



**Funding Extended Conflicts:
Korea, Vietnam, and the War
on Terror**

by Richard M. Miller with
foreword by Dov Zakheim
Westport, CT: Praeger Security
International, 2007
200 pp. \$49.95
ISBN: 0-275-99896-7

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In his first address to Congress, President Barack Obama declared that his budget would include “for the first time . . . the full cost of fighting in Iraq and Afghanistan.” He then bluntly added an exclamation point to his declaration: “For seven years, we have been a nation at war. No longer will we hide its price.” Unquestionably, the price of the wars in Iraq, Afghanistan, and other global war on terror operations has been extraordinary. At the time of the President’s speech, according to the Congressional Research Service, the total direct cost of operations since September 11, 2001, was \$864 billion. While it is true that the George W. Bush administration and Congress largely funded costs for the war on terror outside of the normal budget cycle with a string of emergency supplemental appropriations bills, the issues behind President Obama’s assertions are more complex and less unique than one might suppose, and thus merit close analysis.

Funding Extended Conflicts offers such an analysis with case studies of how the legislative and executive branches budgeted for the wars in Korea, Vietnam, and the war on terror. Because it was published in 2007, the book covers funding only through Congress’ consideration of the Bush administration’s request for fiscal year 2006 emergency supplemental funding. Nevertheless, it provides an essential starting point for a thoughtful consideration and understanding of the arcane issues associated with funding extended conflicts.

Richard M. Miller, Jr., an Active-duty U.S. Navy officer, as well as a resource manager and congressional analyst for the Chairman of the Joint Chiefs of Staff, is well suited to this task. A laudatory foreword by Dov Zakheim, Under Secretary of Defense (Comptroller) from 2001 to 2004, attests to his bona fides and the value of his analysis. A winner of the B. Franklin Reinauer Defense Economics Prize at the Naval War College, Miller makes his judgments based on his deep knowledge of defense budgetary policy and an ability to handle a range of budgetary data spanning over five decades.

Miller’s close analysis of the war funding for Korea, Vietnam, and war on terror through 2005 identifies a set of enduring issues that he summarizes in 12 “Resourcing Considerations.” Here, Miller correctly concludes that determining war costs before, during, and after a conflict is an extraordinarily difficult exercise. The inherent problem with predicting the nature, intensity, and extent of any war should be self-evident to policymakers, but often it is not. This uncertainty contributes to tensions and suspicions over funding between the legislative and executive

branches. Exacerbating these tensions was the tendency of the administrations considered in this study—Harry S. Truman, Lyndon B. Johnson, and George W. Bush—to lowball estimates or conceal potential war costs at the outset of the conflict. Moreover, determining what the war costs exactly are is problematic. For example, as Miller points out, during the Korean War, sorting out the direct costs of the fight on the peninsula from the general Cold War expansion triggered by the North Korean invasion was a contentious and challenging issue. Similar problems emerged during the war on terror. Arguments over whether funding for the Army’s modularity program should be included in the emergency supplemental appropriations bills or folded into the regular base budget illustrate this issue. Next, Miller appropriately notes that capturing second- and third-order war costs is elusive, as expanded Servicemember benefits and pay, veterans’ care, and equipment reset costs continue to make demands on budgets well after the end of a conflict.

All three conflicts featured the use of emergency supplemental appropriations to fund costs. Miller notes that debates over when and how to move ongoing war costs into the baseline budget and the regular appropriations cycle is a “perennial” resourcing consideration. Thus, while the initial use of wartime emergency supplemental appropriations was not a Bush administration innovation, the continued use of supplementals to fully fund operations over an extended period did stretch the norms of past practice.

The argument underlining President Obama’s assertion that the Bush administration hid war costs through

supplemental funding is that funding the war on terror exclusively through supplementals excluded these costs from long-term budget projections, obscured the real size of projected deficits, and minimized congressional oversight. Miller takes a somewhat contrary view. Although he agrees that war costs need to be incorporated into long-term Federal budget projections, he argues that supplementals offer more, not less, visibility of direct war costs, and, furthermore, they offer the executive branch necessary planning and operational flexibility. This complex argument cannot be adjudicated in a short book review. Suffice it to say that Miller introduces the issue fairly, carefully outlines the parameters of the argument, and offers his perspective for the reader’s consideration.

Finally, a pair of distractions in an otherwise fine study should be noted. First, a chart titled “Funding Tensions in Clausewitz’s Trinity” reflects a common misunderstanding of the trinity that misses Clausewitz’s profound insights regarding the nonlinear, interactive, and unpredictable nature of war. Miller, as have many others, takes Clausewitz’s remarkable trinity and flattens it into a linear model for pursuing successful war policies that emphasizes the need to maintain balance among the army, people, and government. Second, at the beginning of most of Miller’s chapters, a string of four to five quotations appears without proper citations or consistently clear connections to the subsequent text. These numerous quotations, although often interesting, should have been reduced, properly cited in the endnotes, and in many cases integrated into the text.

These distractions aside, this is a balanced, well-documented, and thoughtful work that makes a significant contribution to understanding an important subject. It recognizes that the struggles between the legislative and executive branch over war funding are not new and identifies enduring war funding issues that will vex the current as well as future governments. We should look forward to further contributions from the author on this subject. **JFQ**

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