

GOVERNING

Ike's Warning Of Military Expansion, 50 Years Later

January 17, 2011 5:28 AM ET

Heard on [Morning Edition](#)

NPR STAFF

On Jan. 17, 1961, President Dwight Eisenhower gave the nation a dire warning about what he described as a threat to democratic government. He called it the military-industrial complex, a formidable union of defense contractors and the armed forces.

Eisenhower, a retired five-star Army general, the man who led the allies on D-Day, made the remarks in his farewell speech from the White House.

As NPR's Tom Bowman tells *Morning Edition* co-host Renee Montagne, Eisenhower used the speech to warn about "the immense military establishment" that had joined with "a large arms industry."

Here's an excerpt:

"In the councils of government, we must guard against the acquisition of unwarranted influence, whether sought or unsought, by the military-industrial complex. The potential for the disastrous rise of misplaced power exists, and will persist."

Since then, the phrase has become a rallying cry for opponents of military expansion.

Eisenhower gave the address after completing two terms in office; it was just days before the new president, John F. Kennedy, would be sworn in.

Eisenhower was worried about the costs of an arms race with the Soviet Union, and the resources it would take from other areas — such as building hospitals and schools.

Bowman says that in the speech, Eisenhower also spoke as someone who had seen the horror and lingering sadness of war, saying that "we must learn how to compose differences not with arms, but with intellect and decent purpose."

Another concern, Bowman says, was the possibility that as the military and the arms industry gained power, they would be a threat to democracy, with civilians losing control of the military-industrial complex.

In his remarks, Eisenhower also explained how the situation had developed:

"Until the latest of our world conflicts, the United States had no armaments industry. American makers of ploughshares could, with time and as required, make swords as well. But we can no longer risk emergency improvisation of national defense; we have been compelled to create a permanent armaments industry of vast proportions."

The difference, Bowman says, is that before the late 1950s, companies such as Ford built everything from jeeps to bombers — then went back to building cars. But that changed after the Korean War.

Bowman says that it's important to note that during the Cold War, the U.S. military didn't draw down its troops like it did after World War II.

"It kept a large standing army after the Korean War," he says.

America's new reliance on sophisticated weapons technology also helped bring about what Bowman calls "a technology race with the Soviets."

And that meant that weapons manufacturing became more specialized.

"So [for] a company like Ford, going from cars to jeeps is one thing; cars to missiles is quite another," Bowman says.

In an effort to control the expansion of the military-industrial complex, Eisenhower consistently sought to cut the Pentagon's budget.

The former general wanted a budget the country could afford, Bowman says. He upset all the military services with his budget cuts, especially the Air Force.

Citing another quote from Eisenhower — this one from another speech on military spending — Bowman says, "The jet plane that roars overhead costs three quarters of a million dollars. That's more than a man will make in his lifetime. What world can afford this kind of thing for long?"

In today's government, Eisenhower has a fan in his fellow Kansan Secretary of Defense Robert Gates — who keeps a portrait of the former general in his office at the Pentagon, Bowman says.

Speaking at the Eisenhower Library last year, Gates talked about America's insatiable appetite for more and more weapons:

"Does the number of warships we have, and are building, really put America at risk, when the U.S. battle fleet is larger than the next 13 navies combined — 11 of which are our partners and allies?

Is it a dire threat that by 2020, the United States will have only 20 times more advanced stealth fighters than China?

These are the kinds of questions Eisenhower asked as commander-in-chief. They are the kinds of questions I believe he would ask today."

But, Bowman says, it has only become more difficult to control the size of the nation's military industry.

First, "there are only a handful of defense giants," he says, "which means you can't shop around for a better price."

And companies such as Lockheed Martin and Northrop Grumman are also adept at both lobbying and marketing to promote their interests.

Bowman says, "they also spread the jobs around the country, to lock in political support."

Gates has also discussed the difficulty of cutting military spending:

"What it takes is the political will and willingness, as Eisenhower possessed, to make hard choices — choices that will displease powerful people both inside the Pentagon, and out."

Bowman says that some industry observers believe that "the one thing that could create that political will is the nation's huge deficit." Only that might force cuts in the overall defense budget.

The U.S. Still Leans on the Military-Industrial Complex

Economic View

By LOUIS UCHITELLE SEPT. 22, 2017



If you want to see what President Trump can do to expand manufacturing in America, look past his criticism of free trade and the few jobs he may have saved at Carrier. Instead, look at his plans for the military.

Manufacturing has always relied on public funding in one form or another, and in particular on outlays for weaponry, even nearly three decades after the end of the Cold War. Roughly 10 percent of the [\\$2.2 trillion](#) in factory output in the United States goes into the production of weapons sold mainly to the Defense Department for use by the armed forces.

And the spending shows. The United States, after all, has 10 aircraft carriers in active service versus just one for China, although China has a bigger manufacturing industry than the United States. One can argue that China is bent on big increases in weapons production and is still in the early stages. Whatever the case, America's weapons production is still far greater than China's, while China has burnished its reputation as a manufacturer of civilian goods for export and, increasingly, for its own citizens.

The United States once went that route. In the summer of 1945, after nearly five years of wartime rationing, the civilian population of the United States was starved for new cars and appliances, new clothing and shoes, and new homes and their furnishings. So was the rest of the world, and American manufacturers prospered by meeting that need as well. Converting factories to civilian production was a no-brainer and sufficiently profitable to match wartime earnings.

After the Korean War in the early 1950s, however, a somewhat similar conversion back to civilian production wasn't as profitable. And [companies](#) that considered it in the early 1990s, like General Dynamics in Groton, Conn., decided to stick with making weapons for the Defense Department.

These companies argued — accurately — that military work was more profitable and, in those days, generated more jobs.

As weapons production increased, the manufacture of autos and electronics shifted partly or wholly overseas. So did the production of other civilian products — leaving behind weapons bought by the Defense Department as an ever bigger share of the nation's factory output.

While President Dwight D. Eisenhower warned of the perils of the “military-industrial complex” in his farewell address in January 1961, the Vietnam War accentuated this reliance on weapons production, which became embedded in annual budgets. That may well continue in the years ahead. [In his first budget proposal](#) in May, Mr. Trump called for significant cuts in domestic spending but roughly a 10 percent increase in military outlays.

Given the history of recent decades, is it any wonder that we now have a president who, at least in part, equates “making America strong again” with an enhanced military equipped with the weaponry that an enhanced military requires?

Public money flows to factory owners in many ways — often as a result of the frequent bidding by municipal governments to persuade a manufacturer to locate a factory in one community rather than another. These auctions sometimes top \$100 million per factory location.

A manufacturer who finally accepts a municipality's bid collects tax breaks, a gift of land on which to put a factory and sometimes the cost of building and equipping the factory itself at taxpayers' expense. Cities and towns are that eager to have a factory, with its network of nearby suppliers and its relatively well-paying jobs — relative, that is, to the lower paying retail and service industry work that is often the alternative for high-school- or even junior-college-educated men and women.

That outlay of taxpayer money is concentrated in eight sectors of manufacturing, including ammunition, aircraft, guided missiles, shipbuilding and armored vehicles. Shut down production in those areas and factory production in America, measured as value added, would shrink 10 percent or more, according to [Richard Aboulafia](#), a vice president of the Teal Group, a defense consulting firm.

Mr. Aboulafia based his estimate, he said, on an analysis of the Defense Department budget and export data. Dan Luria, research director of the Michigan Manufacturing Technology Center, concurred with those figures. To put the matter graphically, factories in the United States churn out one rifle barrel for every nine auto fenders.

Cutting back on factory production isn't the direction the Trump administration has been going. Instead, the promise is that — whatever goods they produce — the Trump era's factories will be big employers. But the reality is that modern factories, even when they materialize, are highly automated, which helps to explain why the manufacturing work force has bumped along at less

than 13 million for nearly a decade, according to the [Labor Department](#), although factory output – including weapons production – keeps rising smartly.

These constraints make me yearn for the good old days just after World War II, when America seemed to have easier policy choices. Even inexpensive trinkets were manufactured in America, and my mother, for one, ordered her children to stay away from a neighborhood boy whose parents had bought him a BB gun. Disarmament ran deep in the late 1940s. We didn't need to produce weapons, even BB guns, to keep manufacturing afloat. I'm afraid that we do now.

Louis Uchitelle covered economics for The New York Times for more than 20 years. This essay is drawn from his latest book, "Making It: Why Manufacturing Still Matters," published in May by the New Press.

A version of this article appears in print on September 24, 2017, on Page BU3 of the New York edition with the headline: The U.S. Still Leans on Military Production. [Order Reprints](#) | [Today's Paper](#) | [Subscribe](#)

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POLITICS & POLICY

The Myth of the Military-Industrial Complex

By **GREG S. JONES**

May 4, 2017 8:00 AM

The conspiracy-minded are once again inveighing against the sinister defense contractors who supposedly control America's purse strings. The reality of the federal budget is much less exciting.

Donald Trump's recent military overtures toward Syria and North Korea have revived one of the more resilient myths in American political history: namely, that Washington makes defense policy according to the desires of a mysterious and immensely powerful "military-industrial complex."

From former Ohio congressman **Dennis Kucinich** to late-night talk show host **Bill Maher** to former Presidential candidate **Ron Paul**, Trump's newfound militarism has unleashed a torrent of conspiratorial pundits bemoaning the ill-defined network of politicians, generals, and defense contractors that supposedly enriches itself at the republic's expense.

But while there is certainly no shortage of symbiotic back-scratching between Washington and the defense industry, the notion that a shadowy cabal drives defense policy doesn't jibe with reality.

The idea of a military-industrial complex originated with President Dwight D. Eisenhower, who **warned** in his farewell address of the increasing coziness between the state and vendors of war:

This conjunction of an immense military establishment and a large arms industry is new in the American experience. The total influence — economic, political, and even spiritual — is felt in every State house, every office of the Federal government. We

recognize the imperative for this development. Yet we must not fail to comprehend its grave implications. Our toil, resources and livelihood are all involved; so is the very structure of our society.

In the councils of government, we must guard against the acquisition of unwarranted influence, whether sought or unsought, by the military-industrial complex. The potential for the disastrous rise of misplaced power exists and will persist.

Eisenhower's words were apropos for the time. Military spending accounted for roughly **10 percent** of American GDP in 1961, a staggering figure considering that the Second World War had been over for more than 15 years and the Korean War for nearly a decade. It was a time of relative peace, and yet big bucks for the defense industry.

Since then, however, defense spending has steadily declined as a proportion of GDP, albeit with a few occasional upticks; by 2016 it had **shrunk** to just under 3.2 percent. In fact, it has only exceeded 5 percent four times since 2001, despite America's involvement in two wars, and several war-like entanglements, over that period.

While these wars and engagements were certainly expensive in terms of real dollars, the steady decline of defense spending as a percentage of total economic output puts the lie to the idea of an all-powerful defense industry controlling the country's purse strings. And while one can certainly make the argument that the federal government spends too much money on instruments of war — and that that money is not always utilized efficiently — the military's shrinking fiscal footprint in terms of GDP should be celebrated, not disingenuously demonized.

Furthering belief in an all-powerful military-industrial boogeyman serves no one, particularly given the current climate.

But blind partisanship has made this particular truth inconvenient, so the leftist (and sometimes libertarian) effort to discredit the defense industry continues apace. A simple Internet image search for "**defense spending meme**" reveals numerous charts and diagrams purporting to show federal defense spending dominating the federal budget at the expense of nearly everything else.

These infographics are so prevalent, in fact, that left-leaning websites **Politifact** and **FactCheck.org** have stepped in to point out the obvious fallacy that plagues them: They only reference "discretionary" spending, or what Congress spends via appropriations bills, which accounts for roughly one-third of the total federal budget. "Mandatory" spending — mostly on entitlements such as Social Security, Medicare, and the SNAP food-stamp program — accounts for the lion's share of the budget. In 2015, for instance, defense spending consumed 54 percent of the discretionary spending, but only 16 percent of all federal spending.

Though I like Ike, his warning was way off the mark: the Democratic-entitlement complex is the real Leviathan threatening the integrity and spirit of America. In fact, while defense spending as a factor of GDP has steadily declined, welfare and entitlement spending has **ballooned** to nearly four times what it was when Ike began his second term. Social Security and Medicare alone **consumed** nearly three times more money than **defense** last year. And that's the *good* news. While advances in technology, and hopefully policy, may well continue to increase the efficiency of America's defense spending, the costs of the entitlements beloved by Democrats are only set to increase. By 2047, the CBO projects that Social Security and Medicare alone will consume **half** of all non-interest federal spending.

Don't get me wrong: There is certainly plenty of room to streamline defense spending and reduce bureaucracy and backscratching in the Pentagon's contracting processes. But furthering belief in an all-powerful military-industrial boogeyman serves no one, particularly given the current climate.

History has demonstrated time and time again America's need for a robust, capable defense that nevertheless knows its own limits. Unfortunately, Trump has inherited a historically deficient military — a recent Heritage Foundation **analysis** rated America's armed forces "marginal" — and a dangerous, fast-changing geopolitical landscape. Threats abound, from Russia to China to North Korea to ISIS, and Trump has **pledged** to increase military spending accordingly.

But that's just good defense policy; it's not the result of some sinister conspiracy.