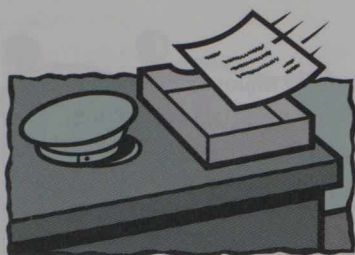


DEFENCE NOTES



United States – Deficit Blues

■ US defence officials expressed regret at Canada's abandonment of the White Paper proposals for increased defence spending; Washington, however, is preoccupied with its own continuing struggle to find ways to curtail the US defence budget, now over US \$300 billion. Without waiting for the Bush administration's long-delayed review of US military strategy, in April the new Secretary of Defense Richard Cheney announced a series of measures intended to cut US \$10 billion from the Pentagon's budget. The cuts included:

- decommissioning of the carrier *USS Coral Sea*, which would effectively end the long-cherished quest for the six-hundred ship navy, and the commitment to a fifteen carrier fleet;
- a long-term slowdown of the recently revealed B-2 bomber programme;
- a reduction by 7,900 in the number of army troops;
- cancellation of the V-22 Osprey, a combination helicopter-aircraft with a US \$22 billion price tag intended for the Marines, and the slowdown or cancellation of a variety of other tactical aircraft including helicopters, and new versions of the F-14 and F-15.

In another important spending decision – the future of land-based strategic missiles – Cheney proposes to take the fifty ten-warhead MX missiles from their present silo deployments, and make them rail mobile. At the same time, the administration will continue limited funding for the single-warhead Midgetman missile, a

weapon favoured by new National Security Advisor Brent Scowcroft, but unpopular with the US Air Force, who see Midgetman as too expensive for its small payload. According to the *New York Times* (26 April) the proposed rate of funding for Midgetman would delay deployment until 1997 or 1998.

The cuts (almost equal to the annual defence budget of Canada) mark a continued struggle to reduce US defence expenditures. In February, President Bush proposed a freeze on defence spending for FY 1990, with a one percent increase in 1991 and two percent in 1992. In mid-April Cheney and the Congress reached agreement on a further reduction for 1990 to conform to Congressional legislation holding the annual deficit to about US \$100 billion. The 1990 defence budget now represents a real decrease in defence spending of about one percent, with little prospect that future years will reverse the trend.

In these circumstances the Bush-Cheney approach has been criticized for failing to address fundamental restructuring in US defence policy. The Pentagon now faces a situation in which many expensive weapons programmes initiated during the euphoria of the Reagan years need to be paid for in the lean years of the 1990s. Faced with painful choices, the first response of the administration has been to prune rather than to slash. Now underlying the debate in the United States is the emerging view that only significant reductions in active troop strength will meet the budgetary constraints. As this view gathers support, attention has begun to focus on the two large overseas commitments of US ground forces: Europe and South Korea.

SDI – Brilliant Pebbles

■ The Pentagon is approaching the decision on full-scale development of the Boost Surveillance

and Tracking System (BSTS). Designed to give early warning of missile attack and to provide a tracking capability to allow interception of enemy missiles, the BSTS development decision will take place against the backdrop of continued debate within the administration about the SDI budget. Both the Joint Chiefs and the State Department are said to favour a lower level of SDI funding in the future, thereby possibly delaying the full-scale development of the BSTS tracking system. Despite his April announcement which restricts SDI funding, Cheney and other agencies support the higher levels originally proposed by President Reagan and necessary if

there is to be an early deployment of missile defences.

While the debate continues, a new favourite has emerged in the SDI sweepstakes. Brilliant Pebbles is a scheme to deploy tens (possibly hundreds) of thousands of small (one metre) rockets in space. They would have on-board computing power contained in small silicon chips, and revolutionary wide-angle optical sensors. The little rocket with the big brain could function without the supporting satellite sensors and communications systems which greatly compound the cost and complexity of currently planned space-based systems, and would be less vulnerable to counter-

CANADA – DEFICIT DISARMAMENT

■ In 1987 the Conservative government issued "Challenge and Commitment," the defence White Paper intended to guide Canadian defence policy for the rest of the century. Echoing earlier statements both private and public by senior officials, the White Paper warned that the armed forces faced a dire future unless there was a significant and sustained increase in defence expenditures. It described a "commitment-credibility" gap which affected every major commitment of the forces. Despite the improvements achieved in the 1980s, the White Paper predicted that without a major infusion of funds, "rust-out" would occur in the early 1990s.

This meant that the forces stationed in Europe would cease to be effective and would need to be withdrawn by the mid-1990s. Without replacement aircraft, there would not be sufficient CF-18s to maintain commitments both to Europe and North America beyond the late 1990s. Most operational ships would be retired by the mid-1990s, leaving only four twenty-year-old destroyers and six new frigates as combat ships.

The White Paper proposed an ambitious programme to acquire new weapons systems, at the centre of which was the decision to acquire a new fleet of ten to twelve nuclear-powered submarines. These were considered to be the only way that Canada could develop a "three-ocean Navy" which would permit, among other things, the underwater patrol and surveillance of Canadian Arctic waters. To finance this rebuilding programme, the White Paper announced a formula whereby defence spending would increase at a rate of two percent real growth per year for fifteen years, with additional "bumps" to pay for capital procurement programmes as they came on stream. However, private calculations of the cost of the rebuilding programme suggested that four to five percent real growth per annum for fifteen years would be required to pay for the White Paper programme.