

# **U.S. Military Assessment and Fiscal Year 2019 Defense Spending**

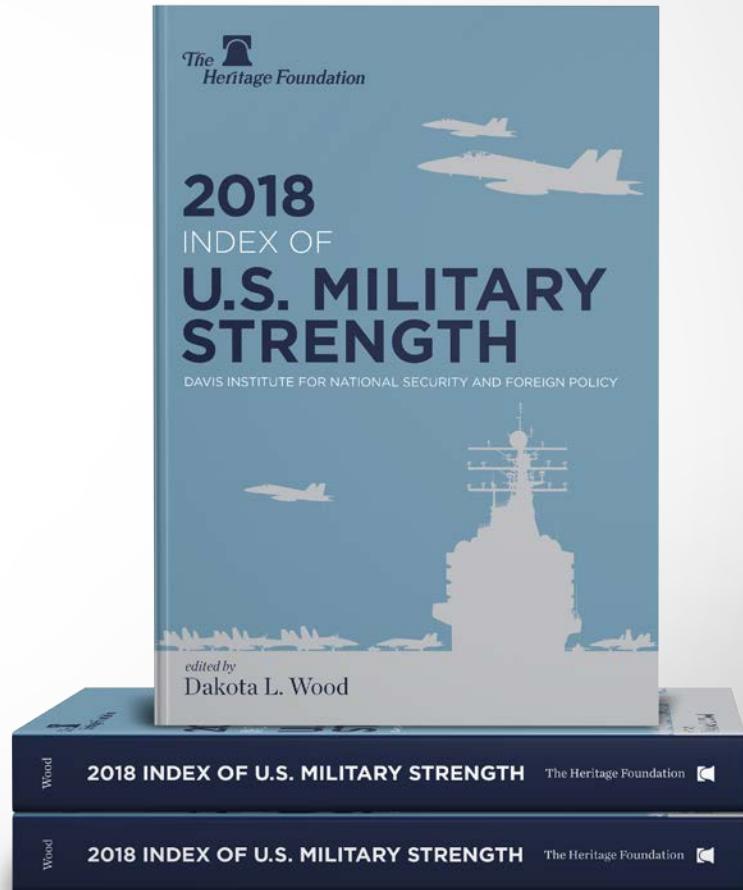
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Director, Center for National Defense  
The Heritage Foundation*

*Presentation for the NDIA CBRN Conference  
July 24, 2018*



# 2018 INDEX OF **U.S. MILITARY STRENGTH**

DAVIS INSTITUTE FOR NATIONAL SECURITY AND FOREIGN POLICY





# Fourth in our Annual Series

## Reception

- 2015: 90,000 unique visitors to website
- 2016: 320,000 unique visitors
- 2017: 495,000 unique visitors—generating nearly 1,000,000 page views

## Referenced by Congress & Presidential Candidates

- Served as basis for Trump Administration's plan to rebuild the military

Consensus among Congressional leaders, analysts, and senior military officials that US military is:

- Too small
- Rapidly aging
- Insufficiently ready ... to deal with an increasingly troubling world



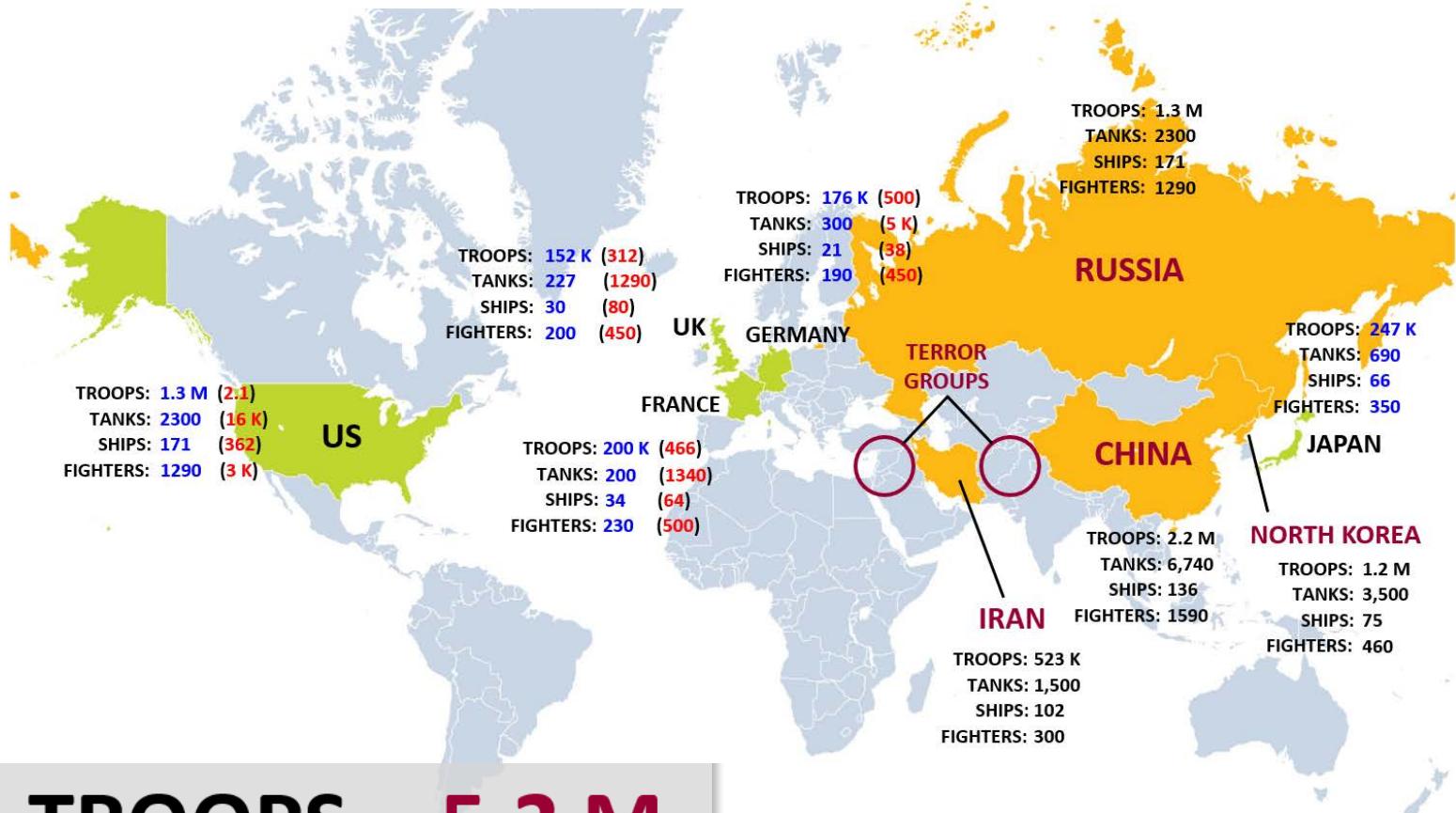
# Introduction

- DOD *still adapting* to the change in U.S. defense strategy to focus on long term strategic competition with Russia and China while deterring and countering rogue regimes and defeating terrorist threats
- Americans have a difficult time reconciling two facts:
  1. The U.S. has the strongest military in the world
  2. America's military is neither large nor ready enough to fully protect our vital national interests today, and especially looking to the future

*The test of a first-rate intelligence is the ability to hold two opposed ideas in mind at the same time and still retain the ability to function*

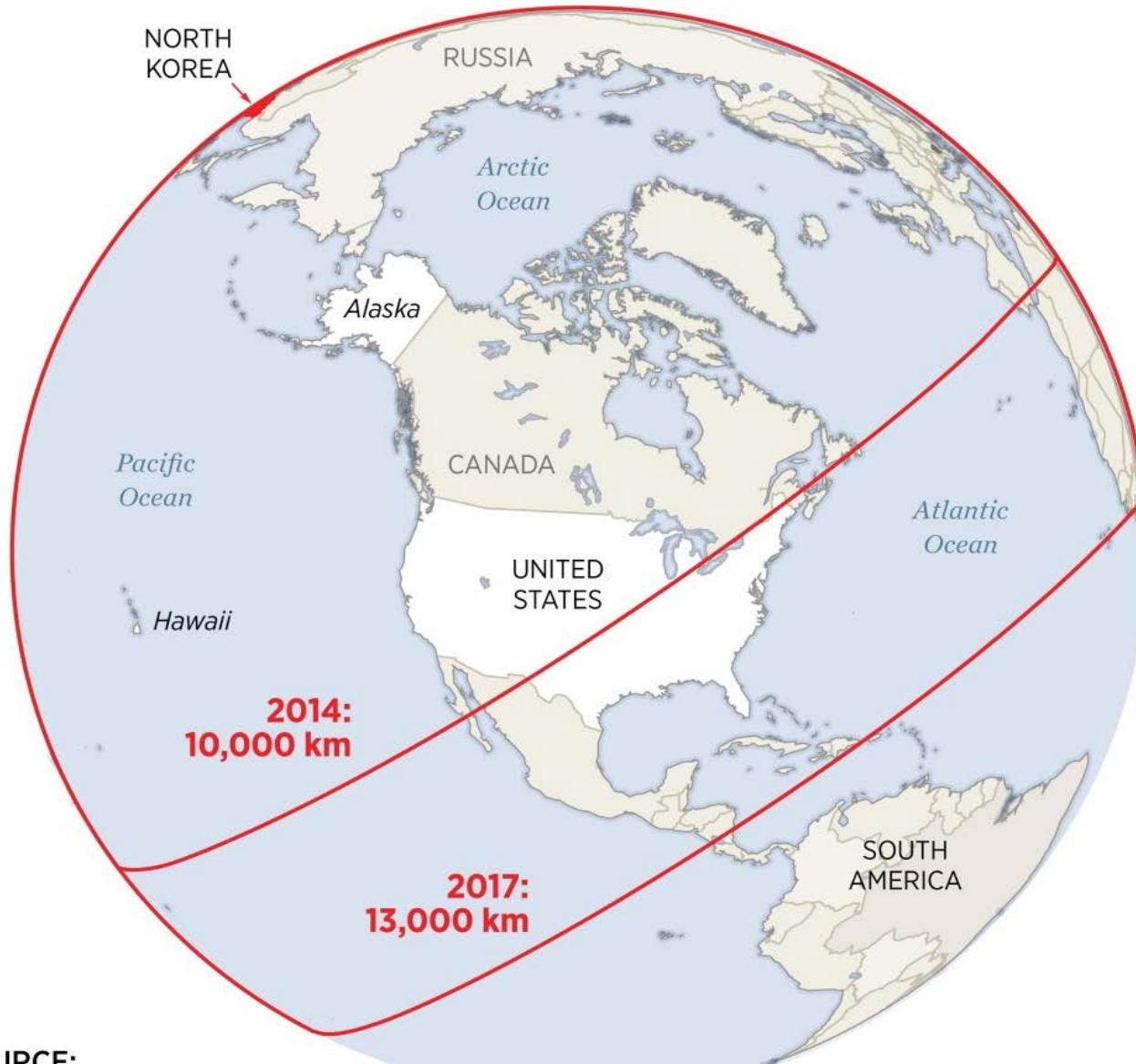
F. Scott Fitzgerald

# Balance of Forces



<b>2.1 M</b>	<b>TROOPS</b>	<b>5.2 M</b>
<b>3,717</b>	<b>TANKS</b>	<b>14,040</b>
<b>322</b>	<b>SHIPS</b>	<b>484</b>
<b>2,260</b>	<b>FIGHTERS</b>	<b>3,640</b>

# North Korea Extends Maximum Missile Range

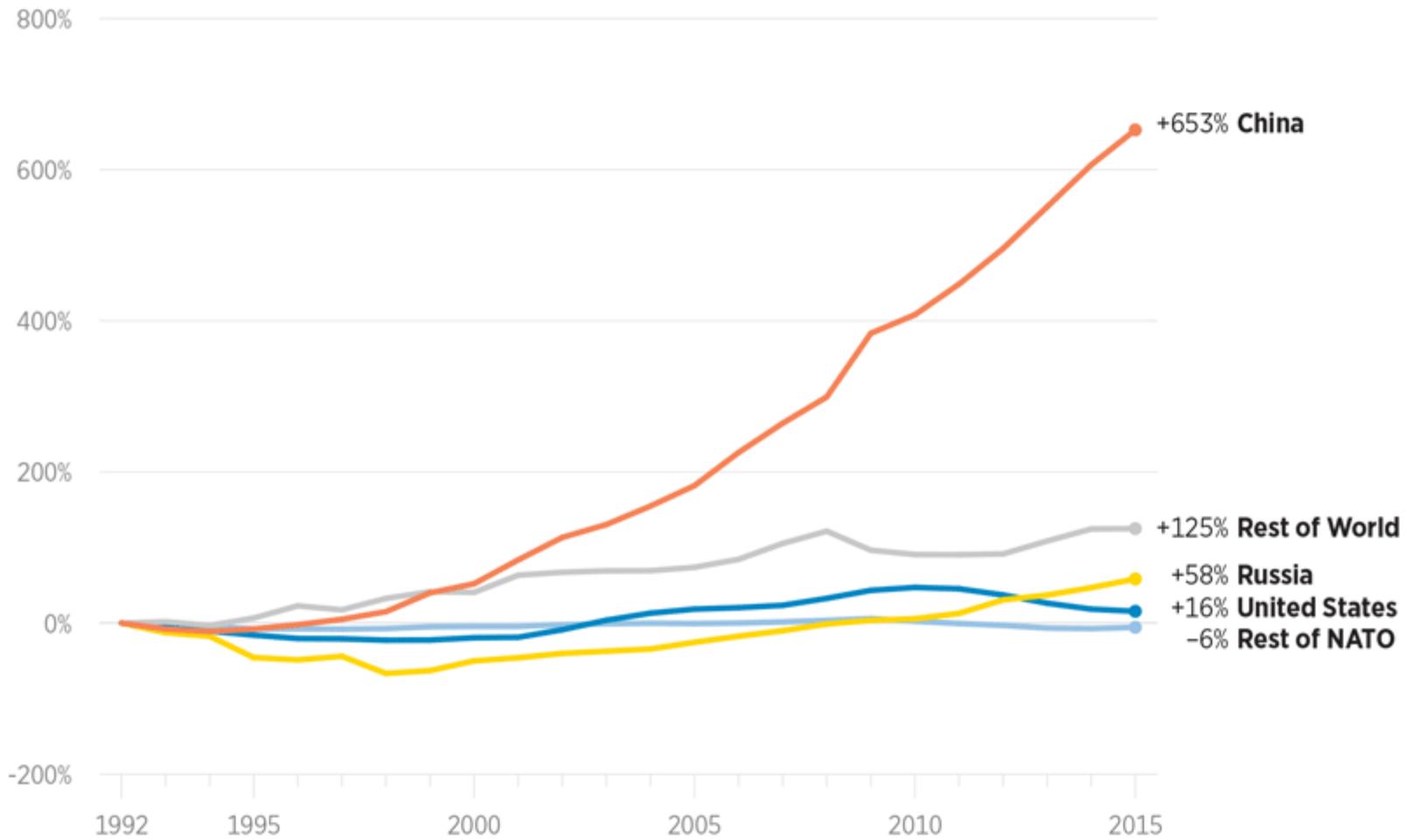


SOURCE:

Media reports.

## China Is Fastest-Growing Military Power

PERCENTAGE CHANGE IN DEFENSE SPENDING SINCE 1992



# NATO Defense Spending

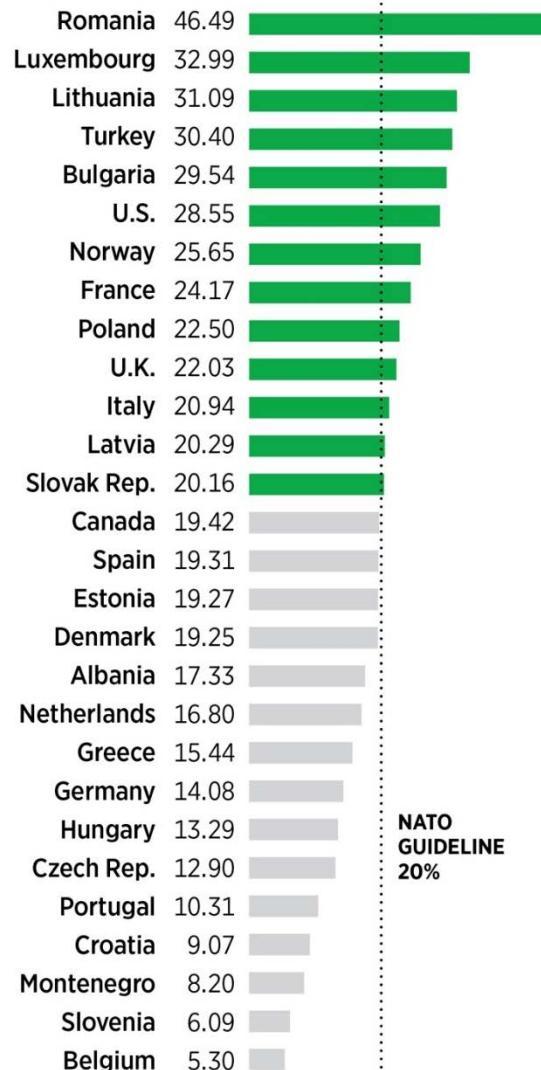


DEFENSE SPENDING AS A SHARE OF GDP, 2017



NATO  
GUIDELINE  
2%

EQUIPMENT AS A SHARE OF  
DEFENSE EXPENDITURES, 2017



NATO  
GUIDELINE  
20%

# Disparity Among NATO Allies



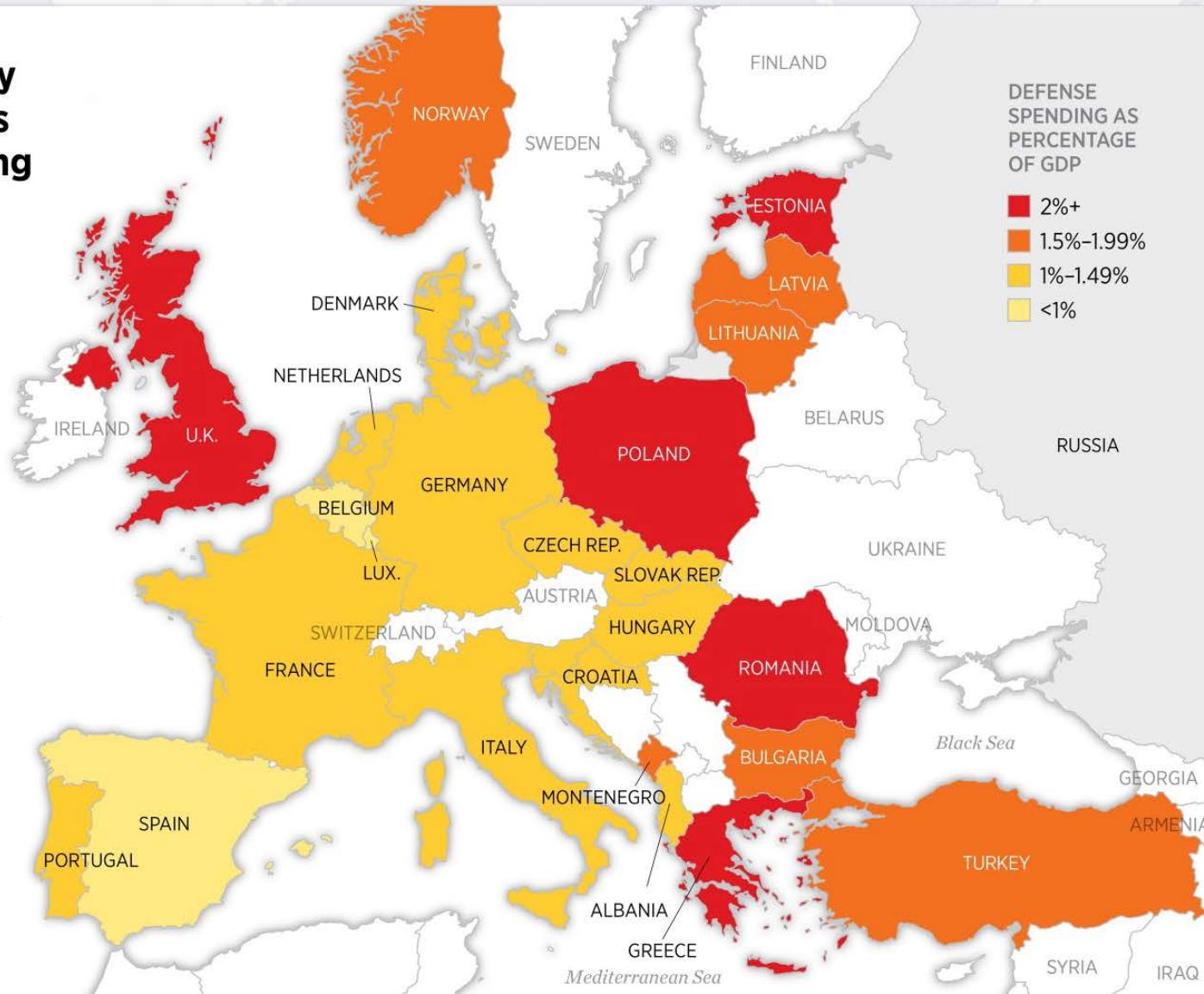
MAP 1

## Threat Proximity Largely Dictates Military Spending

In Europe, NATO members closer to Russia and the Middle East spend, in general, more on defense than those further away.

**NOTES:** Figures are estimates for 2017. Iceland is not listed because it has no military. While Greece does spend 2 percent of GDP on defense, it is well below the 20 percent required by NATO for equipment as a share of defense expenditures.

**SOURCE:** NATO, "Defence Expenditures of NATO Countries (2010–2017)," June 29, 2017, p. 3, [http://www.nato.int/nato\\_static\\_fl2014/assets/pdf/pdf\\_2017\\_06/20170629\\_170629-pr2017-111-en.pdf](http://www.nato.int/nato_static_fl2014/assets/pdf/pdf_2017_06/20170629_170629-pr2017-111-en.pdf) (accessed July 25, 2017).



# Our Benchmark



## 2-War Capable Force

**Army:** 50 BCTs

**Navy:** 346 ships  
624 strike aircraft

**Air Force:** 1200 fighter/  
attack aircraft

**Marines:** 36 battalions

# Army Readiness: Brigade Combat Teams

In 2012, the Army fielded 45 active component Brigade Combat Teams (BCTs). Due to budget cuts, that number has been reduced to 31.

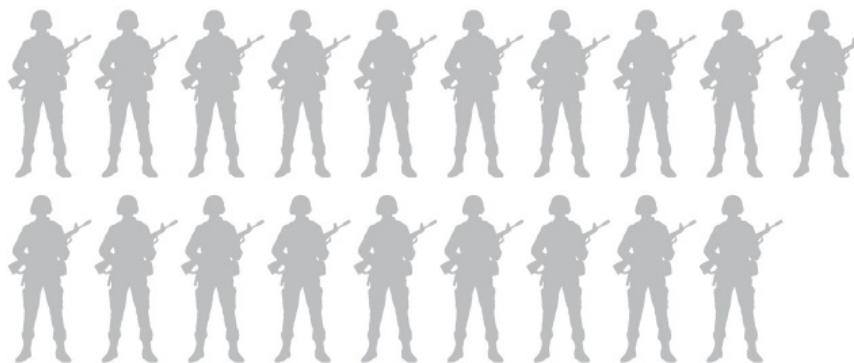
The U.S. Army currently can field a force of **31 BCTs**.



→ **Three BCTs** can “FIGHT TONIGHT,” meaning they can deploy immediately to a conflict.

**10 BCTs** are considered “READY,” meaning they can fulfill most of their wartime missions.

The Heritage Foundation assesses the Army needs an **additional 19 BCTs**, for a total of 50, based on historical force requirements.





## Air Force: Only Four of 32 Combat-Coded Fighter Squadrons Fully Mission Capable

SORTS Score	Resource/ Training Level	Mission Capability	Active Duty Units Meeting Capability Threshold
C1	90%-100%	Can execute <b>all</b> wartime missions	4 of 32
C2	70%-89%	Can execute <b>most</b> wartime missions	Less than 18 of 32
C3	55%-69%	Can execute <b>portions</b> of wartime missions	Up to 32 of 32
C4	0%-54%	<b>Needs more resources</b> before it can execute its mission	Up to 32 of 32

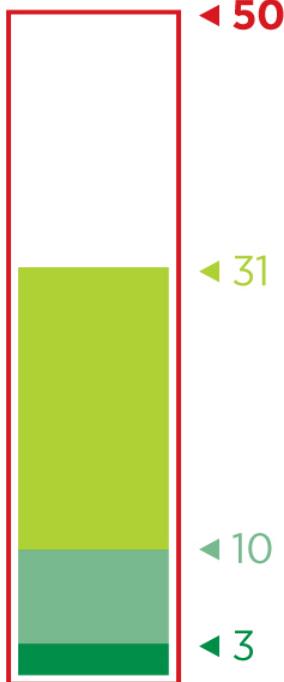
**SOURCE:** R. Derek Trunkey, "Implications of the Department of Defense Readiness Reporting System," Congressional Budget Office Working Paper No. 2013-03, May 2013, [http://www.cbo.gov/sites/default/files/cbofiles/attachments/44127\\_DefenseReadiness.pdf](http://www.cbo.gov/sites/default/files/cbofiles/attachments/44127_DefenseReadiness.pdf) (accessed April 11, 2017).

# Military Operating Well Below Recommended Readiness Levels



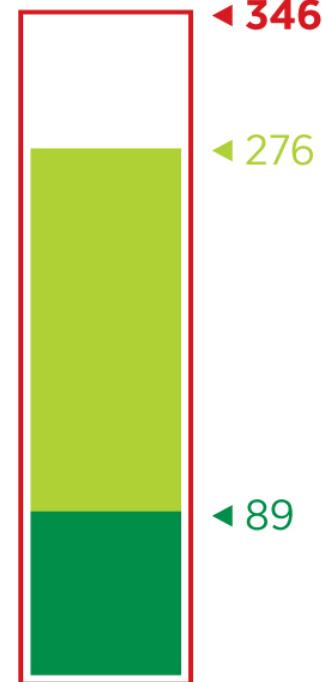
## ARMY

BCTs



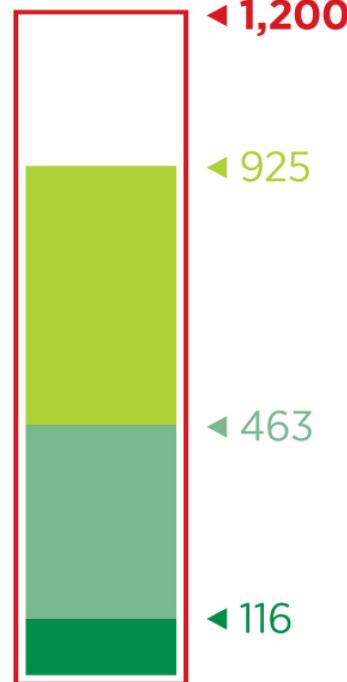
## NAVY

Ships



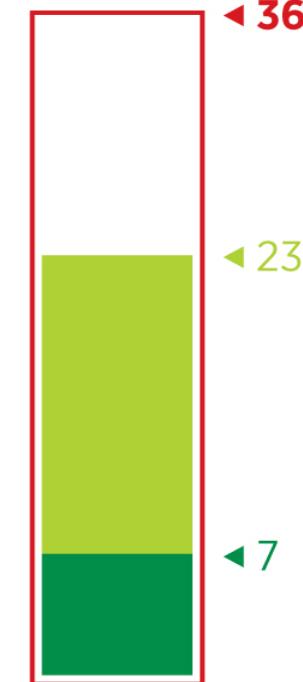
## AIR FORCE

Fighters



## MARINES

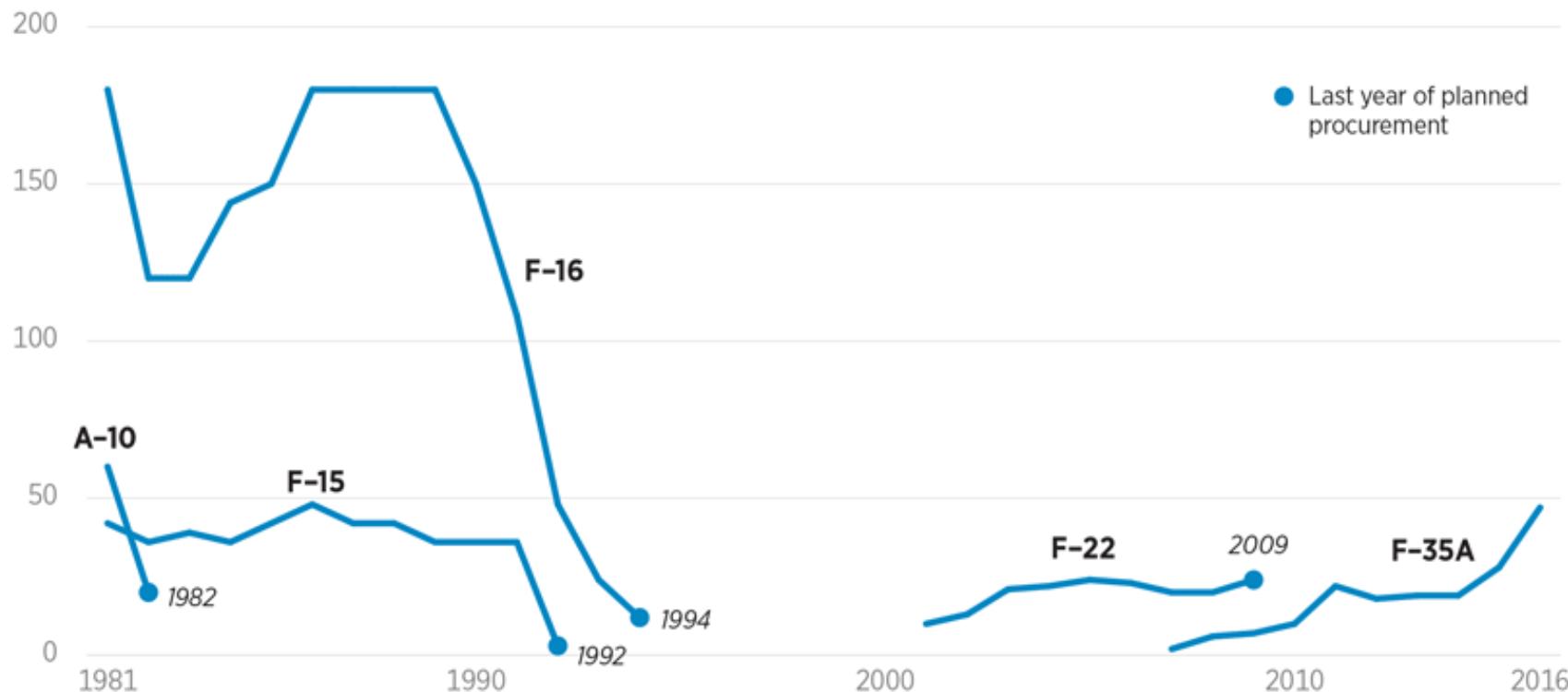
Battalions



## Lack of Procurement Has Led to Aging Aircraft Fleets

The U.S. military currently maintains several fighter aircraft fleets that were last purchased decades ago. In 1990, the average age of a fighter aircraft was 11 years. Today, it is 24 years.

NUMBER OF AIRCRAFT PROCURED ANNUALLY, BY AIR FORCE FLEET

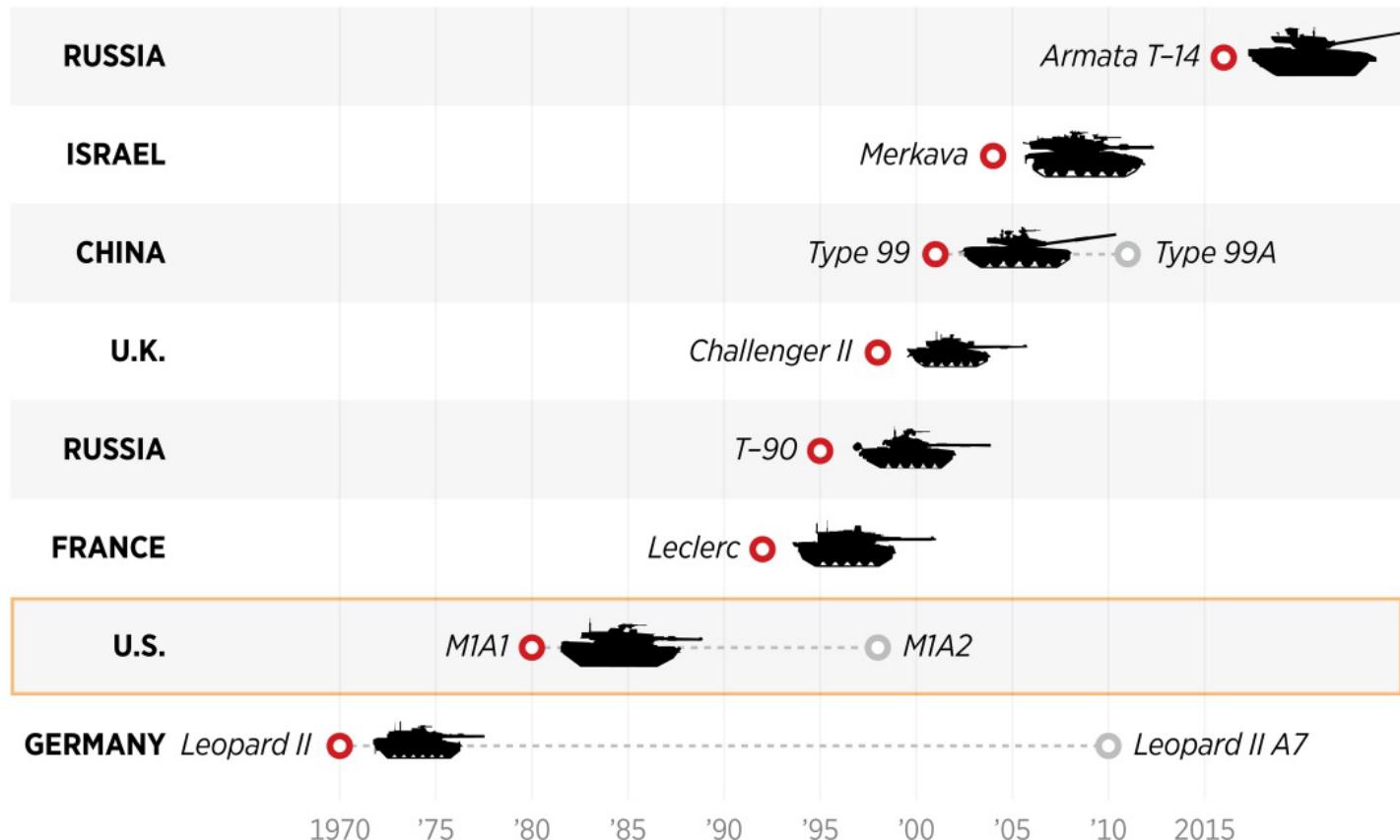




# American Tank Loses Traction in Modernization

When it was first introduced in 1980, the M1A1 Abrams arguably became the world's most formidable battle tank. However, since then several nations have introduced new or upgraded tanks, including Russia and China.

INTRODUCED ● UPGRADED ○



**SOURCE:** Heritage Foundation research based on data from army-technology.com and nationalinterest.org.



# U.S. Military 2018

## U.S. Military Power

	VERY WEAK	WEAK	MARGINAL	STRONG	VERY STRONG
Army		✓			
Navy			✓		
Air Force			✓		
Marine Corps	✓		←		
Nuclear			✓		
<b>OVERALL</b>			✓		

## U.S. Military Power: Army

	VERY WEAK	WEAK	MARGINAL	STRONG	VERY STRONG
Capacity	✓				
Capability			✓		
Readiness	✓				
<b>OVERALL</b>	✓	✓			

## U.S. Military Power: Navy

	VERY WEAK	WEAK	MARGINAL	STRONG	VERY STRONG
Capacity			✓		
Capability	✓				
Readiness			✓	←	
<b>OVERALL</b>			✓		

Funding restrictions and high use of forces continued to stress all services

## Army assessed as Weak

- Continued to trade modernization for current readiness – yet only 10 of 31 BCTs “ready,” only 3 BCTs able to deploy on short notice

## Navy remained Marginal

- Readiness declined from “strong” to “marginal”
- Just able to meet current demands; little ability to surge for wartime demands
- Significant budget shortfalls in shipbuilding and shipyard maintenance make remedy unlikely anytime soon (projected into 2030s)



# U.S. Military 2018

## U.S. Military Power: Air Force

	VERY WEAK	WEAK	MARGINAL	STRONG	VERY STRONG
Capacity			✓		
Capability			✓		
Readiness			✓		
<b>OVERALL</b>			✓		

## U.S. Military Power: Marine Corps

	VERY WEAK	WEAK	MARGINAL	STRONG	VERY STRONG
Capacity		✓			
Capability			✓		
Readiness	✓		↔		
<b>OVERALL</b>	✓	✓	↔		

## U.S. Military Power: Nuclear

	VERY WEAK	WEAK	MARGINAL	STRONG	VERY STRONG
Warhead Surety				✓	
Delivery Platform Reliability				✓	
Warhead Modernization	✓				
Delivery Systems Modernization			→	✓	
Nuclear Weapons Complex	✓				
National Labs Talent		✓	✓		
Force Readiness			✓		
Allied Assurance			✓		
Nuclear Test Readiness	✓		✓		
<b>OVERALL</b>			✓		

## Air Force Marginal

- Short nearly 250 fighters, approximately 1000 pilots, and over 3000 maintainers
- Numbers eventually impact readiness

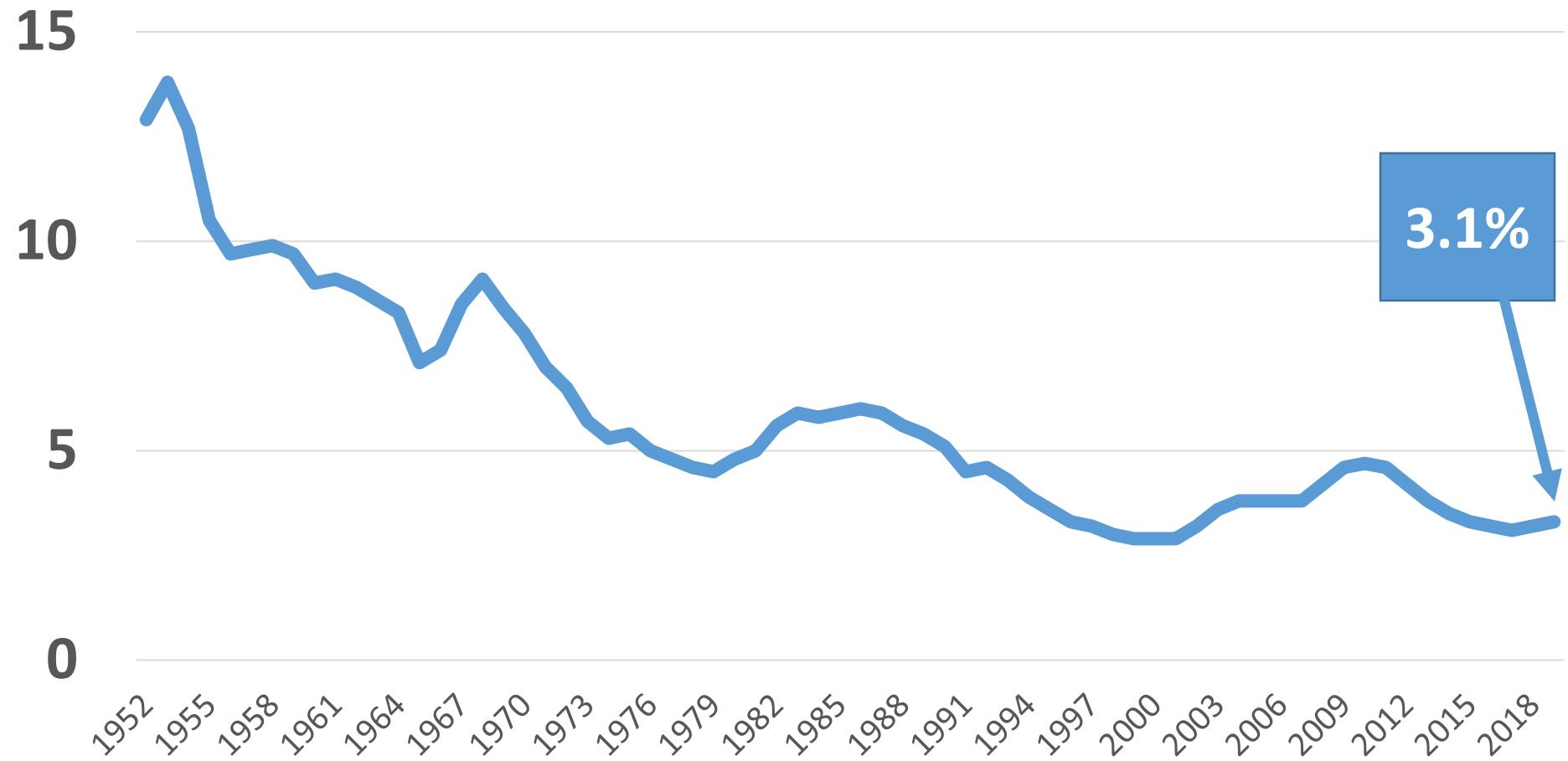
## Marine Corps hampered by readiness

- Dramatic shortages in usable aircraft and trained pilots
- Roughly half of units with degraded readiness
- Under-strength relative to taskings

## Nuclear suite continues to struggle

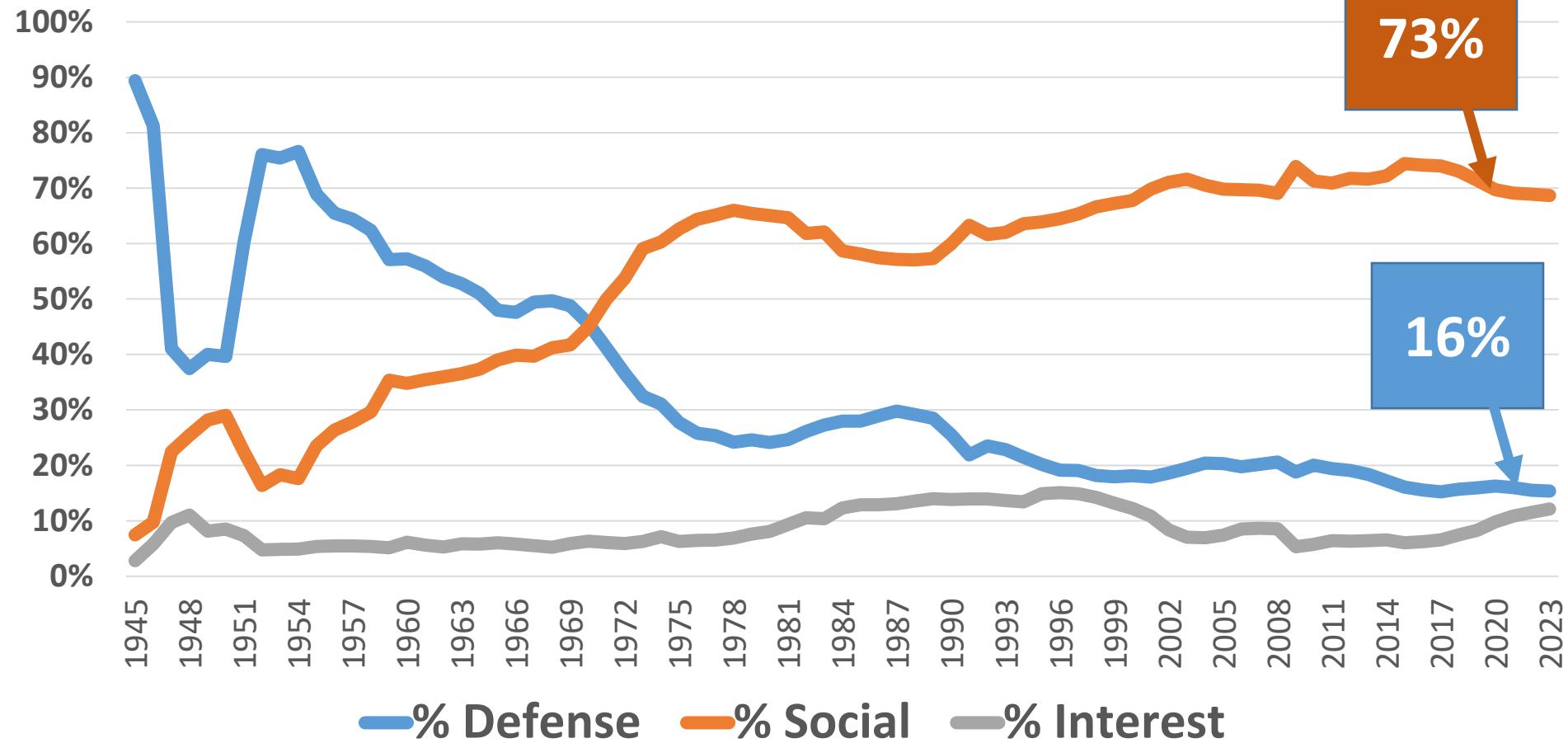
- Deficiencies in modernization, testing, talent pool, and physical infrastructure continue to be chief problems
- Competitors all actively modernizing their capabilities

## National Defense as % of GDP



*A steady decline since 1954*

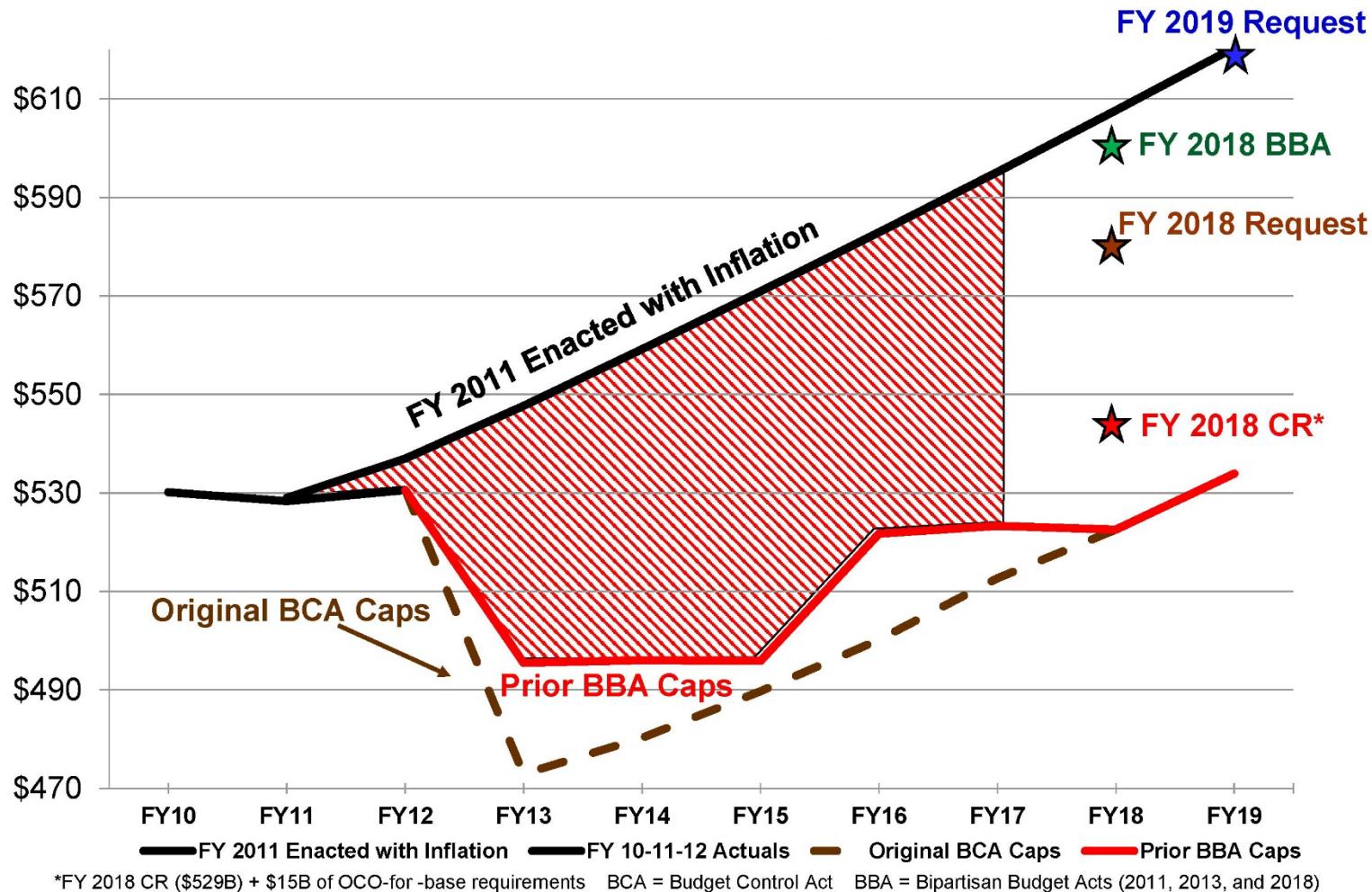
## Federal Spending %



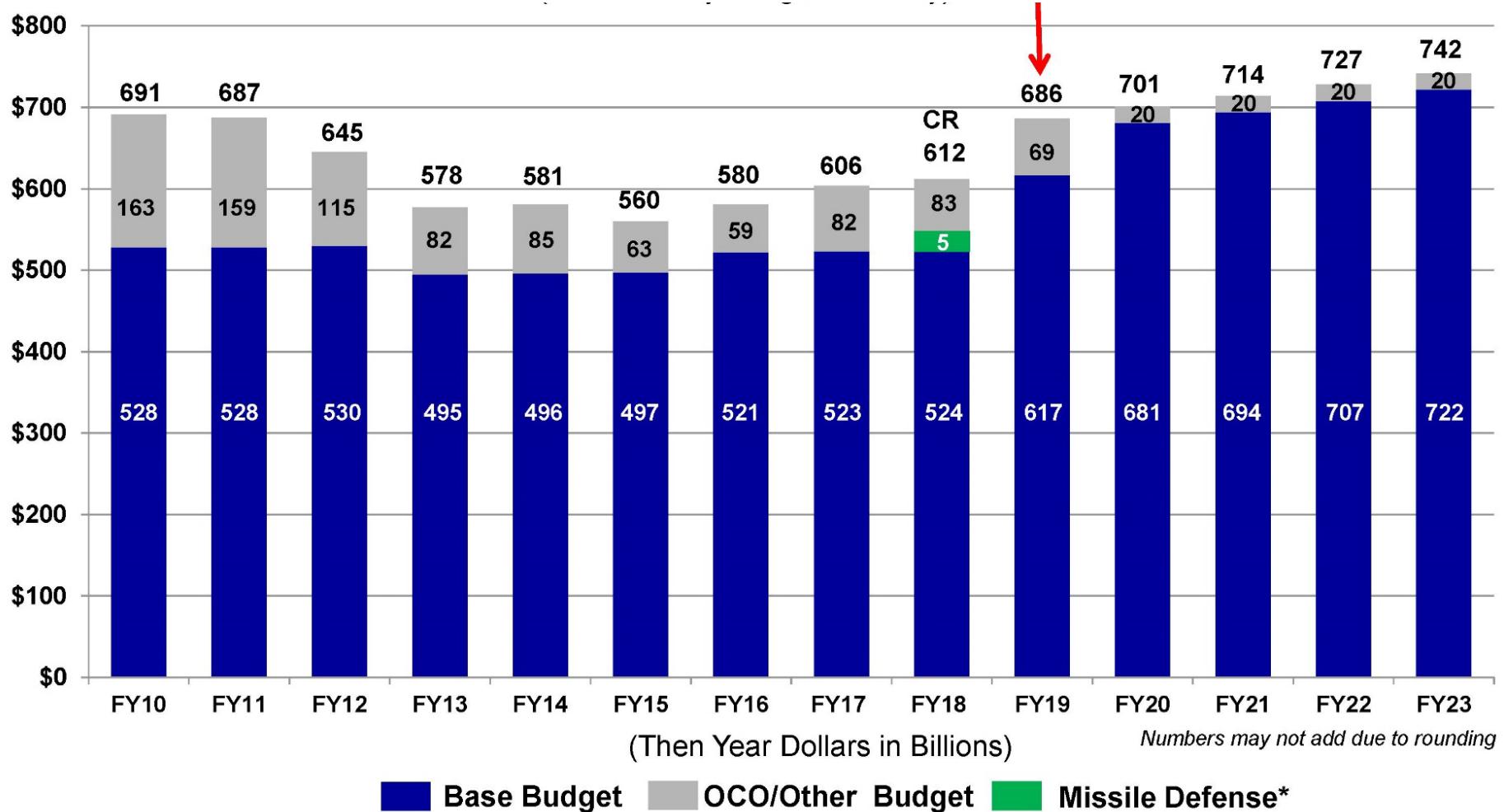
# FY2018 & 2019 Defense Budgets

- As a result of the Bipartisan Budget Act, the 2018 defense budget was higher than anyone predicted. 2019 levels, higher still
- Some impacts already being felt; particularly in Operations and Maintenance Accounts
  - Army Chief of Staff reports that around 50% of Active Army BCTs are considered ready, compared to 33% a year ago
  - Will take at least a year for the increases in procurement and RDTE accounts to become apparent
- March 23, 2018: President Trump after signing the 2018 omnibus spending bill "*There are some things we should have in the bill. But I say to Congress, I will never sign another bill like this again.*"
- Sets up likely fight on 2019 appropriations bill

# FY2018 & 2019 Defense Budgets



# DoD Discretionary Spending 2010-2023



# FY2020 Defense Budget Prognostication

- Starting in September some Washington DC conversations will shift to the 2020 budget outlook
- DOD only projecting inflationary increase from 2019 to 2020, \$686B to \$701B, ~2%
- Bipartisan Budget Act of 2018 only covers 2018-2019
- Budget Control Act returns for 2020 and 2021
- New Congress sworn-in January 2019; unlikely Congress will have already put a solution in place for 2020. Control of House and Senate will loom large
- A 2020 solution will probably **be late, ugly and contentious**

# U.S. National Defense

- Success not preordained
- Significant challenges to U.S. national security exist, projected to worsen
- Structural U.S. budget challenges cry out for a comprehensive solution; unlikely in this era of polarizing politics
- Congress lurches from one band-aid fix to the next
- In the face of competing interests, it is important that focus must be maintained on the federal government's primary responsibility: provide for the "common defense"