America Is Spending Too Much on Defense

To bring budgets into line, we need to move past irrational threats.

By John Mueller

The United States currently spends roughly $1 trillion annually on defense and homeland security. As the country works its way out of—or away from—the 9/11-induced wars in Iraq and Afghanistan, it is time to assess problems that may lurk in current conditions. Especially with regard to expenditures, the U.S. needs to determine which programs enhance security enough to justify their costs. To do so, it is fundamentally important to make a correct assessment of potential threats to security and prosperity.

First, it is time to consider the fact that a cataclysmic conflict like World War II is unlikely to recur. As such, the continued spending for an ever-receding likelihood needs to be seriously assessed. Relevant to this consideration is the rise of China. Although China’s oft-stated desire to incorporate (or re-incorporate) Taiwan into its territory should be watched; armed conflict would
be extremely costly to both countries. Most notably, Chinese leaders, already rattled by internal
difficulties, seem to realize this. Likewise, it might make sense to maintain a containment and
deterrent capacity against particular states such as Iran and North Korea in formal or informal
colaboration with other concerned countries. However, neither country is militarily impressive, and
the military requirements for the task are limited. Then, concern about the proliferation of
nuclear weapons is justified, but experience suggests that when countries obtain the weapons,
they “use” them only to stoke their national ego and to deter real or imagined threats.

The United States will likely remain involved in preserving the security of its allies. But Europe
seems to face no notable military threats, the Taiwan/China issue remains a fairly remote concern,
and Israel’s primary problems derive from the actions of sub-state groups. So it is appropriate to
consider at what level the USA should continue to pay for these “threats.”

Dealing with current threats mainly calls for policing and intelligence work with occasional
focused strikes by special units as necessary. There is no need for the maintenance of a large
standing military force. Moreover, the U.S. should not pay for those costs of terrorism that are
based less on the likelihood of an attack than the fear of such an event. Similarly, humanitarian
intervention with military force is unlikely to become common because of a low tolerance for
casualties in such missions, an increasing aversion to the costs and difficulties of nation-building,
and the lack of political gain from successful ventures.

Even while spending on security could be prudently reduced, one could still maintain some rapid-
response forces, a small number of nuclear weapons, and a capacity to rebuild quickly should a
sizable threat eventually materialize. Any perceived risk in substantially reducing military and
security expenditures should be balanced against continued involvement. As America’s
experiences in Vietnam and Iraq suggest, there is risk (and a huge cost) in maintaining forces that
can be impelled into action with little notice and little reflection. By 2040, the U.S. government
should have seized the opportunity to save substantially through strategic investments in security
and by moving past irrational threats.

What do you think is the most pressing issue facing the United States over the
next generation? Have your say in the comments section by clicking on the
"comment" icon. Your contribution will help define the American Prosperity
Consensus project. You can follow the project at america2040.com.

John Mueller is a political scientist at Ohio State University and a senior fellow at the Cato Institute.