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THE BRAC MODEL FOR SPENDING REFORM

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WITH RECORD SPENDING and deficits come calls for reform. Entrenched political problems, however, make spending reform easier said than done. Independent commissions are often suggested as a way to tackle intractable political problems, but not all congressionally created commissions are the same. The Base Realignment and Closing (BRAC) commissions of the late '80s and early '90s were remarkably successful because of their peculiar structures, not simply because they were commissions. They worked because no member of Congress ever had to vote *for* shutting down any particular military base. A spending commission could curb discretionary spending successfully, but only if it embodies the lessons of BRAC. That means not just creating a commission, but making sure it is composed of independent members whose recommendations become binding without congressional action.

THE BRAC MODEL

SPENDING IS AT an all-time high. It is nearly impossible to cut spending because every federal program has a constituency that lobbies hard to keep it alive—whether it is an efficient program or not. Beholden to these interests, members of Congress champion the programs and horse-trade to ensure they remain funded. At the same time, the cost of each federal program is spread so widely among all taxpayers that it is barely noticeable.

The public and members of Congress worry about an out-of-control budget and agree that spending must be reigned in, but they do not agree on which programs to cut or reform.

Today's situation is similar to that experienced at the end of the Cold War. Record deficits cried out for spending cuts, and an indisputable glut of military bases was the obvious target. But because bases brought federal money into their congressional

districts, each base had a literal constituency and a designated champion in Congress. While people agreed to the general notion that there should be fewer bases, in practice, they did not want Congress to close the bases in their areas. And so it was that since 1977, when Congress began to take a more prominent role in base realignment, not one major base had closed.

Through a combination of genius and good luck, Congress created the Base Realignment and Closure Commission (BRAC) in 1988 to address this impasse.¹ Composed of independent experts, the commission used military need as the only criterion for deciding which bases to close or realign. Its recommendations were binding unless Congress passed a joint resolution of disapproval. After years of impasse, the first iteration of BRAC closed 16 major bases.²

WHY BRAC SUCCEEDED

BRAC worked for several reasons.³ First, when members of Congress approved BRAC, they voted for a plan that represented the general desire to cut spending as it guaranteed cutting some bases (short of a resolution of disapproval). While some members opposed the plan because the commission would clearly close the outmoded bases in their districts, most members calculated a low risk to their bases. Thus, a congressman could vote in favor of cutting spending without having to vote to cut his (or any) district's base.

BRAC also succeed because it set up an independent commission composed of independent experts with no political careers to protect. Furthermore, the commission was not tasked with reaching an equitable solution. It reviewed bases and chose which ones to close based solely on military need. Fairness, equity, or other political considerations subject to deal making did not enter into its calculation.

Finally, and perhaps most importantly, by passing BRAC, Congress effectively tied its own hands so that the majority position could triumph. Because it was an all-or-nothing affair, Congress could only vote to spare a particular base on the BRAC Commission's list by voting to spare every base on the list, forgoing the desired cost cutting.

Members without a base on the list would have no incentive to reject the list. In fact, because cutting spending was politically popular, their incentive was to be seen as not standing in the way. How could they explain a vote against an independent blue ribbon panel that made recommendations based on objective military need? The minority of members representing affected districts could offer little to change their minds. Meanwhile, BRAC gave members with a base on the list political cover. Their constituencies could see them as doing everything in their powers to avoid the closures. As one of BRAC's originators, Senator Phil Gramm, explained during a committee hearing at the time,

*The beauty of this proposal is that, if you have a military base in your district...under this proposal, I have 60 days. So, I come up here and say, "God have mercy. Don't close this base in Texas. We can get attacked from the South. The Russians are going to attack Texas. We need this base." Then I can go out and lie in the street and the bulldozers are coming and I have a trusty aid there just as it gets there to drag me out of the way. All the people...will say, "You know, Phil Gramm got whipped, but it was like the Alamo. He was with us until the last second."*⁴

This is possible because members of Congress never vote on *killing* any particular base; they only ever vote on the abstract and consensus notion of cutting spending by eliminating obviously inefficient bases. Once the closure list is published—and an affected representative no doubt introduces a resolution of disapproval—members simply vote on *saving* a handful of bases. Thus, most members need take no action, and constituencies can see affected members as champions. In this way the majority triumphs.

TODAY'S PROPOSALS ARE UNLIKE BRAC

THE LESSONS OF BRAC could apply to today's record spending. Congress could create an independent expert commission to evaluate federal spending programs using objective criteria. Recommended programs would be cut or reformed unless Congress passed a joint resolution of disapproval. Members of Congress have proposed such commissions. However, while some of the proposals outsource budget reform to a commission, they do not embrace the greater lessons of BRAC (see table 1).

One example of a proposal Congress is considering today is the Bipartisan Task Force for Responsible Fiscal Action Act of 2009.⁵ Endorsed by the president, this proposal lacks many of the key features that made BRAC successful. Where BRAC employed a blue-ribbon panel of independent experts with no vested interests, the task force bill would create a body composed of sitting members of Congress, the treasury secretary, and one other administration official. Additionally, while Congress charged the BRAC Commission with evaluating

TABLE 1: A COMPARISON OF COMMISSION STRUCTURES

	BRAC	Task Force
Independent Members	x	
Focused on Cuts	x	
Clear Criteria	x	
Up-or-Down Vote	x	x
Recommendations Operative Automatically	x	
Political Cover	x (for cuts)	x (for tax increases)

bases based on military need, it would charge the Bipartisan Task Force simply with reconciling the government's long-term fiscal imbalance. It would not assign a guiding, objective criterion.

The task force bill also lacks another key element of BRAC: a mechanism that makes the commission's recommendations operative unless Congress takes action to undo them. As written, the bill would require the Bipartisan Task Force to produce legislative language implementing the findings of their final report. Congress would consider this legislation on a fast-track basis, limiting amendments, debate, and filibuster. The legislation would also be subject to a supermajority requirement, which means three-fifths of members present must vote for it if it is to pass. Unlike the BRAC approach—which had members of Congress simply vote on the abstract idea of a commission to close bases and then take no action to see the selected bases closed—the task force approach would require members to vote on a bill that lists the programs to be cut or reformed.

This will put members of Congress in a position where they can be seen by their constituencies—both literal district constituencies and metaphorical constituencies that include the special interests from which they draw support—as voting for or against specific programs. The public won't see representatives as voting simply to cut waste and inefficiency; they will see them as cutting specific programs, programs that have strong special interests behind them. Thus, unlike BRAC, the task force approach does not counteract the normal public choice dynamic, probably because the task force bill seeks to address the government's entire fiscal situation.

Finally, unlike BRAC, the proposed task force is not a cost-cutting body. Its function is not to find and eliminate inefficiency and waste as the president has sought. Its charge is to reconcile the government's long-term fiscal imbalance, and perhaps the easiest way to do that is to raise taxes. It is entirely possible that a task force composed almost entirely of the very same representatives that helped create the present record deficits would propose to do nothing about out-of-control spending except further enable it. BRAC gave representatives political cover by allowing them to say that they tried everything to prevent a base closure, but that ultimately the expert commission won the day. A task force approach could provide a different type of cover, allowing representatives to say that while they want to resist raising taxes without significant spending reform, the task force legislation embodies the bipartisan consensus for the long-term well being of the nation.

A BRAC-STYLE SPENDING COMMISSION

A BRAC-STYLE COMMISSION probably could not reform entitlement spending, which funds programs like Medicare/Medicaid, Social Security, and veterans' benefits. Entitlement

reform does not easily lend itself to such binary choices or to easy empirical measurement devoid of politics. These programs are so large, so entrenched, and command such a strong lobby that it is difficult to see how Congress would ever cede decisions over them to an independent body.

A spending commission modeled on BRAC should be focused, independent, composed of disinterested citizens given clear criteria for their decisions, and be structured in a way that allows its recommendations to be operative unless Congress rejects them.

A spending commission that embodied the lessons of BRAC, however, could tackle discretionary spending, recommending the closing of specific federal programs on the basis of objective criteria. It would be composed of disinterested and respected public citizens and experts (for example, retired Supreme Court justices from each party would co-chair it) to whom Congress would also assign a guiding basis for program review, such as cutting programs that are empirically inefficient or wasteful.⁶ The legislation should ensure that the commission's recommendations would become automatically operative, and deprecated programs would be phased out, unless Congress adopted a joint resolution that rejected *all* of the commission's recommendations. Silent approval of base closures is at the heart of what made BRAC succeed and is key to any successful spending commission.

CONCLUSION

THE SUCCESS OF BRAC shows how to overcome public choice dynamics at a time of crisis. These lessons apply today, but they must be understood correctly. While creating a small commission or task force to tackle a problem has many advantages, it is just one aspect of what made BRAC succeed. A spending commission modeled on BRAC should be focused, independent, composed of disinterested citizens given clear criteria for their decisions, and be structured in a way that allows its recommendations to be operative unless Congress

rejects them. This prescription is the only way that a spending commission has a chance to make actual spending cuts.

ENDNOTES

1. *Defense Authorization Amendments and Base Closure and Realignment Act of 1988*, Public Law 100-526, *U.S. Statutes at Large* 102, codified at *U. S. Code* 10 (1988) § 2687 note.
2. U.S. Army Base Realignment and Closure Division, "BRAC FAQ," November 13, 2006, http://www.hqda.army.mil/acsim/brac/faq.htm#PastBRACRounds_q1.
3. See Natalie Hanlon, "Military Base Closings: A Study of Government by Commission," *University of Colorado Law Review* 62, no. 331 (1991); Charlotte Twight, "Department of Defense Attempts to Close Military Bases: The Political Economy of Congressional Resistance," in *Arms, Politics, And The Economy: Historical and Contemporary Perspectives*, Robert Higgs, ed. (Golden, CO: Independent Institute, 1990); Kenneth R. Mayer, "Closing Military Bases (Finally): Solving Collective Dilemmas Through Delegation," *Legislative Studies Quarterly* 20, no. 393 (1995).
4. Statement by Senator Phil Gramm, Senate Committee on Armed Services, Subcommittee on Military Construction, *Hearing on Base Closures*, 99th Cong. 1st sess., May 2, 1985, 17.
5. *Bipartisan Task Force for Responsible Fiscal Action Act of 2009*, S. 2853, 111th Cong., 1st sess., 2009. President Obama has endorsed this proposal. See White House Office of the Press Secretary, "Statement by the President on a Statutory Fiscal Commission," <http://www.whitehouse.gov/the-press-office/statement-president-a-statutory-fiscal-commission>.
6. President Obama should support such an approach as he has promised on many occasions to "examin[e] every program, every entitlement, every dollar of government spending and asking ourselves: Is this program really essential? Are taxpayers getting their money's worth? Can we accomplish our goals more efficiently or effectively some other way?" Such a commission would fulfill his promise. Sheryl Gay Stolberg, "Obama Names Two Officials and Vows to Cut Waste," *The New York Times*, April 18, 2009, <http://www.nytimes.com/2009/04/19/us/politics/19address.html>.

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