



Forces in the FY 2017 Budget: Stable Plans, Disruptive Threats, and Strategic Inflection Points

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What we'll discuss today

- **Overview**
- **Army**
- **Navy**
- **Marine Corps**
- **Air Force**
- **Special Forces**
- **Government Civilians**
- **Contractors**
- **DOD-wide**

Report a part of new, annual series of studies on the dynamics and linkages of strategy, budgets, forces, and acquisition. The series is at

<http://defense360.csis.org/>

Overview

- Stable plans 
- Disruptive threats
 - o Russian aggression, ISIS expansion, and Chinese assertiveness not fully foreseen in QDR 2014.
- Strategic inflection points
 - o Strategic review coming with new administration
 - o Many plans floating around: plans nearly all call for growth
 - o Presidential candidates
 - Clinton/Cruz/Kasich: continuity
 - Sanders/Trump: disruption

Service Endstrength*			
	FY 2017 Planned	FY 2017 Requested	Change
Army	460,000	460,000	0
Army National Guard	335,000	335,000	0
Army Reserve	195,000	195,000	0
Navy	326,500	322,900	-3,600
Navy Reserve	57,400	58,000	+600
Air Force	312,900	317,000	+4,100
Air National Guard	102,800	105,000	+2,200
Air Force Reserve	67,300	69,000	+1,700
Marine Corps	182,000	182,000	0
Marine Corps Reserve	38,000	38,500	+500
Total	2,076,900	2,082,400	+5,500

Army

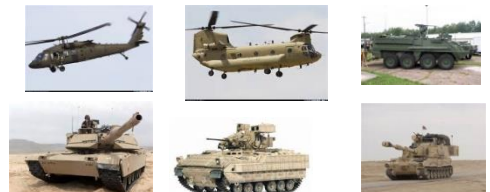
- Is the Army too small?
 - Pre-war: 1,039,000
 - Post-war: 980,000
- National Commission
 - One Total Army; 980,000 minimum
 - Modifying the Aviation Restructure
- ERI and countering Russian aggression: “Back to the future”
 - Return to Europe
 - A different kind of war
- Modernization program
 - Good news (current inventories)
 - Bad news (future systems)



AH-64: the problem and solution for Regular/Guard debates



“Back to the Future” with Russia



Navy

- Size
 - Good news: building to 308 ships
 - Bad news: meeting only ½ of regional commanders (unconstrained) requests
 - Force structure assessment beginning—likely larger requirement
- Are aircraft carriers still viable? Yes! No!
- The future of carrier based drones
- Posture or Presence...yes!
- Other issues: cruiser modernization, SSN construction rate, ORP affordability/Deterrent funds, icebreakers, munitions, operations

Marine Corps

- Busy but no additional endstrength
- Move to Guam...slow and expensive
- Innovative concepts: SP-MAGTFs and alternative amphibious platforms



Carrier drones become the focus of carrier debates



LCS becomes focus of posture v. presence debate



Alternative amphibious ship platforms

Air Force

- Non-issue: A-10s
 - But won't go away: focus of debates about purpose of AF:
 - Battlefield v. strategic attack
 - Stealth (5th gen) v. non-stealth (4th gen)
- Non-issue: UAVs/RPAs
 - Permissive v. non-permissive environments: a debate in the shadows
- Acquisition issues: B-21 (cost and contract), F-35 (operational tests), PAR (cost), KC-46 (contract execution)



A-10 raises broad issues about role and future of AF



Permissive v. non-permissive environment

Special Forces

- Size steady, stress increasing, heavily dependent on OCO

Civilians

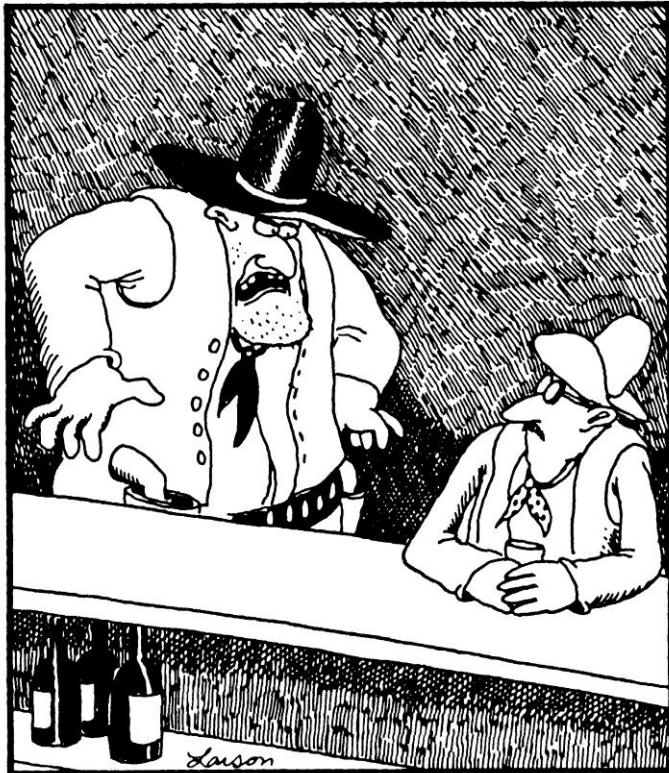
- Good news: 1.6% pay raise; bad news: hiring freeze in “fourth estate”
- More bad news: Movement to make VA executives more like “at will” employees in effort to increase accountability

Contractors

- New processes to oversee service contracts
- “Contracting out” still shut down
- Operational “battlefield contractors back in Iraq
- Institutionalizing operational contractors

Government-wide

- “Goldwater Nichols 2.0”: Quo vadis, Senator McCain?
- Readiness. Protected but a pause in the rebuilding. Full spectrum readiness a new challenge.
- Missile defense. Squeeze continues.
- BRAC. Another round proposed for FY 2019 but with a threat of unilateral action.
- 25% management HQ cut
- Facility (MilCon) “holiday” continues. Not sustainable indefinitely.
- DOD/NNSA split. Quiet this year but conflicts ahead.



Questions and Discussion

Make my day ...Ask a question!