

# U.S. F-35, Stryker targeted for war-funding cuts

By Jim Wolf  
Reuters

WASHINGTON, Feb 14 (Reuters) - Trouble looms for Bush administration plans to buy Lockheed Martin Corp. (LMT.N: [Quote](#), [Profile](#), [Research](#)) F-35 Joint Strike Fighter jets and General Dynamics Corp. (GD.N: [Quote](#), [Profile](#), [Research](#)) Stryker vehicles with special war funding, a key member of the new Democratic majority in the House of Representatives said Wednesday.

Rep. Neil Abercrombie, the Hawaii Democrat who chairs a House Armed Services subcommittee on air and land forces, said he opposed including two F-35s in the 2007 supplemental budget as replacement for F-16s lost in Iraq.

The first F-35s to be manufactured would cost about \$200 million apiece, or 10 times what F-16s would cost, and they would not be delivered for another three years, Abercrombie said.

He said he would urge John Murtha, new chairman of the House Appropriations subcommittee on defense, also to quash supplemental funding requests for 111 Stryker combat vehicles on the grounds not all of these would replace war losses.

Abercrombie, at a defense industry conference organized by Aviation Week, did not rule out supporting the additional F-35s and Stryker vehicle through regular budget outlays.

He said his staff was combing the 2007 supplemental request "line by line" for what he regards as items that should be prioritized in the regular budget, including 90,000 pairs of night-vision goggles.

"If there's anything that's not a genuine emergency or unforeseeable expenditure, I'm going to try to root it out of there and then go on to the other budgets," he said.

The Air Force has requested a third F-35 as part of a special \$141.7 billion war-funding request for fiscal 2008, in addition to 12 F-35s in the regular budget request.

Abercrombie said he would push through "demonstration" programs, particularly in aviation, to restructure defense spending in a way that forced more responsible budgeting, despite what he forecast would be an outcry from vested interests.

Rep. Sanford Bishop, a Georgia Democrat who is a new member of the House Appropriations panel on defense, quoted Murtha as saying he wanted more multiyear procurement contracts to help stabilize aviation, shipbuilding and other big programs.

"There's a new sheriff in town," Bishop said, citing Murtha. "The committee is done with rewarding bad behavior and reckless spending."

Murtha, a Pennsylvania Democrat through whose hands hundreds of billions of dollars of defense spending must go, is seeking to buy an additional 100 aircraft in fiscal 2008, which begins Oct. 1, Bishop told the conference.

"This is a preliminary figure," he said. "But what this shows is the commitment of the (sub)committee to find ways to enhance the modernization of our forces."

Assuming the United States is still in Iraq over the next few years, it may need \$100 billion to repair or replace damaged or destroyed equipment -- "most of which are not currently included in any kind of budget or appropriation measure," Bishop added.

Multiyear contracts are lucrative for defense contractors because they lock in orders and can boost operating margins as high as 12 percent to 15 percent, compared with 9 percent to 12 percent in regular annual contract renegotiations, said James McAleese of McAleese & Associates, a McLean, Virginia, aerospace and defense law firm.