

CONGRESS MAKES GIs VICTIMS OF BUDGET GAMES

In a bid to score points in their ongoing budget battle with George Bush, a group of congressmen led by House Speaker Thomas Foley and House Armed Services Committee Chairman Les Aspin have made a move likely to dampen the morale of America's soldiers. Aspin last month prevented Secretary of Defense Richard Cheney from carrying out a routine shift, known as "reprogramming," of Pentagon funds into personnel accounts used to pay soldiers' salaries and benefits. The move would have cushioned the impact on America's two million men and women in uniform of last year's military spending cuts triggered by the 1985 Gramm-Rudman-Hollings deficit reduction bill. Aspin blocked Cheney's reprogramming of funds to demonstrate to Bush and the Pentagon that across-the-board cuts under Gramm-Rudman can hurt programs they support, like military personnel funding. Congressional leaders tend not to like Gramm-Rudman cuts because they somewhat limit Congress's power of the purse. The White House sometimes prefers them for just this reason. Aspin's strategy is to make the impact of the 1990 Gramm-Rudman cuts so painful that Bush will shy away from wielding the Gramm-Rudman weapon in his fiscal 1991 budget battle with Congress.

If Aspin continues to block the reprogramming, of course, everybody comes out a loser. This includes Congress and the White House; they will have to explain why they cannot pay the soldiers they have hired. Losing most of all will be America's troops, who will not be sure where their next paycheck will come from.

The stage was set for this contest in December when Congress and the White House agreed that, to meet budget deficit reduction targets under Gramm-Rudman, they would subject the Pentagon budget to what is known as a "sequester." Under the terms of Gramm-Rudman, a sequester is an automatic across-the-board cut in the budget designed to bring down the federal deficit. Cuts are triggered if the deficit gets too high and affect all federal programs equally. This particular sequester was "partial" because it pertained only to three months' worth of the fiscal 1990 budget. Under the terms of Gramm-Rudman, the President could have excluded military personnel accounts from the bill's automatic budget reductions. Congress included this provision in Gramm-Rudman because it understood that automatic and arbitrary cuts in personnel accounts have a harsh impact on the lives of soldiers. Some will have to leave the military, others may be denied transfers or promotion to higher pay grades.

Avoiding Additional Cuts. Earlier in the fall, however, Bush and Cheney decided not to exempt military personnel accounts from automatic cuts in the event of a sequester. Had they exempted the personnel accounts, the U.S. could have paid its troops under the terms of a sequester, but there would not have been enough money left to train or equip them properly. This is because exempting personnel accounts from Gramm-Rudman cuts would have meant that additional cuts would have to be made in other Pentagon accounts, including those for training and new weapons. In the case of a full-year sequester, these reductions in other Pentagon accounts would have increased from 7.5 percent, the amount required by the sequester, to 12.5 percent. Although the partial sequester agreed to

in December entailed smaller cuts, Cheney did not have the opportunity to review his earlier decision.

Further, Cheney already knew that Congress was expecting him to come to them to reprogram funds into personnel accounts in January due to a budget-busting move Congress made in November. At that time, Congress voted for nearly \$1 billion in new benefits programs for the military, but decided not to provide the funds to pay for them. Instead, in a November 6 congressional report, Senate and House leaders expressed their expectation that Cheney would be coming to them to reprogram "additional military personnel funds as he deems appropriate" to pay for the new benefits. They even asked him for a report, which he delivered in January, on how much reprogramming would be necessary.

In fact, Cheney could have handled either the shortfall caused by Congress's add-on benefits programs or the effects of the 1990 budget sequester without asking for any reprogramming at all. He could not handle both together.

"Ugly Thing." When Cheney went to Congress last month with his request to reprogram \$853 million into military personnel accounts, he was rebuffed. Despite the fact that Congress had anticipated the request, and even though similar requests routinely have been approved since 1986, Aspin refused to bring the request before the House Armed Services Committee for a vote, effectively vetoing it. Aspin's rationale: "We want them to understand that sequestration is an ugly thing."

And it will be ugly if Aspin has his way. If he and other House leaders continue to refuse Cheney's request to reprogram funds, up to 65,000 servicemen and women will be forced out of the service with little or no notice before this October. Up to 71,000 of the best qualified soldiers will be denied promotion, while 33,000 more will be frozen in place, denied transfers in many cases from overseas and harsh-duty assignments. Morale will sink. Units will be undermanned. Ultimately, the disruptions from these arbitrary cuts will damage the effectiveness of U.S. military forces.

Given adequate warning and flexibility in allocating budget cuts, the military services can manage cuts in personnel accounts fairly and with minimal impact on the lives of those affected. They can convene boards, for example, to look at each soldier's case individually. It is precisely this sort of leeway that congressional leaders would deny by demanding that cuts be made rapidly under the abrupt impact of Gramm-Rudman.

Denying Leaders' Objectives. The congressional leaders' agenda is clear. They want to make deep cuts in Bush's 1991 defense budget while driving up spending on domestic programs, and they want to control where those cuts in defense will be made. But Bush does not have to go along with this. If he does not like the congressional budget, he could veto congressional appropriations, triggering Gramm-Rudman across-the-board cuts in defense and domestic programs, denying congressional leaders their main objectives in the budget battle.

The Foley and Aspin response to this threat: make the effect of the fiscal 1990 partial sequester as "ugly" as possible to dissuade Bush from resorting to Gramm-Rudman cuts in this year's fiscal 1991 budget battle.

As it is, U.S. military personnel will be facing difficult personal and professional challenges in coming years as the size of the armed forces is scaled down to meet a diminishing Soviet threat. To maintain high morale and fighting effectiveness during this transition, cuts in personnel should be made according to established military procedures designed to lighten the blow on soldiers' lives. By reprogramming funds into military personnel accounts in 1990, government can begin this smooth transition.

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