



The Daily Dish

Playing Budgetary Chicken with National Security

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Eakinomics: Playing Budgetary Chicken with National Security

Yesterday the Senate Armed Services Committee and the House Armed Services Committee released the conference [report](#) for the National Defense Authorization Act (NDAA) for Fiscal Year 2018. This is the bill that authorizes funding for the Department of Defense (and some military programs in the Department of Energy). The top-lines are interesting. The report authorizes a base budget of of \$626 billion. On top of this, there is \$66 billion for the Overseas Contingency Operations (OCO) account and \$8 billion for other defense activities. Thus, the report proposes a national defense top-line of nearly \$700 billion—a \$26 billion increase above the President’s request. It is also well above the defense spending caps put in place by the Budget Control Act (BCA, as amended), which means that unless the cap is changed any amount appropriated above the cap will automatically be cut out (the so-called sequester).

Now it gets interesting. Typically, the NDAA is held by Congress until a budget deal is reached that will accommodate the authorized level of spending. However, if both houses pass this quickly, the NDAA will go to the President’s desk with authorized defense spending well above his request and, more important, infeasible under current law. Obviously, this sends the strong message “we need a budget deal” and also (“oh, by the way, the cap needs to match the NDAA”).

This is more than legislative jockeying. The state of military preparedness has sunk to dangerous lows and the demands in the national security arena continue to mount. Because any increase in the cap will require 60 votes in the Senate, the Democrats will necessarily have to be on board. Certainly, the conference report was a bipartisan effort; the press release included, “We are also proud of the bipartisan process that led to this conference report, which took hard work and thoughtful collaboration from members on both sides of the aisle. As this legislation moves toward final passage and to the President’s desk, we are confident it will continue the bipartisan tradition of supporting the brave men and women of our Armed Forces and enable them to rise to the challenges of our increasingly dangerous world.”

The question is how rigid Democrats will be in their demand for higher non-defense spending, relief for the Deferred Action for Childhood Arrivals (DACA) population, and other demands.