Impending Sequestration: A Devastating Policy Designed to Encourage a Big, Bold and Balanced Plan

The sequestration cuts scheduled to take effect were designed as a worse-case scenario to encourage a bipartisan agreement to address our fiscal challenges. If these cuts are carried out on January 2, 2013, they will have a devastating impact on our national security, critical domestic programs, and our economy writ large. The best solution to sequester is a big, bold and balanced plan – an idea supported by a bipartisan range of experts and officials.



Decorated Military Officials Agree

Defense Secretary Leon Panetta: "You can't meet the challenge that you're facing in this country by continuing to go back at discretionary spending... That's less than a third of federal spending... If you're not dealing with the two-thirds that is entitlement spending, if you're not dealing with revenues, and you keep going back to the same place, frankly you're not going to make it, and you're going to hurt this country's security." [2/28/12]

Michèle Flournoy, former undersecretary of defense: "The onus is really on Congress to exercise the discipline, the political courage, the pragmatism to reach a budget deal that avoids sequestration, which would impose draconian cuts in a mindless way that would have severe and negative impacts for our national security... I think frankly we would be wise to spend our time trying to build a balanced package ... tax reform, spending cuts, and more investment in things that drive American competitiveness." [5/15/12]

Lieutenant General David W. Barno (Ret.), Dr. Nora Bensahel, Travis Sharp, of Center for a New America Security: "The responsible way forward is clear: Congress should set aside sequestration as soon as possible and work to develop a thoughtful, comprehensive deficit-reduction package. The Budget Control Act's \$487 billion level of defense cuts should stand, and any further cuts should be implemented gradually as part of a new deficit-reduction package—while keeping in mind the potential for greater national-security risk as the amount of cuts increases." [1/26/12]

Army General Martin Dempsey, Chairman of Joint Chiefs of Staff: "What we've said to Congress ... is in the interests of national security, they really ought to find some other way than sequestration to balance this budget, and it can't all be balanced on our backs." [3/10/12]

Deputy Defense Secretary Ashton Carter: "Sequester was supposed to be ... a trigger so irrational that the prospect of it would ... drive the leadership to do what was needed, which was to put together an overall budget package for the nation's finances that could win wide support." [5/30/12]



Support from Republicans

Sen. Lindsey Graham: "Graham says the debt crisis is so severe that the [Norquist] tax pledge - which says no tax loopholes can be eliminated unless every dollar raised by closing loopholes goes to tax cuts -- has got to go. 'When you eliminate a deduction, it's okay with me to use some of that

money to get us out of debt. That's where I disagree with the pledge,' said Graham. The Americans for Tax Reform pledge commits signers to 'oppose any and all efforts to increase the marginal income tax rates for individuals and/or businesses ... and oppose any net reduction or elimination of deductions and credits, unless matched dollar for dollar by further reducing tax rates.' Graham said eliminating some deductions should free up money to lower tax rates - but also to pay down U.S. debt. 'I just think that makes a lot of sense. And if I'm willing to do that as a Republican, I've crossed a rubicon... We're so far in debt, that if you don't give up some ideological ground, the country sinks,' said Graham." [6/12/12]

Sen. Kelly Ayotte: "It would be very productive for our country for us to now get together and to resolve it in advance of the election," she said. "If you wait to use this as some sort of chip in the big deal, it's too late.... For something so important to our national security, it shouldn't be used as a chip in that debate. We should just do our jobs here." [6/26/12]

House Armed Services Committee Chairman Buck McKeon: "We're going to have to stop repeating ideological talking points and address our budget problems comprehensively, through smarter spending and increased revenue." [10/13/11]

Rep. Mike Simpson: "First of all, it's an education process to members of what the seriousness of the problem is. There are still members that think you can just address the whole thing by taking care of entitlements and there are some people who think you can just do it by taxing the rich. The reality is that when you sit down and look at the numbers and what the consequences would be if you don't put everything on the table, you've got to put everything on the table." [3/2/12]



Recommended by Policy Experts and Industry Leaders

Pratt & Whitney President David Hess: "I think everything has to be on the table now," Hess said during the House Armed Services Committee hearing on the industry impact of the defense cuts, which are set to begin in January. [7/18/12]

Lockheed Martin CEO Robert Stevens: "We try to put into the recipe every possible ingredient that might lend itself to the solution." [7/17/12]

Mackenzie Eaglen, American Enterprise Institute: "There is a genuine desire on the part of members of both parties for a deal that goes big." $[\frac{4}{7}]$

Lieutenant General David W. Barno, USA (Ret.), Dr. Nora Bensahel and Travis Sharp of Center for a New American Security: "The responsible way forward is clear: Congress should set aside sequestration as soon as possible and work to develop a thoughtful, comprehensive deficit-reduction package. The Budget Control Act's \$487 billion level of defense cuts should stand, and any further cuts should be implemented gradually as part of a new deficit-reduction package-while keeping in mind the potential for greater national-security risk as the amount of cuts increases." [1/26/12]

Bipartisan Policy Center: "[Sequester] will have serious repercussions on our national security, economic health and public safety while only minimally affecting our national debt. ... The primary issue is not the size of its cuts but the nonsensical manner in which they are to be executed. ... The most responsible solution would be a grand bargain." [6/7/12]

Center for American Progress: "The parameters of a real, long-term solution to our fiscal challenges are obvious: a mix of spending reductions and revenue increases that have been proposed by numerous bipartisan commissions and are reflected in President Obama's budget. It should include some reduction in entitlement spending and some increase in revenues. It should demonstrate to the world that we are willing to put all elements of our problem on the table and move toward a sensible solution—one that gives hope that we will move toward a solution to our overall fiscal problem in the year ahead." [6/18/12]

Lawrence Korb, senior fellow at the Center for American Progress, and Chris Preble, vice president for defense and foreign policy studies at the Cato Institute: "Over fifty years ago, President Dwight D. Eisenhower explained that a nation's security was directly tied to the health of its economy. He understood that if military spending rose too high it would ultimately undermine U.S. security, which he saw as a product of both military strength and economic strength. And he consistently resisted calls from the Joint Chiefs and some members of Congress to outspend the USSR. 'Spiritual force, multiplied by economic force, multiplied by military force is roughly equal to security,' he explained. For Eisenhower this was the 'Great Equation.' 'If one of these factors falls to zero, or near zero, the resulting product does likewise." [6/16/10]

Office of Democratic Whip Steny H. Hoyer, 7/19/12