

## Defense Spending Already Below Average: Further Cuts Would Be Risk

We are “well below the average for defense spending since World War II.”

– [Douglas Elmendorf](#), 10/26/2011

Last week, the Joint Committee on Deficit Reduction held a hearing with CBO Director Douglas Elmendorf to discuss discretionary spending.

- Democrats [argue](#) for serious cuts in defense spending, and other critics [suggest](#) DoD has been spending “without limits.” They call for Defense to bear disproportionate cuts if we are to re-establish fiscal sanity.
- Director Elmendorf [testified](#) that in reality we are currently “well below the average for defense spending since World War II.”
- According to OMB historical tables, the [average](#) share of GDP spent each year on national defense since 1940 is 7.8%. Last year it was 5.1% of GDP.
  - As a comparison, defense spending was 37.5% of GDP in 1945 (WWII), in 1953 (Korea) it was 14.2%, and at the peak of Vietnam (1968) it was 9.4%.
- In contrast, the CBO director [pointed out](#) non-defense discretionary spending is higher than historical averages.
  - Such spending has [averaged](#) about 4% of GDP over the last 40 years. Under President Obama’s failed stimulus it was 4.5% of GDP in 2010 and 4.3% in 2011.
  - President Obama, of course, continues to propose [additional stimulus spending](#).
- The military has made clear the danger of cuts beyond those already undertaken or planned.
  - Defense Secretary Panetta has [said](#) such cuts would do “serious damage” to the Department’s ability to “protect this country for the future.”
  - As a former OMB director, Panetta added that the focus of deficit reduction should not be the discretionary accounts, but mandatory spending “that is in large measure responsible for the size of the debt.”

Defense spending should naturally be subject to the same scrutiny as all other federal programs. However, the argument that defense spending is recklessly out of control simply doesn’t hold up.