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Pentagon's Top Secret 'Black' Bud Has Skyrocketed During Reagan Y

A *National Journal* review of Defense Department budget reports shows an indisputable surge—to more than $22 billion in fiscal 1987—in secret spending.

BY DAVID C. MORRISON

The United States, most observers would agree, maintains one of the most open defense establishments in the world, even if only by comparison with its major foreign counterparts.

Just one manifestation—and guarantor—of this remarkable degree of military disclosure is the small army of Pentagon officials who parade each year before the 19 congressional subcommittees with direct oversight responsibility for defense matters to explain and justify, often in nitpicking detail, their weapons programs and operating plans.

The 40-odd volumes of printed testimony these hearings produce each budget season, even though carefully sanitized to remove what the services regard as sensitive data, divulge a wealth of information about current U.S. military affairs to anyone dogged enough to plow through thousands of pages of fine print. The Defense Department itself consumes uncounted reams of paper every year churning out reports on its budgets and activities.

Members of Congress, outside analysts and a small handful of Pentagon insiders complain, however, that this generally observed tradition of military openness is being undermined by an unsettling new budgetary trend.

Since the Reagan Administration arrived in Washington five years ago, a steadily growing proportion of the Pentagon's budget has been funneled into highly classified programs—the so-called black budget. Defense policy analysts may disagree on the exact size and rate of increase of the "black" defense budget, but few dispute that it has grown significantly over the past half-decade.

A review of Defense Department budget reports by *National Journal* confirms the surge in secret defense spending—to more than $22 billion in the fiscal 1987 budget request—a 300 per cent increase over the $5.5 billion in 1981.

The amount of classified funds earmarked for research and development (R&D) and procurement projects that the Pentagon declines to enumerate in specific budgetary line items has jumped from $891.9 million in fiscal 1981 to $8.6 billion in the fiscal 1987 request, a tenfold increase. *(See box, pp. 494-95.)*

That $8.6 billion—a lot of money by most yardsticks, but only 3 per cent of the Defense Department's $311.6 billion request for fiscal 1987—nevertheless constitutes only one piece of the Pentagon's classified budget puzzle.

The 1987 defense budget also contains almost $14 billion worth of another kind of black money: programs for which the department enumerates the budget request in specific line items—generally worth billions of dollars each and bearing either code-word nicknames or vague, nondescriptive titles—and for which it does not publicly reveal the purpose.

Richard A. Bloom

Armed Services chairman Les Aspin

The dollar value of five such large line items in the Air Force procurement budget has jumped from $3.8 billion in fiscal 1981 to $11.5 billion in the request for 1987; that's an increase of more than 200 per cent, or double the percentage increase in the Pentagon's total procurement budget over the same period.

Additional pockets of black dollars are reportedly tucked away in the operations and maintenance and military personnel budgets, although the amounts of those funds are difficult to gauge.

The Defense Department, not surprisingly, maintains an official stance of strict silence on the growth in black budgeting and the reasons for its growth. "Nobody here ever discusses that aspect of the budget," said a Pentagon spokesman. "That's an area we cannot talk about."

Other players in the Washington budget game, however, are more vocal in commenting on the black hole that is rapidly widening in the Pentagon budget.

"You are talking about 20 per cent of the [defense R&D] budget being hidden and, of that 20 per cent, I would say most of it is on the basis of national security, but a lot of it doesn't belong there," Anthony R. Battista, the staff director of the House Armed Services Research and Development Subcommittee, warned members in a briefing last March. "That is the kind of stuff you got to pay close attention to this year, because the number and scope of the black programs is growing at a phenomenal rate."

Defense reporter Richard C. Barnard has written on several occasions about the Pentagon's black budget, first for *Defense Week* and more recently as editor of a new weekly, *Defense News*.

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