- 10.37</u>	<u>- 4.99</u>	<u>- 5.41</u>	<u>- 9.22</u>
Total	- 2.30	- 6.75	- 7.49	- 3.13	- 4.02	- 6.56
	<b>Average Change</b>		<b>Absolute Change</b>			
Personnel	- 1.21		1.30			
O&M	- 1.38		1.43			
Procurement	- 6.07		6.51			
R.D.T.&E.	<u>- 2.92</u>		<u>5.12</u>			
Total	- 2.81		3.10			

Source: Assistant Secretary of Defense (Comptroller).

of "no change" outcomes and the mean absolute difference between the President's budget request and the congressional outcome for each item.

Since this analysis is concerned with 28 line items for each year of a 12-year period, Congress has had the opportunity to make 336 changes. As table 7 indicates, Congress has made changes in 276, or 83 percent, of these cases. However, just as the reductions were not distributed evenly over the four major categories, neither were the 60 "no change" items. More than half of the items left unchanged by the Congress over the 12-year period were in the personnel category alone, while personnel and O&M together accounted for

over 80 percent of the "no change" outcomes.

However, as the number of line items is not the same in each category, an adjustment is needed to balance the categories. The index of relative concentration compensates for the unevenness of line items. Nevertheless, even when this adjustment is made, the relative concentration of "no change" decisions in personnel is still greater than the sum of such decisions appearing in the procurement and R.D.T.&E. categories.

Also, the decreasing number of line items left unchanged by the Congress reflects an increased willingness to alter defense requests. Forty-five percent of the "no change" outcomes occurred



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TABLE 7—DISTRIBUTION OF “NO CHANGE” OUTCOMES BY FISCAL YEAR AND APPROPRIATION TITLE

	Fiscal Year											
	62	63	64	65	66	67	68	69	70	71	72	73
Number	8	4	7	8	13	9	6	1	1	3	0	0
%	13	7	12	13	22	15	10	2	2	5	0	0

Title	Line Items	No Change		Relative Concentration <sup>1</sup>
		Number	%	
Personnel	10	36	60	1.69 <sup>2</sup>
O&M	6	13	22	1.01
Procurement	8	8	13	.47
R.D.T.&E.	4	<u>3</u>	<u>5</u>	.35
Total		60	100	

<sup>1</sup> Derived by calculating (1) the incidence of no changes in a category as a percentage of the total number of no changes, (2) the number of line items in a category as a percentage of the total number of line items, and dividing (1) by (2).

<sup>2</sup> < 1.00 = less than expected.

> 1.00 = more than expected.

Source: Derived from data furnished by OASD (Comptroller).

prior to the Vietnam war, i.e., from FY 1962 to FY 1965. Another 49 percent took place during the war, i.e., from FY 1966 to FY 1969. In the last 4 years there have been only four “no change” outcomes, and in the last 2 fiscal years Congress has changed every one of the 28 line items.

A second measure that can furnish an indication of congressional impact upon each line item is the mean absolute difference. To employ this technique one takes the absolute difference between the amount requested by the President and the amount actually appropriated by Congress for each item and then divides this figure by the President's request. This yields a percentage figure which can serve as an index of congressional activity in the particular area.

Table 8 summarizes the average or mean absolute difference for each of the items in the defense budget both for each program category and for the entire defense budget. The data presented in this table confirm the conclusions offered by the two preceding techniques; i.e., congressional activity is much greater in the procurement and R.D.T.&E. categories than in personnel or O&M. The mean absolute difference for procurement is nearly four times greater than that of either personnel or O&M. Table 8 also indicates that this disparity is growing wider as the congressional impact upon the DOD budget increases. The mean absolute difference for the FY 1970 to FY 1973 period was 230 percent greater than the earlier period, but personnel and O&M changed only slightly from FY 1962-FY 1969 to

**TABLE 8—MEAN ABSOLUTE DIFFERENCE IN THE MAJOR APPROPRIATION TITLES AS MEASURED BY LINE ITEM**

Fiscal Year	62	63	64	65	66	67	68	69	70	71	72	73
Mean Absolute Difference <sup>1</sup>	2.5	2.3	2.7	1.8	2.1	1.2	2.4	7.3	8.0	4.7	5.3	7.7
Category	FY 1962-1973			FY 1962-1969			FY 1970-1973					
Personnel	1.233			1.075			1.549					
O&M	1.542			1.260			2.106					
Procurement	5.862			4.425			8.736					
R.D.T.&E.	<u>5.222</u>			<u>4.565</u>			<u>6.536</u>					
Total	4.000			2.787			6.425					

<sup>1</sup> Entire Defense Budget.

Source: OASD (Comptroller)

#### FY 1970-FY 1973.

Analysis of congressional changes on both the appropriation title level and the line item level indicates that congressional impact on the DOD budget has not been uniform. Most of the congressional activity in the FY 1962-FY-1973 period has been concentrated in the procurement and R.D.T.&E. categories and, as the congressional impact has increased since FY 1970, activity in these categories has also increased, particularly in the procurement category.

Over the last 5 years personnel costs in the defense budget have been increasing dramatically. In FY 1974, personnel costs will consume over 56 percent of the total DOD budget, almost all of which is funded in the personnel and O&M categories. The personnel category funds military personnel while O&M pays for civilian personnel. If Congress is interested in reducing defense expenditures, one would expect their activities to be concentrated in these two areas. But, as the above tables indicate, congressional changes there have averaged below 2 percent and have never

exceeded 5 percent. Even in the FY 1970 to 1973 period, when Congress has had a significant impact upon DOD's budget, personnel and O&M changes have been very small.

The procurement and R.D.T.&E. categories constitute a lesser but important part of the DOD budget. While they involve only slightly over 30 percent of the total defense budget, the weapon systems funded here will determine the type of defense posture that the United States will have for years to come. With this in mind, the question must be asked whether congressional activity in these areas since FY 1962 indicates that Congress has a programmatic impact upon the DOD budget.

In order to answer that question, it becomes necessary to examine the actual impact that congressional changes in the investment areas have had upon the weapon systems in the Pentagon inventory. Has the 6 percent that Congress has cut from the President's procurement budget between FY 1962 and FY 1973 or the 12 percent that it has reduced the procurement budget since

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FY 1970 actually forced the Pentagon to cancel weapon systems or reduce the number of units of particular weapon systems significantly?

Rather than analyzing congress's actual impact in the procurement<sup>11</sup> area for each of the last 12 years, an examination of every third year's figures will be sufficient for our purposes here. If we begin at the end of the period and work backward, we would look at FY 1973, FY 1970, FY 1967, and FY 1964. This distribution allows us to look at the 2 greatest years of congressional impact and 1 year in which Congress added funds in the procurement area. The average change for these 4 selected years is 8.8 percent, somewhat above the 12-year average of 6.5 percent.

In FY 1964 the congressional Appropriations Committee reduced the President's procurement request by 6.1 percent, or \$1 billion. This was the largest reduction in over 10 years. Of this amount \$0.3 billion failed authorization and a \$0.2 billion decrease was accomplished by an across-the-board reduction of 1 percent in every line item in the procurement category.<sup>12</sup>

The major items that accounted for the remaining \$0.5 billion reduction were an Army SAM called the Mauler, the Navy's LST ship program, two Navy aircraft programs: EA-6A and E-2A, and two Air Force aircraft programs: the RF-4C and HC-130. Most of these items were reduced because the Congress felt that the services were asking for funds too early, i.e., the weapon systems were not yet at a stage where actual funds were required.

Of all the major weapon systems affected by the FY 1964 reductions, only one was not eventually completed. In 1965 the Army dropped the Mauler because the missile's development did not progress as rapidly as expected.<sup>13</sup>

The Army then transferred its requests to other SAM programs for which it received large sums from Congress

REDEYE and SAM-D. The LST program was funded beginning in FY 1965 and the Navy eventually concluded that the FY 1964 reduction did not delay its operational date significantly.<sup>14</sup> The EA-6 and E-2 aircraft programs eventually received \$1.2 billion and \$0.9 billion, respectively, from Congress, and the Pentagon stated that the FY 1964 reduction in funds for the E-2 caused a slippage of only 1 month in the program.<sup>15</sup> The Air Force built 505 of the RF-4 aircraft at a cost of \$1.6 billion,<sup>16</sup> and in FY 1965 the Pentagon requested and the Congress gave the Air Force twice as much for the HC-130 to make up for its FY 1964 reduction.<sup>17</sup>

In FY 1967 Congress added \$234 million or 1.43 percent to the President's budget in the procurement category. This was the last occasion on which Congress has added funds in any category. Nearly all of the increase was for two items: \$168 million for the NIKE-X component of the ABM and \$55 million for the F-12A interceptor aircraft.<sup>18</sup> Secretary of Defense McNamara impounded nearly 90 percent of these additional funds,<sup>19</sup> and neither the NIKE-X nor F-12A were ever developed.

In FY 1970 Congress slashed the President's military procurement budget by \$3 billion or 14.6 percent. This was the largest reduction made in the 20-year history of DOD. A large percentage of the \$3 billion cut came in the request for procurement of munitions, particularly bombs, to be used in Southeast Asia. In FY 1970, 21 percent of the procurement budget was for the incremental costs of the war in Indochina. The major reductions in the baseline procurement area were the F-14 aircraft program, the MK-48 torpedo program, B-52 modernization funds, the RF-4 program, and the KA-6D tanker program.<sup>20</sup>

Although the amount of the FY 1970 reduction was quite large, the programmatic impact was minimal.

Funds were transferred to Southeast Asia from other accounts, and the war continued unabated. Within the next 3 fiscal years Congress provided \$3.4 billion for the F-14 program, enough money to purchase over 200 of the planes at their original prices. Over \$3 billion was appropriated for the B-52 modernization program, sufficient funds to modify 150 of the strategic bombers, and another \$1 billion was provided for the MK-48 torpedo program, over \$0.2 billion more than the estimate for the entire program in FY 1970.<sup>21</sup> The RF-4 program has cost over \$1.6 billion, and although the Navy did not build any KA-6D's, it did convert some A-6D's to a tanker role.

In FY 1973 Congress made its largest procurement reduction to date, \$3.4 billion or nearly 16 percent. About \$1 billion of the reduction was in items requested for the incremental costs of the war in Southeast Asia. The remaining \$2.4 billion came from the Army's request for funding an ABM system around Washington, D.C., four Air Force programs (AWACS, AABNCP, C-5A, and C-130H), and four Navy

TABLE 9—PROGRAM REDUCTIONS IN  
FY 1973 AND FY 1974 REQUESTS

Program	FY 1973 Congressional Reduction <sup>1</sup>	FY 1974 Request <sup>1</sup>
Safeguard	188	0
AWACS	310	210
C-5A	100	43
AABNCP	91	83
C-130H	78	192
P-3C	104	156
S-3A	48	546
Sparrow III	52	99
DD-963	<u>363</u>	<u>591</u>
	1.334	1.920

<sup>1</sup> In millions of dollars.

Sources: Elliot Richardson, *Annual Defense Department Report, FY 1974*, 10 April 1973 and House of Representatives Report 92-1389, *Department of Defense Appropriation Bill, 1973*, 11 September 1972.

programs (DD-963, P-3C, S-3A, and SPARROW III). Table 9 contains a list of the amounts cut from each program.

However, when the FY 1974 budget is examined, all of these items, except the Washington ABM,<sup>22</sup> appear again and usually with a request for more money. Even if Congress again reduces these items by 16 percent, FY 1974 funds allocated to these programs will be \$1.6 billion.

**Conclusion.** As the preceding analysis indicates, congressional impact upon the defense budget in the FY 1962-FY 1973 period can hardly be considered negligible. On the aggregate level, its average absolute changes for the entire period have exceeded 3 percent, and since FY 1970 congressional reductions have been in excess of 5 percent. Within the procurement and R.D.T.&E. categories, the absolute changes for the 12 year period have averaged over 5 percent and have exceeded 10 percent since FY 1970. Moreover, Congress has made changes in 83 percent of the individual line items and has not left a single line item unchanged since FY 1971.

The question of whether this impact has been primarily fiscal or programmatic is not so easily answered, however. The data presented in this discussion has indicated that the activities of the congressional Appropriations Committees that deal with defense spending have been concentrated in the procurement and R.D.T.&E. areas. Although these areas have the most programmatic and least fiscal content of the entire defense budget, I would argue that, in spite of this, congressional motivations are not primarily programmatic and therefore are mostly fiscal. I hold this position for two reasons.

First, congressional activities in this area are more "shadow than substance." As has been shown above, Congress almost never cancels a weapon system outright. Although it may delay or stretch out a program, funds are in-

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variably allocated.<sup>23</sup> Indeed, when the administration cancels a controversial weapon system, it is the Congress which rebels, e.g., the A-7 in the FY 1973 budget and the F-111 in FY 1974. An indication of the illusory nature of Congress's impact on procurement can be obtained by comparing congressional reductions in NOA with subsequent changes in procurement expenditures. From FY 1970 to FY 1973 Congress cut the NOA by nearly 13 percent, i.e., from \$79.1 billion to \$69.4 billion, but actual outlays for procurement were reduced by only 4 percent from those projected by the administration, i.e., from \$76.3 billion to \$73.2 billion. Thus, although Congress received a great deal of publicity for its stance on controversial weapon systems, its actual impact on the level of spending was minimal.<sup>24</sup> A similar picture emerges in the R.D.T.&E. category. Here Congress reduced NOA by 7.6 percent, i.e., from \$32.3 billion to \$29.8 billion, but its actions reduced projected outlays by only 2.1 percent, i.e., from \$30.6 billion to \$30 billion.

Second, Congress has chosen to concentrate its energies in the procurement area because it is the most politically feasible area in which to make reductions. Personnel put off the payroll are usually gone forever, and a closed base rarely reopens. But a weapon system can be stretched out, and since only a portion of the NOA is spent in the year requested, a weapon system can be reduced with impunity in 1 year if it is subsequently funded. Moreover, in recent years the administration has made severe reductions in the personnel and O&M areas before sending the budget to Congress. Since FY 1968 it has reduced manpower in DOD by 1.6 million or 33-1/3 percent and has closed or reduced operations at over 300 bases. It is indicative of congressional sensitivity to constituent pressure that in spite of all the reports by Congress and speeches by

was an administration official, David Packard, the Deputy Secretary of Defense, who pointed out that DOD was wasting \$1 billion annually by operating excess bases in the United States.<sup>25</sup>

A recent article by two leading critics of the present level of defense spending, Leslie Gelb and Anthony Lake,<sup>26</sup> inadvertently alludes to the primary motivations of Congressmen. Gelb and Lake point out that a group of liberal Senators are planning to lead a drive to reduce defense spending in FY 1974 by introducing legislation to withdraw and then demobilize 150,000 U.S. troops stationed in Europe. According to the authors, the Senators chose this area of the defense budget because they calculated that our Armed Forces stationed abroad presently represented the most potentially feasible and least complicated way of reducing defense spending.

It seems clear that although there are political pressures on Congressmen to save money somewhere in the large, highly visible, and quite controllable<sup>27</sup> DOD budget, there are stronger counter-

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### BIOGRAPHIC SUMMARY



Professor Lawrence J. Korb did his undergraduate work at The Athenaeum of Ohio, his master's degree work in political science at St. John's University, and earned his Ph.D. in the field from the

Graduate School of Public Affairs, State University of New York at Albany. He has taught in the general field of international politics at State University of New York and at the University of Dayton. As a naval flight officer he was on active duty from 1962 to 1966; he served in patrol squadrons ONE and on the staff of Commander Patrol Force 7th Fleet, spending 2½ years in the Western Pacific and Southeast Asia. Lieutenant Commander Korb continues to be active in the Naval Reserve, has lectured at the Naval War College, and is currently a member of the Humanities Department of the U.S. Coast Guard Academy.

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pressures against cutting back on the payrolls and business provided by defense plants and military bases. Thus, as long as the genuine will to reshape the

substance of defense policy is lacking on Capitol Hill, Congress will "play games"<sup>12, 8</sup> with the defense budget by substituting motion for real movement.

## NOTES

1. Interview with DOD official, 8 December 1972. See also Murray Weidenbaum, et al., *Matching Needs and Resources: Reforming the Federal Budget* (Washington: American Enterprise Institute, 1973), p. 20.

2. Adam Yarmolinsky, "The President, the Congress, and Arms Control," Sam Sarkesian, ed., *The Military Industrial Complex: a Reassessment* (Beverly Hills, Calif.: Sage, 1972), p. 277-300.

3. Arnold Kanter, "Congress and the Defense Budget," *American Political Science Review*, March 1972, p. 129-142.

4. Carol Goss, "Congress and Weapons Procurement," Paper delivered at the American Political Science Association Meeting, Los Angeles, Calif., September 1970.

5. Edward Kolodziej, *The Uncommon Defense and Congress, 1945-63* (Columbus: Ohio State University Press, 1966), p. 419-20.

6. The fiscal and programmatic hypotheses are not mutually exclusive. The concern in this paper is which one primarily motivates Congress.

7. This paper will be concerned only with the defense appropriations process. It will not analyze the authorization process which is handled by the Armed Services Committees. Moreover, the paper will not attempt to measure congressional impact through the "law of anticipated reaction" whereby the administration does not present to the Congress those programs it feels Congress will not approve.

8. Richard Fenno, *The Power of the Purse: Appropriations Politics in Congress* (Boston: Little, Brown, 1966), p. 353.

9. U.S. Congress, House, Committee on Appropriations (HCA), *Hearings on Department of Defense Appropriations for Fiscal Year 1967*, 89th Congress, 2d sess., pt. I, p. 280; U.S. Congress, Senate, Committee on Appropriations (SCA), *Hearings on Department of Defense Appropriations for Fiscal Year 1967*, 89th Congress, 2d sess., pt. I, p. 69.

10. Kolodziej, p. 265.

11. In order to keep the analysis manageable, R.D.T.&E will not be analyzed. Also, it is only a relatively small portion of the DOD budget, i.e., less than 10 percent.

12. Reductions are from House Report 89-439, 21 June 1963.

13. HCA, 1965, III, p. 273.

14. HCA, 1956, IV, p. 333.

15. *Ibid.*

16. SCA, 1972, IV, p. 523.

17. HCA, 1965, III, p. 56.

18. HCA, 1968, II, p. 236.

19. *Ibid.*

20. Reductions are from House Report 91-698, 3 December 1969.

21. Program costs and funding estimated from various appropriation hearings.

22. The administration had no real intention of building a Washington ABM. Interview with DOD official, 8 December 1972.

23. Many people, who hold the programmatic position, point to the refusal of Congress to fund the fast deployment logistic ships (FDL) in FY 1968 and 1969. However, others argue that the LHA type ships, which Congress did fund, are merely FDL's under a different name. See, for example, Seymour Melman, "Alternative Strategies and Budgets for Military Security," in Sarkesian, p. 179.

24. Former Secretary of Defense Laird was able to boast, while he was in office, that his department never lost a vote in Congress. Francis Bourke, *Bureaucracy and Foreign Policy* (Baltimore: Johns Hopkins University Press, 1972), p. 27.

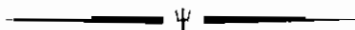
25. William Beecher, "Packard Charges Politics Bars Big Defense Savings," *The New York Times*, 14 December 1971, p. 1:2.

26. Leslie Gelb and Anthony Lake, "Troop Levels in Europe and Budget Levels in the U.S.," *Washington Post*, 29 March 1973, p. A30.

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27. Defense expenditures account for 69.5 percent of the controllable expenditures in the Federal budget.

28. Congressman Les Aspin (D-Wisconsin) accuses DOD of "playing games" with the defense budget. See his "Games the Pentagon Plays," *Foreign Policy*, Summer 1973, p. 80-92.



Broadly speaking, the career of a politician teaches him to keep a sharp eye on the dramatic effect likely to be produced by his performance upon the mentality of his friends and foes. When he comes upon actual factors like land, sea, munitions, weapons, blood and iron, he is inclined to blink them as details for a soldier.

*Sir Ian Hamilton: Listening for the Drum, 1943*