

Trump Is Blundering Into a New Arms Race With Russia (Op-ed)

Trump has a point, but unfortunately for him, it's no longer the 1980s.

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Donald Trump, Ronald Reagan / Wikicommons

President Donald Trump channeled his predecessor Ronald Reagan by warning the U.S. would outspend any other power in a nuclear arms race that might follow a U.S. pullout from the 1987 Intermediate-Range Nuclear Forces treaty. Trump has a point, but unfortunately for him, it's no longer the 1980s.

“We have more money than anybody else, by far. We’ll build it up,” Trump said Oct. 22 about the U.S. nuclear arsenal as he repeated his vow to withdraw from the INF treaty. “Until they come to their senses. When they do, then we’ll all be smart and we’ll all stop.” “They,” of course, are Russia, the other party to the pact, and China, which isn’t a signatory to the

agreement and is free to develop short- and intermediate-range missiles.

Trump's words echo Reagan's description of his stance in the early 1980s. "I intended to let the Soviets know that we were going to spend what it took to stay ahead of them in the arms race," Reagan wrote in his memoir, "An American Life." "We would never accept second place. The great dynamic success of capitalism had given us a powerful weapon in our battle against Communist — money. The Russians could never win the arms race; we could outspend them forever."

The U.S. military spending buildup under Reagan was impressive. According to the Stockholm International Peace Research Institute, U.S. defense outlays in constant 2016 dollars jumped to \$615.6 billion (close to the current level) in 1986 from \$402.5 billion in 1980 — an increase of about 53 percent.

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Unfortunately, it's difficult to gauge exactly how the Soviet Union responded: SIPRI doesn't have the data for those years, and official Soviet statistics were garbage, anyway. Historians still argue about the right way to calculate Soviet military expenditure. Soviet Foreign Minister Eduard Shevardnadze estimated it at 19 percent of gross national product (a broader measure of the economy than the gross domestic product) in 1998 and President Mikhail Gorbachev put it at 20 percent of GNP in 1990, both were citing foreign estimates rather than relying on official data. Meanwhile, the U.S. spent 6.3 percent of GDP on defense in 1986.

It's easy to see why some experts believe the arms race killed the Soviet Union, though Yegor Gaidar, the economist who began the post-Soviet economic shock therapy in Russia, said the "military overload of the economy" was just one of the factors that contributed to the Soviet collapse. The general lack of flexibility in the system and its reliance on faulty planning was what destroyed it.

And yet outspending the Soviet Union worked: Gorbachev was much more accommodating in arms-control talks than his predecessors. Nevertheless, approximate nuclear parity exists today between the U.S. and Russia, even though the U.S. outspends Russia on defense, on average, by a factor of 17 in constant 2016 dollars every year since 1992 and by a factor of 11 last year. Russia has paid special attention to its nuclear forces, most recently with a major rearmament program, to compensate for the relative weakness of its conventional forces. The nuclear deterrent is relatively more important to the Russian strategy than to the U.S. one.

Parity maintenance hasn't been particularly stressful for Russia, which has maintained military spending at about 4 percent of GDP. And even if the U.S. boosts spending on its nuclear weapons program, Russia will be able to keep up without hitting the astronomical defense spending levels cited by Shevardnadze and Gorbachev back in the day.

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The U.S. has allocated \$15.2 billion in 2019 to the Energy Department's National Nuclear

Security Administration, which manages the nuclear stockpile. Adding in nuclear-related weapons programs would bring the nuclear outlay to about \$40 billion. That's not the complete amount (other U.S. government departments also get funding for nuclear-related programs), but it is most of the U.S. spending on nuclear weapons and research. Increasing it by half, as Reagan did with the entire military budget, would mean an extra \$20 billion. Russia, with a GDP of \$1.6 trillion last year, is a much wealthier country than the Soviet Union. It could handle that, even if it had to match the U.S. expenditure dollar for dollar. It won't have to, though. If the U.S. kills the INF treaty, Russia will be able to drop relatively expensive efforts to get around it by producing sea- and air-launched intermediate-range weapons and focus on cheaper mobile land-based launchers.

Granted, any arms race is tougher for Russia than for the U.S. because of the latter's wealth advantage. But by now, Russia has a lot of experience at remaining a fearsome military rival without spending much. It's a capitalist country, after all.

Besides, the U.S. will be running a separate arms race against China this time around -- and trying to convince allies to place its missiles on their territory, which neither China nor Russia has to do.

The potential new arms race resembles its epic 1980s version about as much as Trump resembles Reagan. But that may be too generous: I could easily say, as much as Putin and his Chinese counterpart Xi Jinping resemble Gorbachev.

Even if Trump still lives in the 1980s, the rest of the world has moved on. New times no longer favor blunt instruments like indiscriminate spending. Diplomacy is potentially more useful. That doesn't mean the U.S. couldn't use its financial advantage as leverage in arms control talks: It just needs to hold the talks, rather than expect rivals to come crawling.

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