National security policy and its study occur within a framework of concepts and ideas that is not part of everyday political discourse. Most distinctly, national security deals with the life-and-death matter of the safety, well-being, and even potentially the physical existence of the country and its citizens, setting it apart from other parts of the policy process. As a result, national security and its study have evolved their own special terms and ways of looking at this complex policy area. Part I introduces the concepts around which national security has been built and evolves.

It consists of two chapters that introduce the area and serve as an underpinning for the rest of the book. Chapter 1 addresses the question of how the idea of national security is changing in the contemporary world, with emphases both on the international environment and on the domestic political scene. The operative, and distinctive, idea of national security is the idea of threat, and thus the discussion of the international aspect of the “intermestic” policy area (partly international and partly domestic) looks at how the pattern of threats to the United States is changing, whereas the discussion of domestic concerns—notably budget austerity—affects the current debate about national security. Chapter 2 introduces and elaborates on the series of interrelated concepts around which national security policy matters are organized. It concludes with a discussion of the dominant pattern of thinking that has helped frame those discussions, the realist paradigm.
American national security policy has entered a new international and domestic political environment in which influences inside and outside the country have created an “intermestic” condition to which the country must adapt. Internationally, the country is winding down its involvement in two major wars, adjusting its strategy in a decade-long struggle with terrorism, and trying to adapt the lessons from those experiences for the future. Domestically, the economic recession dominates political and economic agendas and draws the national security effort into the nexus of deficit reduction. The two environments intersect over the impact of defense cuts and the American capability to deal with external threats. After reviewing and laying out some of the basic concerns associated with each factor and their intersection, the chapter concludes with an attempt to show how these influences are relevant to national security.

The United States is at or nearing a crossroads in its national security orientation toward the world, and while it is certainly possible to overinflate its impact or ultimate effects, there is a marked change in this regard. Since 1945, the United States has been the leading power in the world, the country whose policies and outlooks have mattered everywhere, and much of this predominance has had a national security base, premised on and often enforced by the military strength of the United States, which is and has been the major measure of national security. During this period, the United States has adopted a generally expansive, sometimes aggressive global role based on an abundance of resources that could be devoted to national security chores. Often, the result has been outcomes that have favored American interests in the world, but occasionally they have not. American diligence held the line in Korea (the division of the Korean peninsula into two countries that the North Koreans sought to erase) and prevailed in the Cold War competition with the Soviet Union and its allies. The outcomes in places like Vietnam, Iraq, and Afghanistan have not been unambiguously positive.
This period of American dominance, sometimes described in superlatives such as “American hegemony,” has eroded. It developed at a time when the United States stood virtually alone in the possession of great economic strength and military potential and thus stood astride the world system. This position has occasionally been challenged, but until recently, there has not been any systematic suggestion that the United States might have to alter its role of predominance in the world. Domestic and international dynamics suggest that American dominance in its traditional form may be becoming less tenable or untenable. Whether such assertions are true and permanent or misleading and transitory are important questions that form much of the core of what follows.

There are two major sources of contemporary challenge to the traditional American national security role, neither of which is unprecedented. The first is weakness in the American economy, a basically domestic concern that has been exacerbated by weaknesses in the international economy. The strongest manifestation of this weakness has been the slow growth of the American economy and the domestic political battle over government deficits (some of which are the result of efforts to stimulate growth and others the result of previous policies), which became a volatile issue in the summer of 2011 over the raising of the federal debt ceiling. The major outcome of these internal developments for national security has been a determination to reduce federal spending, a trend that encompasses the national security budget in ways that make adherence to the traditional, expansive national security role potentially difficult or impossible to sustain. The second is a reaction to U.S. involvement in national security operations in the past decade that have been controversial and have raised questions about the wisdom of continuing traditional policies and levels of activism.

These factors are interrelated, and each has historical precedents. What is different is that their interrelationship is potentially synergistic and mutually self-reinforcing. An economically induced reduced commitment to defense, for instance, may mean a reduction of capability that translates into the inability to engage in the traditional levels of activity associated with more solvent days. Reduced resources and an assessment of the international environment that accepts more limited commitments thus reinforce one another. On the other hand, if one assumes that the international threat environment demands continuing high levels of commitment, the current situation is not self-reinforcing but instead both upsetting and dangerous.

Neither condition—economic stricture, policy reassessment—is unique to this time. The United States suffered a period of economic downturn in the 1970s and 1980s that some suggested might result in a permanent reduction in American economic prosperity and America’s economic position in the world, and that crisis passed. The sources were, of course, different: a debate about defense dominated the discussion then, whereas structural elements in the U.S. economy are more prominent now. The popular negative reaction to the outcome of American efforts in Vietnam produced a far more severe demand for reassessing the level of American national security activism than is present today, where economic concerns are paramount. Both conditions and
their combined impact must thus be placed in perspective to be understood adequately.

The period between the end of World War II (1945) and the present has witnessed a remarkable development and transformation in the idea and shape of national security in the American experience. National security did not feature as a central and enduring concern in the previous 150+ years of American history, as American interests were more clearly focused on institutionalizing the independence won in 1783 and in the development of the vast reaches of the North American continent that is the heart of the American republic. Such concerns as the United States had for its defense and physical safety were sporadic, idiosyncratic, and generally not thought of as central to the country’s existence or even prosperity.

World War II and the subsequent Cold War provided the conceptual equivalent of the physical continental divide in the American concern with national security as an ongoing, central problem and as a major part of the American political scene. World War II permanently ended any American delusions that it could remain aloof and isolated from the rest of the world. The peacetime politico-military threat posed by the Soviet Union and the growing communist world was a transformational experience that translated, among other things, into the first sustained American peacetime concern with national security, the first coherent American security orientation toward the world, and the first sustained commitment of substantial American resources to the problem of national security. Each of those elements was reflected in the American response to the Cold War world, and most of them remain central elements in the national security equation even twenty years after the Cold War that stimulated them has disappeared.

The United States is now entering a new phase in its national security evolution. National security policy, the major concern of this volume, has always been quintessentially intermestic, a combination of international and domestic influences. This term is more generally associated with national security’s close conceptual cousin foreign policy (it is, for instance, a central theme of American Foreign Policy for a New Era, a book I recently coauthored with Patrick J. Haney), but it applies to national security policy equally well, with slightly different innuendos. The heart of the intermestic notion is the belief that national security policies have both an international and a domestic content and impact and that the influences physically interact in the making and implementation of policy. Thus, an internationally derived national security problem also likely has a domestic facet that must be taken into consideration in making an international response and that will be affected by the international outcome of the issue. Similarly, domestic issues generally have some international impact, and how they are resolved affects the international dimension of the issue as well.

American national security policy and politics can usefully be cast in intermestic terms. After World War II, for instance, the major international factor was the rise of a powerful, antagonistic Soviet bloc in political and military opposition to the United States and the rest of the noncommunist world, and it
demanded a response in kind. The primarily military dimension of that change became the basis for the development of the first comprehensive American national security policy and strategy, a conceptual and physical construct that evolved over time as the Soviet threat inflated and eventually deflated. Domestically, the threat was manifest in a parallel political demonization of communism with sharp domestic political impact and the first large-scale continuous commitment of sizable American resources to national security in times other than a major “hot” war.

This pregnant period of American national security development and physical resource commitment was not linear. The negative ending of the American involvement in Vietnam in 1973 brought with it a temporary negative reaction to and thus rethinking of the national security commitments the country had made, and the late 1970s and early 1980s saw the American economy in an apparent crisis of competitiveness that raised questions about the affordability of America’s ongoing global commitments and its willingness to bear those costs. The Vietnam “hangover” (the intense negative attitude toward security resulting from the outcome of the war) was largely over by the early 1980s, and by the end of that decade, the American economy had rebounded on the coattails of American preeminence in the area of high technology, thus restoring the luster to both international and domestic aspects of national security policy. After the Cold War ended, the United States enjoyed a decade-long apparent respite from serious international threats during the 1990s at the same time that the American economy was flourishing in the early stages of the new economic environment of globalization. The terrorist attacks of September 11, 2011, punctured the international tranquility in the new millennium and recreated a sense of threat and national security vitality that had receded during the 1990s.

The second decade of the twenty-first century provides a new permutation that may mark another new era for American national security. In some ways, it is not dissimilar to the post-Vietnam period. Questioning of possible overextension and misapplication of American force in Vietnam has its parallel in similar questioning about the American wars in Iraq and Afghanistan, and the current economic morass in which the U.S. economy finds itself has parallels in the general despair and disillusionment that accompanied the inflation-laden domestic economic environment then. Since no historical analogy is ever perfect, there are dissimilarities as well. Disillusion with Vietnam came with the ongoing—if changing—Cold War as a continuity-providing backdrop that is not as complete or compelling as the ongoing terrorist threat that spawned Iraq and Afghanistan. At the same time, the “light at the end of the tunnel” of the American economic decline is more complex and structural now, resulting in uncertainty about how much of the continuing national security burden the country can or will bear.

That there is a transition at least in its beginnings is hard to deny, as is its intermestic nature. What may be different this time is that the national security debate of the latter twentieth century was driven primarily by international threats to which the domestic environment provided resources, whereas
resource constraints in the current period may instead dictate the extent and nature of national security responses to perceptions of international threats. This reversal of causes may be attenuated by the recovery of the domestic economy and thus its ability and willingness to support national security responses to international stimuli, but the exact nature and timing of any major improvement in the economic condition remains conjectural at this point.

Whether the complex of influences swirling around national security will represent a fundamental or transitory adjustment remains a matter of uncertainty. The motor that drove national security during the second half of the twentieth century was a clear, relatively unambiguous, and compelling challenge and threat driven by the international environment. The primary engine of the current reconsideration is more clearly domestic and surrounds the question of how much the American economy and the American political system are willing to bear in the name of national security relative to other priorities the country faces. A return to a period of national economic growth, the balm that has healed previous economically influenced crises, may provide the salve and reduce the sharp edges of the argument, but it is certainly not clear when that will occur or how complete a cure that economic revival will provide. As the persistent economics since 2008 suggest, it is unlikely to happen overnight.

While the idea that national security is inherently an interplay of domestic and international (in other words, intermestic) factors may have broad implications, the current sense of concern and priorities may be somewhat more ephemeral. Things change, and the circumstances that are currently of such great import may be among them. As the Greek philosopher Heraclitus said over 2,500 years ago, “Nothing endures but change. Nothing stays still.” Change in the current context could mean a permanent condition in which economic forces bear down onerously on the United States or it could mean a return to greater growth, prosperity, and expanded horizons. It is impossible to predict exactly what will transpire with any certainty.

The sources, dynamics, and prospects for consequences of intermestic change in the traditional American national security equation provide the major theme of this volume. The discussion now moves first to an introduction of the sources of change in the international and domestic environments that underlay the current reexamination of how the United States approaches national security, themes that are elaborated and explained in subsequent chapters. The question is then phrased in terms of possible directions that change may take and the consequences and desirability of those possible changes.

**SOURCES OF CHANGE**

The analysis of national security is always conducted in an atmosphere of some controversy, emotion, and uncertainty. The major source of controversy is the often subjective nature of the problem. National security’s basis is in threats (promises to do harm in the absence of compliance with some condition demanded by the threatening party) and responses to them. Generally, threats
are not overt and overwhelmingly obvious, or at least they are sufficiently ambiguous that reasonable people can and do disagree about them. Within the current debate about national security, no issue better encapsulates this subjectivity than the contentious matter of Chinese military expansion. There is no doubt that the Chinese are devoting more resources than in the past to military modernization and expansion. What this expansion means for the United States is not so clear. If one wants to inflate the threatening nature of Chinese expansion, one points to the ominous possibilities of a fleet of Chinese aircraft carriers with designs—and presumably capabilities—in advance of the American carrier fleet. If one wants to downgrade that threat, one questions how or to what extent this capability directly threatens the United States. Alternatively, one can raise the argument that modern missile technology leaves aircraft carriers exceedingly vulnerable and thus an anachronistic target like capital surface battleships in World War II—a capability of which sensible countries should be divesting themselves. The impact of this developing capability will have an impact somewhere in a future the national security parameters of which cannot be predicted with high levels of confidence, so both sides can posit implications based on contradictory future facts that do not exist and thus cannot be refuted.

National security matters are also highly emotional because of the potentially enormous impact and consequences of policy outcomes in this area. The heart of national security concerns is ultimately ensuring the physical survival of the state, or protection against those who would encroach upon it. Prior to the Cold War, these were rarely prescient concerns for Americans, but the ever-present possibility of a civilization-ending nuclear Armageddon created a sense of urgency and emotion that has attached to the subject ever since and has been enhanced in the new century by the omnipresent threat of international terrorism. This threat particularly influences discussions on future policies because the failure to take adequate measures today could jeopardize the ability to ensure security and even survival in an uncertain future. It also gives a conservative bias to national security planning in the sense of trying to anticipate and prepare for all possible futures to avoid apocalyptic outcomes, regardless of how arguable and implausible particular threats appear to be or might become.

Uncertainty fuels both controversy and emotional anxiety. Much of that uncertainty arises from the volatile and largely uncontrollable nature of an international environment to which national security policy must respond. Who, for instance, foresaw in early 1990 that the United States would be at war with Iraq by early fall? The action precipitating that involvement, of course, was Saddam Hussein’s decision to invade and annex Kuwait, a decision U.S. planners did not anticipate and could not influence decisively. Despite elaborate peacetime military planning, it is a soldier’s axiom that no war plan survives first contact with the enemy intact. Since uncertainty is concentrated on events that have not (and may or may not) occurred, there will be controversy over these futures, and the threat of dire consequences of “worst case” outcomes ensures a highly emotional content to these controversies.
During reasonably prosperous times, these kinds of concerns remain abstract, because the country is able to afford a robust national security response to the widest possible range of current and potential threats, thereby minimizing the controversial risks in the national security environment. Such an approach is conservative, because it covers the wide range of what Admiral Mike Mullen, the former Chairman of the Joint Chiefs of Staff, called “the other very real and very serious threats we face around the world” in an August 2011 statement. In the decade leading to the current economic crisis, the American response to the national security environment had been to spend on defense at higher levels than at any time since 1945—to the point that in some years during the early 2000s, American defense expenditures were equal to or in excess of the amount spent by the rest of the world combined.

The economic crisis, however, has raised questions about what levels of resources the country can afford to spend on national security, or what other national priorities must be sacrificed or compromised to maintain a maximum national security effort. This reformulation of the national security question raises the topic of the very real intermestic nature of the entire sphere of national security within the national dialogue. In the particular case of today, the large impetus for a reexamination has centered on the domestic side of the ledger, but many of the changes that may result from the debate over available resources for national security will have to be measured in terms of their impact on the international environment to which those resources respond and which they help to shape. The result is a complex and interactive series of considerations around which much of the discussion in the rest of this book will revolve. At this point, it is sufficient to raise the general parameters of the international and domestic dimensions of this intermestic puzzle.

The International Dimension

The nature of the international threat that faces the United States should be thought of as a variable rather than as a concrete and relatively stable force or factor. There are two basic reasons for this. The first and most obvious reason is that conditions in the world that can be formulated in terms of threat change across time. Prior to World War II, for instance, the Soviet Union/Russia had never been considered a particular threat to the United States (a claim some residents of the San Francisco area might contest based on Russian fur settlements penetrating the San Francisco Bay early in the nineteenth century), but after 1945, the two countries became direct and pervasive antagonists and the sources of the most serious threat to one another for the duration of the Cold War. After the dissolution of the Soviet Union, the relationship has been uncertain and in some ways ambiguous, but no one would argue that Russia is a threat to the United States in the way the Soviet Union once was. Threatening conditions, in other words, change.

The other reason is that threats are subjective. This point is argued more elaborately in the next chapter, but the simple fact is that different people are threatened by different situations to the extent that they feel frightened or
insecure with particular sources of discomfort. In some cases (e.g., the threat posed by the Soviet nuclear arsenal), there may be widespread agreement about the existence and character of threat, but in other cases, reasonable people can disagree about what makes them insecure. The implications of Chinese military growth symbolized by their emerging aircraft carrier capability are an example. One useful way to think about much of the debate over national security—including the commitment of public resources—is to consider whether some conditions are threatening enough to warrant different levels of national attention and the potential consequences of different commitment levels to the future status of these conditions. The threatening conditions that seem “very real” to Admiral Mullen may seem less real or dismissible to others. Those who believe in the cogency of particular threats and the consequent need to counteract them will naturally try to maximize the public perception of threat and thus the willingness to make resource sacrifices to blunt them, and they are joined by those whose concerns is with the more dire consequences of failing to anticipate and counteract what may become future threats. The latter discussions—what happens if a threat is not anticipated and planned for and becomes truly threatening in the future—can be particularly emotional and politically divisive. Those who prefer smaller commitments to national security spending tend to minimize the extent of threat generally or the cogency of particular threats.

The current international dimension and changes to it are difficult to assess. The changes that may be occurring are not of the cataclysmic variety associated with the outcomes of major wars like the Napoleonic Wars of the early nineteenth century or World War II. Both of these events greatly enhanced the power and capabilities of some states while diminishing the capacities of others and rendering the balance of power among states noticeably different. In his 1987 *The Rise and Fall of the Great Powers*, for instance, British-born Yale historian Paul Kennedy tied fundamental change to economic and military forces that impacted major powers and were manifest in major violent events that resulted in change. Both economic and military changes are evident today, but they are by no means as dramatic as the major change points that produce seismic shifts in power relations. The position of the United States in the world order is not fundamentally threatened by international or domestic forces, but there is enough movement to suggest that the ability of the United States to order events in the ways it sees fit may be contracting somewhat. This means that some reassessment of the American role in ordering the world may be appropriate. Internationally, that reassessment has two major facets.

The international dimension of the current national security debate is both about the nature of the future threat environment to the United States and about the extent to which the United States must expend resources in the name of national security that could otherwise be expended on other priorities. The first question is about how dangerous the threats in the international environment are to the United States and thus the degree to which the United States can or should exert efforts to reshape conditions more to its liking. The second question is more about the availability of resources to deal with those threats and where such resources fit in the greater scheme of priorities for the United States.
The context for discussing the nature of the present threat environment is the experience of the United States since the terrorist attacks of September 11, 2001. On the one hand, those attacks elevated perceptions of threat that had become torpid during the previous decade. It also raised national security concerns, to which the onus of a distinct effort in the area of homeland security was added, occupying a status akin to that during the time of the Cold War at the pinnacle of national priorities. Rectifying the wrongs done in those attacks and ensuring that they did not recur became a central reality for government in ways reminiscent of the importance given to deflecting the communist threat a generation earlier.

On the other hand, the purity of the consensus around the national security mission has been at least partially tainted by what now appear excessive or misguided actions taken in the name of combating the international terrorism associated with the Al Qaeda. Three prominent examples are the botched attempt in December 2001 to capture and destroy Al Qaeda in the mountainous Tora Bora Mountains of Afghanistan, the costly invasion and occupation of Iraq, and the inconclusive and increasingly unpopular war in Afghanistan, the country’s longest military adventure till now. Had the United States not taken its “eye off the ball” (in President Barack Obama’s phrasing) in Afghanistan and captured or destroyed Al Qaeda in 2001—an apparent prostitution of priorities that could have short-circuited the national angst over the terrorists—the last decade might have been very different. In retrospect, the rationales for invading Iraq—possession of weapons of mass destruction and ties to terrorism—ring hollow and false, questioning whether the decision was truly in the national interest. The apparent aimlessness and impossibility of success in producing stable governance in Afghanistan have contributed to a growing perception of fecklessness associated with that endeavor. A combination of these factors has raised questions about the national security rationale of current and projected policy. Many Americans have come to view the Iraq and Afghanistan experiences as unwarranted extravagances that would be questionable in good economic and political times, but that are increasingly intolerable as the burden of national security becomes a factor in domestic politics as well. The inevitable question this reaction raises is whether the level of national security activism that gave rise to these kinds of actions was wise, necessary, or sustainable, questions that easily extend into the debate about future policy. They are concerns that closely parallel the decade-long controversy after the end of the Vietnam War, a debate that resulted in a noticeable temporary retreat of the United States in international actions.

There are two fairly clear pivots to this debate, as there were before. While a detailed discussion of each is reserved for later chapters, both can be introduced here. One is the nature and dangerousness of the threat that the United States faces. Like most matters surrounding national security, it is a matter of disagreement. Since the attacks of September 11, 2001, the underlying premise of national security activism has been the terrorist threat, and individual applications, especially of American force, must be justified and measured in terms of the saliency of their contribution to containing and eradicating terrorism.
A satisfactory response (and different conditions and responses satisfy different people, of course) requires that some plausible tie to terrorism exists. Sometimes that connection proves to be far-fetched, as in the allegation of ties to terrorism (including possible supply of weapons of mass destruction to terrorists) against Saddam Hussein that formed the key rationale for the 2003 invasion. At other times such as in the case of Afghanistan, the initial rationalization (the country was used as a safe haven by Al Qaeda) might have been quite strong and direct but has become diluted in the long involvement of American forces in a country that currently houses very few Al Qaeda terrorists. The death of Osama bin Laden and the unclear implications his assassination has for the future coherence and potency of Al Qaeda are further variables in the question about the nature of the terrorism underpinning national security policy and actions. One side argues the threat is diminished and thus the effort can be reduced as well. The other argues the threat remains at potent levels and past misapplications do not compromise the need for continued vigilance at high levels. Both arguments have strong implications for the level of participation of national security in the budget debate. The argument remains lively because both sides have what they believe (and the other denies) are sound and convincing evidence for their positions.

The consensus behind terrorism-justified responses to threats has already begun to erode, largely based on the misapplication of the rationale in Iraq and Afghanistan. Immediately after September 11, the simple invocation of terrorism melted opposition to virtually any action proposed in its name; Iraq is the obvious example. The terrorism rationale has not proven as durable as Cold War communism partly because of the way it has been used—and arguably abused—but also because the terrorist threat, while apparently ubiquitous, has not been as cataclysmic in terms of its consequences and presence. Terrorism will remain a basis for and justification of national security efforts, but it is unlikely to be accepted as unquestioningly in the future as in the past.

The other pivot is the appropriateness of different responses to different aspects of the threat. A virtue of the Cold War threat of Soviet communism was that it was concrete, recognizable, and called for responses that were physically and conceptually familiar. The only conceptual element of that threat that did not have its basis in the historical European balance of power was nuclear weapons, and a conceptual framework based in deterrence became the accepted standard for managing that competition. The same level of clarity, however, does not hold as obviously for the current threat environment.

This second pivot has two aspects. One of these is whether particular situations are sufficiently threatening to make them worthy of response: are individual threats important enough to trigger responses? Although they were too few in number and voice to carry the day, many of the critics of the Iraq invasion of 2003 based their objection in the observation that what happened in Iraq was simply not important enough for the United States to commit forces to change. In a back-handed sort of way, the Bush administration nearly agreed, arguing that the Iraq operation would be swift, decisive, and inexpensive in life and treasure so that it would cancel the need to resolve such
questions. That assessment (and most notably Secretary of Defense Donald Rumsfeld’s confident prediction at the time that American forces would essentially be withdrawn within 129 days of the invasion) proved to be tragically wrong, and one wonders how the debate over worth would have gone if a more accurate version of the length and difficulty of the operation had been presented at the time.

The other aspect is whether appropriate and effective responses are available under any circumstances. Most of the global violent threats to world stability emanate from parts of the developing world, and that is particularly the case with terrorism. The United States (as well as the rest of the developing world) has been trying to develop strategies and programs in developing world countries that allow and facilitate peaceful development for over half a century (see Latham for a particularly good overview) with spotted success at best. Most notably, attempts to develop military strategies have been particularly unsuccessful. In the American experience, that lack of success was first demonstrated in the postwar world (there is an equally unimpressive record that goes back much further in American history) in Vietnam, and it has once again reared its ugly head in Afghanistan. David Petraeus and the counterinsurgency (COIN) strategy he championed first in Iraq and later in Afghanistan are the latest conceptual and physical casualties in the campaign to find an effective way to deal with threats to interests in the contemporary environment.

These two pivots interact to make the problem of dealing with the international threat environment even more difficult. The first pivot suggests that not all threats are unambiguously important enough to merit vigorous responses, and the second pivot adds the concern that there may be no satisfactory way for the country to meet the challenges that do exist effectively. In flush times, these kinds of considerations may remain esoteric and above the general national debate, but these are not flush times. How scarce resources are expended matters much more than it has in the past.

These distinctions are important because much of the national security agenda for the likely future and thus the agenda for possible national security activity exists in areas where the answers to the concerns raised about the pivots is not so overwhelmingly obvious as to create political consensus behind general policy or particular applications (assuming that, in the current political climate, it is possible to achieve consensus on any issue). In times of obviously compelling circumstances (consensual threats) or relative resource abundance (great enough prosperity for large national security investment not to strain available resources), a detailed examination of and accounting for national security concerns was not necessary. When officials asserted that threats exist and that the national security will be endangered if they are not met, such representations were generally accepted on their face and their resource demands met with little question. Notably, suggestions that the national security enterprise should participate in national belt-tightening were dismissed out of hand. One of the ways that the current environment is different than before is that those inhibitions clearly no longer hold.
The Domestic Dimension

The country has been in the economic doldrums since 2008. The recession that has gripped the country in the aftermath of the financial crisis of that year has been stubbornly enduring, and it is not entirely clear when a full economic recovery will take hold and return the United States (and by extension, much of the rest of the world) to economic “good times.” The lightning rod of the economic malaise has been the enormous growth in American budget deficits and accumulated indebtedness (a problem shared by many other countries). These yearly deficits and their accumulation as national debt has, in the minds of some, overtaken unemployment as the most pressing domestic political problem facing the country. A reduction or elimination of deficits has become a, if not the, primary domestic item on the political agenda.

It is not the purpose here to analyze the sources of the current economic malaise, as the arguments are highly politically charged and heavily politicized, which is part of the problem. For present purposes, it does not matter whose “fault” the problem is or which side to the debate has the better or worse solution. Rather, the purpose is to look at the general problem and alternative ways to reach solutions in terms of their impact on national security.

More to the point, the basic question is the extent to which the traditional sources of resource support for national security concerns will be affected and forced to contribute toward deficit reduction.

The analysis begins from a premise that there will be a restructuring of the way the country collects and spends money that will have bringing some form of balance to revenues and expenditures as its major focus. Some of this will occur “naturally” as the economy recovers and tax revenues increase because of economic growth. It is not clear when such growth will occur and how robust it will be. As a result, short-term (i.e., the next several years) discussions will likely be conducted within the parameters of current realities of spending and taxation, a debate that has maximum potential impact on American national security. What makes this ongoing process important for present purposes is the widespread acceptance of the notion that national security spending reductions will be part of whatever sacrifices are imposed.

Internal Economic Debate  The phenomenon of economic deficits, including very large shortfalls, is not new. When the economy falters, one mechanism that is frequently invoked is economic stimulation—so-called pump priming—to reinvigorate the economy by injecting more monetary resources into the system to stimulate demand for goods and services, which in turn produces jobs, thereby increasing tax revenues (more people paying taxes) and lifting the economy out of the doldrums. This solution, associated with the theory proposed by British economist Lord John Maynard Keynes, was first systematically applied to lift the United States out of the Great Depression of the 1930s, and has generally been the bedrock of liberal solutions to economic crises ever since. Keynesian economics has been a primary target for criticism.
by economic conservatives for some time (including the response to the Great Depression) and this criticism has gained considerable resonance in the ongoing debate.

National security crises have also been the source of budget deficits. The United States ran the first sizable deficits in its history paying for its conduct of World War II, for instance, and one of the consequences of Lyndon Johnson’s determination simultaneously to finance the expansion of entitlements and the Vietnam War without raising taxes to pay for them led to a sizable increase in public indebtedness as well.

Both of these sources of deficits (war expenses and increased non-defense spending) are present in the current atmosphere. Budget deficits had more than quadrupled during the early 2000s, as President George W. Bush pursued a variation of the LBJ strategy by pushing through tax cuts (thereby decreasing revenues) while simultaneously championing an unfunded addition to Medicare (subsidies for prescription drugs) and pursuing two wars for which no revenue provisions were made within the structure of the national budget (both were funded by so-called supplemental appropriations). After the economic crash of late 2008, a form of economic pump priming was attempted by the new Obama administration in the form of the so-called stimulus package that was largely unsuccessful in raising the country out of its economic doldrums but that has created a further source of deficit spending.

Although none of these events is unique in the American economic experience, they are taking place in a politically poisonous, hyperpartisan political atmosphere that has made both the definition of the problem and attempts to resolve it by the traditional mechanism of compromise extremely difficult. Virtually everyone in the system sees the goal of deficit reduction as desirable, even necessary, for long-term American economic health. However, there is no agreement either on the ordering of priorities of the debt or on the sources of its solution.

While the focus of this text is not on the solution to the domestic economic crisis, it is necessary to at least outline the general parameters because of national security implications. Despite rhetoric about reducing wasteful, frivolous, and fraudulent spending (which are present but represent a very small part of the budget), there are three possible sources of enough economic adjustment to get a handle on the balance between government spending and revenues collected. Two are areas of government spending that are large enough so that cuts would make a meaningful impression on the calculus of deficits: entitlements and defense spending. Amplification 1.1 examines this basic dynamic. The third, euphemistically called “revenue enhancements,” deals with how much money the government collects to pay its expenses.

As might be expected in the current political climate, there is considerable disagreement about which of these sources should be the focus of deficit reduction. The arguments from all sides on all aspects of this issue are intricate and controversial beyond present purposes, but they can be roughly described in partisan terms. One side of the argument emphasizes excessive government spending as the problem: their mantra has been that “the government does not
Why Entitlement and Defense Cuts?

The 1930s bank robber Willie Sutton was once asked in an interview why he robbed banks. His succinct answer was, “Because that’s where the money is.” In examining why entitlements and national security spending have become the object of attempts to reduce the deficit, the same rationale holds: these are the largest areas of government expenditure and thus the repository of the largest potential dollars to be saved.

In rough terms, maximum government spending occurs in three areas. Entitlements like social security, Medicare, and Medicaid are the largest recipient, accounting for about two-fifths of the budget, and its proportion is increasing as the aging population, who constitute the largest group of recipients, expands. Defense spending and servicing of the interest on federal debt vie for second place, with each having a share of about one-fifth of government dollars. Everything else the government does accounts for the other one-fifth of the budget, but it is not a large enough segment to cover the current deficits, and most of the “fat” in such budgets has already been excised in past reforms.

Of the three major components of government spending, interest on debt is exempt from budget cutting: the United States owes interest payments on loans that cannot be denied without further damaging its credit status, and most of this debt is owed to Americans and the U.S. government itself anyway. That leaves entitlements and defense as the only budget areas with “deep enough pockets” for meaningful reduction.

Defense spending has both a unique claim and vulnerability in the funding fight. Cuts in defense spending can reduce the country’s security, often in unpredictable ways that might prove difficult to rectify if needs are neglected, a potent source of resistance. At the same time, nearly two-thirds of the “discretionary spending” in the federal budget (money that must be appropriated annually by the Congress and simply disappears if not appropriated) is an inviting target. Entitlements, by contrast, are nondiscretionary, meaning they are automatically issued by the federal treasury unless specific legislation alters or eliminates their mandate.

Since both budgets have sizable constituency support, any attempts to curb spending in either brings great resistance, generally along partisan lines. Republicans usually represent wealthier Americans less reliant on entitlements and thus are more prone to advocate savings there. Democrats have entitlement recipients as core constituents and have much less support among pro-defense advocates, and are more likely to favor cuts in defense. The result can be a virtually insurmountable impasse, as the ongoing debate continues. The politically least unpalatable solution is effectively to “kick the can” by proposing cuts in the future that have little immediate impact, in the hope that general economic growth will absorb much of the deficit problem and thus not require implementation of draconian measures.
have a taxing problem (how much it collects); it has a spending problem.” This perspective is held particularly by fiscally conservative Republicans who are also historic supporters of robust spending for national security. As a result, they advocate cutting deficits primarily by reducing spending on entitlements, minimal if any cuts in national security, and few if any increases in revenue collection (with the possible exception among some to accept tax reform that would lower overall tax rates while gaining revenues by closing existing tax loopholes).

The other side of the argument is more classically liberal and Keynesian. It covers a spectrum of advocacies: on the left, for instance, are social and economic liberals who oppose any reductions in entitlement spending, while more toward the center are advocates, including President Obama, who favor a balanced approach in which all three sources are tapped: some modest cuts in entitlements, meaningful reductions in defense spending, and increased tax revenues, mostly accomplished by raising taxes on the wealthiest Americans. The major point of contention is over raising taxes. Conservatives are diametrically opposed to all revenue increases, arguing that the government will frivolously spend any increased revenue it receives, and that added taxes dampen economic recovery. Liberals counter that actions adequate to shrink or do away with deficits are impossible without added taxes. The alternative is to reduce politically popular entitlement programs on which millions of Americans rely or spending on defense. A secondary difference is on the extent of spending cuts that should be borne by entitlements as opposed to other priorities like defense.

As the extremely bitter 2012 election campaign has clearly demonstrated, the disagreements on these matters are fundamental and, in many cases, bitter and virtually irreconcilable. Each element in the “triad” of sources of deficit reduction has dedicated and vocal advocates. Fiscal conservatives, funded by the deep pockets of wealthy individuals and corporations, bitterly oppose any attempts at increasing tax revenues, and the Tea Party has become the primary spokesman of this sentiment. Supporters of resisting encroachments on entitlements include the large number of Americans who benefit from such programs (primarily social security, Medicare, and Medicaid) as their primary advocates; since these recipients are heavily weighted toward the elderly (who vote at a higher rate than virtually any other population demographic), they are a formidable force as well. Defenders of a strong ongoing commitment to a robust national security have their own constituencies, including patriotic groups like veterans and traditional conservatives who generally favor small government but stout defenses. This latter group has been a historic mainstay of support for large defense budgets, but it is torn in the current debate between its dual commitments to defense and resistance to taxation, priorities that are not entirely compatible in application.

Politics and economics roil one another in this debate. Politically, the traditional solution for revenue “shortfalls” has been to stimulate economic growth. When growth occurs, there are more wage earners who contribute at least part of their earnings to tax coffers, thereby increasing revenues. All the budget balancing schemes put forward in the current debate make some kinds of assumption of economic growth as part of their path to the huge
Sources of Change

reduction in deficits/debt that are proposed. This solution, however, has its own built-in economic limitations. One of these is the most efficient way to create growth, and it divides the partisans along familiar lines. Liberals want more pump priming through spending that creates jobs from public coffers until growth is ignited in the private sector, and conservatives want tax cuts or freezes so that investors (particularly the wealthy) will have more to invest. Both sides have a point, and both arguments are also debatable. Another problem is that predictions of growth are classically difficult, and the tendency of politicians is to overestimate how much growth will occur and when. The attraction, of course, is that every dollar created by growth is a dollar that does not have to be deducted from some constituent’s program, either in the form of some benefit or as the absence of an added tax. The difficulty is also that these projections are almost always inflated and produce results short of stated expectations. Moreover, opponents of whatever proposal that these projections are included in will be quick to denounce it as political gimmickry designed to “kick the can” of realistic solutions down the road to whenever the falsity of the assumptions is manifest. Since, in purely economic terms, there is no consensual “best” solution—one that will most likely solve the physical problem—around which economists can rally political figures, the correct path remains a matter of controversy. One source of this controversy is the most effective combination of budget cuts and additional revenues. The magnitude of the problem—several trillions of dollars, depending on whose estimate one accepts—suggests that each element of the troika must contribute and that the question is what part comes from revenues and what part from cuts in existing budgets. These, of course, are politically divisive and poisonous ideological divisions. Another source of controversy is whether the United States, imbedded as it is in an interdependent global economy, can solve its problems if the rest of the world does not do the same. One area of particular concern is the impact of different levels of participation of defense spending on America’s place and security in the world.

National Security Implications  As noted, one of the truly new aspects of the current debate arising from American economic difficulties is the extent to which it is generally conceded by almost everyone in the process that defense spending, the most tangible form of national security concerns, will be part of whatever overall cuts are finally made at the grail of deficit reduction. President Eisenhower attempted to keep the rein on defense spending in the 1950s based on his firm belief that national security required a healthy economy, which in turn, he believed, required a balanced budget. There was also widespread anticipation that the end of the Cold War would produce a “peace dividend” of defense savings as the communist threat evaporated, but these largely failed to materialize. The idea of reduced spending on defense is thus not an altogether unprecedented idea. The potential cuts that are possible parts of the long-term deficit package are, however, much larger and thus potentially consequential than in the past.

Both international and domestic factors play into the rationale for including defense cuts in the general deficit reduction process. Iraq and Afghanistan
are important internationally in two ways. Both experiences have jaundiced American public views of national security due to their expense, duration, and ambiguous outcomes, contributing to a sense of futility and waste that helps generate support for restrained spending, particularly among people who want to minimize cuts in other priorities. At the same time, American withdrawal from both conflicts could produce substantial savings in deficit spending, since both wars have largely been financed with borrowed money. The rejoinder, of course, is that there was the same unrealized hope for the 1990s peace dividend. Domestically, one of these, as discussed in Amplification 1.1, is that defense represents the largest pool of discretionary resources in the general budget, making it a natural target. The perceived need for deficit reduction or elimination has become so central to the domestic political dialogue that even an area as historically sacrosanct and insulated as defense spending is no longer exempt from potentially meaningful participation and sacrifices. To repeat an earlier observation, all projections, including cuts on defense, are subject to change as situations change in the future, but for the time being, defense has become part of the general dialogue about budget reduction.

The degree to which defense spending is a victim of the cutter’s knife will have an impact upon American capability to deal with the world and will be controversial. For example, even the savings inherent in the Iraq and Afghanistan drawdowns will be in demand by budget cutters and defense advocates. There will be predictable demands on resources from the armed forces, as there was evaporation of the peace dividend in the 1990s. These will include investments to replace equipment lost or destroyed during the wars, funding for new capital projects, funding that was deferred or diverted during prosecution of Iraq and Afghanistan, and residual long-term obligations from the war, including medical, disability, and retirement benefits for veterans of the two conflicts.

There is little argument within the defense structure that it will be part of the general atmosphere of sacrifice, but there are stern warnings about its consequences. One fairly obvious, and for present purposes exemplary, source of future savings, for instance, is in the area of manpower. Funding the active force (including partial funding for veterans) currently absorbs around 30 percent of defense dollars (like everything else about the defense budget, there is disagreement about the exact amount), largely because the all-volunteer, professional force is very expensive (the average wages and benefits for a service member are currently about $115,000). The result is a large personnel budget that can be reduced either by contracting the number of personnel (and thus salaries) or by reducing the costs of the individual soldier, sailor, or airman. One way to do this would be to reduce wages and benefits, but that would drive many of the best people out of the service. Another is an alternate form of recruitment like conscription, since involuntary service members do not have to be paid as well as volunteers. Given the national political aversion to a return to some form of the draft, however, reduced numbers of forces seems to be the least unpalatable political alternative. Smaller forces, however, provide less flexibility in missions that can be pursued and an overall reduction in the country’s ability to pursue an activist agenda. There is disagreement over whether that is good or bad.
Who should make the decisions about which defense programs should be given the axe as reductions occur? As its advocates point out, defense spending is sui generis, and unless considerable care is exercised in what gets cut how, the consequences could be far different than originally intended. As P. W. Singer pointed out in 2011, the dynamics of most of the pressure underlying deficit reductions has been fiscal, and “fiscal experts may know tax policy, but they do not know national security, and vice versa.” Acknowledging this gap, proponents of defense spending cuts argue that turning over cuts to the military itself (and its allies in defense industry) is likely to lead to the self-serving conclusion that meaningful participation is impossible without grievous dangers.

Force reductions will have consequences. The current force has been stretched to its arguable limits over the past decade of constant deployments in two wars, and all the costs (for instance, the mental health consequences of repeated deployments) are not yet in. A smaller force, particularly if it is not to be stressed beyond reasonable limits like those it has endured, can do less. If the implication is that American activism in shaping the world will be reduced, the degree to which that matters depends critically on a world environment that is unpredictable and difficult to manipulate—particularly if one has reduced capabilities with which to influence. The national security implications of change are thus truly intermestic in nature.

The Intermestic Intersection

In times of general economic tranquility and prosperity, the tensions between domestic and international politics are not as obvious in the national security era as they are today. The 1990s was a case in point, where the end of the Cold War created a temporary respite from the high national security tensions and stakes that had preceded it, and was matched by a decade of general and growing prosperity for most Americans. In this atmosphere, the peace dividend disappeared like a wisp of smoke but was largely unlamented, except by the staunchest opponents of defense spending. Particularly after the 1994 confrontation between President Clinton and the Republican-controlled Congress, there was also a period of general consensus around spending levels and priorities.

The intermestic intersection became a potential crash site after the turn of the century. The Bush tax cuts of 2001 produced smaller tax revenues (a domestic influence) than previously, and involvement in Afghanistan in late 2001 and in Iraq in 2003 created large, internationally focused expenditures for which spending priorities (e.g., consciously moving funding from other programs to pay for the wars) was not made. Regardless of who was to blame and how much impact these actions have on the present, they heightened the movement toward tension between domestic and international concerns at the intermestic intersection.

There is no permanent solution to the relative priorities of domestic concerns such as deficit reduction or international concerns such as threat levels and necessary responses to them, because things change. The domestic environment will not, in all likelihood, continue to be as bleak somewhere
in the future, and the nature and texture of the international threat environment could become more or less menacing in the future. For the moment, the intermestic scale is weighed on the side of domestic concerns at the expense of activism in an international arena that some observers believe does not need or benefit from U.S. activism anyway. As long as the domestic crisis remains as paramount on the national agenda as it has been for the past several years, it will eclipse national security emphases. Whether this is acceptable given the potential consequences of national security inadequacies is a matter of personal assessment, a concern raised in the Challenge!

**CHALLENGE!**

**Is a Reduced Commitment to National Security Acceptable?**

The arguments presented here are preliminary and sketchy, not fully raising or analyzing all the complex issues surrounding the contribution of national security to deficit reduction. Some of these complexities are explored in subsequent chapters, and by the time the reader finishes the book, he or she should have a much more complete and sophisticated array of information on which to base a judgment. At this point, only general views and predilections are reasonable to assume.

With that rejoinder in mind, what is your general view of including defense meaningfully in deficit reduction? Should the Pentagon “shoulder its share of the load,” or is the national defense so important that it should be partially or wholly excluded? If defense spending is to be included, at what level should it be? The Defense Budget today is between $600 and $700 billion (depending on the accounting criteria employed), and that does not include most of the expense on Iraq and Afghanistan (collectively well over $100 billion a year). Projections about needed overall reductions are generally in the $400–500 billion per year range over ten years? What part of that amount should the defense budget bear?

If you think national security should be exempt or only have a small role, where should the mandated savings come from? A dollar not saved on defense, after all, must come from somewhere else. Should it come from entitlements? Before you answer, ask a grandparent what he or she thinks. Or should it come from “revenue enhancement”? If larger revenue is the answer, from whom should they come, and what do you think the consequences will be? None of these are easy questions with facile answers, or they probably would have been reached. If you feel a bit overwhelmed or underqualified to answer these questions, you have lots of company (including, arguably, some of those with responsibility for answering these questions). For now, a simple expression of how you feel is all that is reasonable to elicit, recognizing that you may change your mind.
CONCLUSIONS: THE WAY FORWARD

The discerning reader will notice that the preceding pages of this introductory chapter raise numerous questions but few answers about national security and its role in the intermestic politics of the contemporary world. This lack of answers and recommendations was probably particularly apparent in the reader’s attempt to sort through the concerns raised in the Challenge! immediately above. Why?

There are at least three responses to the question. Answers to all the questions that have been raised were formulated by various analysts and political figures, but all of these answers are to one degree or another suspect, based in ideological or methodological grounds that may or may not stand up under close examination, as well as along partisan political lines. To put forward one of these at this point would be irresponsible, because the lay reader lacks the criteria to judge the merit of any particular argument apparently endorsed. The alternative of throwing all arguments on the table leaves the same problem of alternative choices.

This problem abounds in the discussion of both domestic and international factors. Domestically, it is particularly sharply drawn over the issue of added tax revenues, where both sides argue with equal fervor and selectively chosen supporting evidence that adding taxes—primarily to the wealthy—would be “job killer” and depressant on the economy or that such additional revenues are necessary, fair, and will aid not depress the economy. Internationally, there is also the nature of threat and appropriate responses. The major difference is that many of these arguments are couched in highly technical terms (especially those regarding weapons technologies) quite beyond the expertise of the average citizen to evaluate.

A second reason for caution is that most of the predictions deal with the future, in which uncertainty is a major constant. Lacking the kind of reliable knowledge available in the natural and physical sciences, political projections in the future are notoriously difficult and faulty, and this problem is worse the farther into the future one projects. Singer, for instance, argues that “none of the conflicts facing the United States threaten its fundamental, core interests.” That may be true now, but will it also be true five or ten or more years from now? Future threat scenarios are almost infinite and can support entirely contradictory policies today, including spending levels necessary in the event one or more especially threatening visions materialize. But who knows? Similarly, the economic situation in the United States will almost certainly change in the coming years, probably for the better but conceivably for the worse. Which way will it go? Nobody knows for sure.

The third reason for raising but not answering questions is that the reader does not have enough information available to make reasoned judgment on many of the concerns already raised, and it is the express purpose of the rest of the book to provide some of those answers, in effect putting meat on the bones of the problems raised here and some others that have not been mentioned.
STUDY/DISCUSSION QUESTIONS

1. What is the traditional, post–World War II position of the United States in world politics? What sources of challenge are there to those roles? Discuss and place each in historical context.
2. What is “intermestic” politics? How does it obviously apply to the area of national security?
3. What is the international dimension of change in national security? Describe important sources and examples of change.
4. What is the current domestic dimension of national security concern? Specifically, describe the problem of deficit reduction/elimination, proposed solutions, and how national security is affected by outcomes of the debate.
5. How do the domestic and international environments come together to form an “intermestic intersection” in the current debate over national security policy? Elaborate.

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