

Threat Reduction Funding in the Bush Administration: Claims and Counterclaims in the First Presidential Debate

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During the September 30, 2004 presidential debate—in which both candidates agreed that nuclear proliferation is the single most serious threat facing the United States—Senator John Kerry charged that President Bush had “cut the money” for securing nuclear stockpiles around the world, while President George W. Bush said that funding for “dealing with nuclear proliferation” had increased 35 percent since he became President.

In fact, funding for international threat reduction efforts has increased modestly during President Bush’s term, with most of that increase initiated by Congress. President Bush proposed substantial cuts in these efforts in his first budget request, and in his latest request, for Fiscal Year (FY) 2005, proposed cutting the Defense Department’s Cooperative Threat Reduction program by more than \$41 million compared to the FY 2004 appropriation. President Bush’s 35 percent increase encompasses a number of programs that are not focused on helping other countries keep weapons of mass destruction (WMD) out of the hands of terrorists and hostile states, but on long-term nonproliferation R&D and on reducing the United States’ own stockpiles of nuclear material. The latter effort—which is important, but does not directly contribute to securing vulnerable stockpiles abroad—accounts for more than three-quarters of the increase.

Funding for International Threat Reduction

The U.S. Departments of Defense, Energy, and State lead a set of threat reduction programs that are geared specifically toward assisting foreign countries in securing, destroying, and preventing proliferation of stockpiles of weapons of mass destruction. In its FY 2005 budget request, the Bush administration asked for \$1.059 billion in total funding for these international threat reduction efforts.¹ This amount is \$169 million, or 19% percent, higher than the appropriation for these efforts for FY 2001, the last budget year of the Clinton administration, and the last budget voted on before the 9/11 attacks. Several points should be made about this increase:

- Over this timeframe, most of the increases in U.S. nonproliferation funding came at the initiative of Congress, not the administration. If Congress had simply approved President Bush’s requests without change for FY 2002-2005, total threat reduction funding during the period would have been only 5% higher than if the final Clinton-era appropriation had simply remained flat, in real terms.² In fact, President Bush’s first budget request attempted to cut these programs substantially. After the 9/11 attacks, President Bush did not request any additional funds for international efforts to keep weapons of mass destruction out of terrorist hands in his requests for tens of billions of dollars in supplemental funding to fight the war on terror—but Congress added over \$200 million to the budgets for nonproliferation programs in the first supplemental bill, and more in later bills.³

- Most threat reduction programs have not received significant increases during the last four years—the increases have been limited to just a few efforts. Congress on a few occasions has cut the budget requests of particular programs because of differing policy priorities and concern that prior funding had not been spent quickly enough. In his FY 2005 budget request, President Bush proposed to cut the Department of Defense’s Cooperative Threat Reduction Program by over \$41 million, some nine percent of the total.⁴
- The FY 2001 appropriation used as a baseline here was less than what President Clinton requested. President Bush’s FY 2005 budget request for international threat reduction efforts is no more than President Clinton’s FY 2001 proposal, made long before the 9/11 attacks ever occurred. If one focuses just on the *nuclear* component of the WMD threat, on average, the Bush administration’s requests for cooperative action to control nuclear warheads, materials, and expertise over FY 2002 to 2005 were *less*, in real terms, than the last Clinton administration request, again well before the 9/11 attacks.⁵

The Administration’s Calculation

The Bush administration has provided figures for all nonproliferation funding—going beyond just international threat reduction activities—for the Departments of Defense, Energy, and State, to back up the assertion of a 35% funding increase.⁶ Several clarifications of this data are in order:

- As Figure 1 on the following page shows, increases in funding for the Department of Energy nonproliferation programs account for all of the 35% increase. The budgets for other nonproliferation efforts led by the Department of Defense and the Department of State have remained essentially flat, or actually decreased, over the time frame used by the President (i.e., the period between the nonproliferation budgets enacted by Congress in 2000 for fiscal year 2001 and President Bush’s FY 2005 budget request from earlier this year).
- More importantly, three-quarters of the total increase is for disposal of the United States’ own excess plutonium and highly enriched uranium. *This single program, among dozens of international threat reduction and nonproliferation programs funded by the United States, accounts for 77% of the total increase cited by the President.* This increase is the result of shifting from the R&D phase toward actual construction of major plutonium disposition facilities in South Carolina—a shift that was planned before the current administration came to office. Ironically, this increased funding is largely unspent, as the Bush administration’s new policies on nuclear liability have stalled movement toward construction of facilities in this multi-billion dollar program for years.
- Because of inflation, a dollar in 2005 buys less than a dollar did in 2001: being able to buy the same amount of goods and work in FY 2005 as in FY 2001 would have required a 7% increase on its own.⁷

Figure 1 – Changes in Nonproliferation Funding, as Calculated by the Bush Administration
(Includes Contributions to Total Change by Major Components)

(millions of dollars, nominal)	FY 2001 Enacted by Congress	FY 2005 Budget Request	\$ Change, 2001-2005	% Change, 2001-2005	Component Percentage of Total Change from 2001-2005
Department of Defense	410.3	409.2	1.1		0%
Department of Energy	818.2	1,348.7	530.5		102%
of which:					
<i>Disposition of U.S. Plutonium and Highly Enriched Uranium</i>	186.5	585.0	398.5		77%
Department of State	261.0	251.3	9.7		-2%
Total	1,489.5	2,009.2	519.7	35%	100%

¹ For a discussion of what programs are and are not included in this accounting of threat reduction efforts, and why, see Anthony Wier, "Funding Summary," *Nuclear Threat Initiative Research Library: Controlling Nuclear Warheads and Materials*, October 2004 (available at http://www.nti.org/e_research/cnwm/overview/funding.asp as of April 29, 2004).

² FY 2001 administration request figures are largely taken from William Hoehn, "The Clinton Administration's Fiscal Year 2001 Budget Requests For Nuclear Security Cooperation with Russia," Russian American Nuclear Security Advisory Council, March 13, 2000 (available at <http://www.ransac.org/documents/finalfy01budgetsumm.pdf> as of October 6, 2004). Also see Anthony Wier, "Funding Summary" and "Interactive Budget Database," *Nuclear Threat Initiative Research Library: Controlling Nuclear Warheads and Materials*, October 2004 (available at http://www.nti.org/e_research/cnwm/overview/funding.asp as of April 29, 2004); and discussion and references in Matthew Bunn and Anthony Wier, *Securing the Bomb: An Agenda for Action* (Washington, D.C.: Project on Managing the Atom, Harvard University, and Nuclear Threat Initiative, May 2004, available at <http://www.nti.org/cnwm>), pp. 96–99.

³ See William Hoehn, "Analysis of the Bush Administration's Fiscal Year 2002 Budget Requests for U.S.-Former Soviet Union Nuclear Security: Department of Energy Programs," Russian American Nuclear Security Advisory Council (August 10, 2001; available at http://www.ransac.org/documents/fy2002doe_081001.pdf as of October 6, 2004), and William Hoehn, "Preliminary Report: Anticipated FY 2003 Budget Request for Department of Energy Cooperative Nuclear Security Programs in Russia," Russian American Nuclear Security Advisory Council (January 9, 2002; available at <http://www.ransac.org/documents/fy03budget.pdf> as of October 6, 2004).

⁴ William Hoehn, "Preliminary Analysis of the U.S. Department of Defense's Fiscal Year 2005 Cooperative Threat Reduction Budget Request," Russian American Nuclear Security Advisory Council (February 10, 2004, available at <http://www.ransac.org/documents/fy2005dodbudgetprelim.pdf> as of October 6, 2004).

⁵ See Bunn and Wier, *Securing the Bomb: An Agenda for Action*, pp. 94–99, and sources cited therein.

⁶ According to an untitled fact sheet on nonproliferation and threat reduction assistance budgets released informally by the Bush-Cheney '04 campaign, October 1, 2004.

⁷ Inflation figures taken from Table 10.1, "Gross Domestic Product and Deflators Used in the Historical Tables: 1940–2009," in U.S. Office of Management and Budget (OMB), "Historical Tables," in *Budget of the United States Government, Fiscal Year 2005* (Washington, D.C.: OMB, February 2, 2004; available at <http://www.whitehouse.gov/omb/budget/fy2005/pdf/hist.pdf> as of February 17, 2004).