

# U.S. Military Forces in FY 2022

## *Peering into the Abyss: The Budget and Strategy Overview*

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CSIS annually produces a series of papers on U.S. military forces, including composition, new initiatives, long-term trends, and challenges. The first white paper in this year's series analyzes the strategy and budget context for military forces in Fiscal Year (FY) 2022, early actions by the Biden administration, and unresolved questions pending publication of the administration's long-term strategy.

### KEY TAKEAWAYS

- For strategic and budgetary reasons, force structure is “staring into the abyss.”
  - Many strategists would trade force structure, particularly Air Force and Army force structure, for investment in advanced technologies to counter China.
  - Growth in the defense budget ended in FY 2021, and the Biden administration's proposed FY 2022 budget continues that no-growth pattern. If that continues, force structure will shrink rapidly. Congressional proposals to increase the defense budget, if adopted, would likely allow force structure to remain at about its current level.
- In FY 2022, active-duty end strength declines slightly, from 1,351,000 in FY 2021 to 1,346,400 (-4,600). Long-term force structure is undetermined pending publication of national security documents at the end of the year.
- In the long term, force structure faces the same four challenges as last year. Unfortunately for force planners, these challenges pull force structure in different directions.
  1. The need to meet heavy day-to-day deployment demands for crisis response, allied engagement, gray zone competition, and ongoing regional conflicts works against reducing force size.
  2. The opening of a gap between resources and strategy—as budgets are flat or reduced and the strategy remains unchanged—increases risk, as military capabilities may not be able to back foreign policy commitments.

3. The desire to move more aggressively toward a structure designed for great power conflict would increase modernization and trade off force structure if necessary. A major uncertainty here is how the concept of “legacy” systems will be applied—does that mean old systems or old *types* of systems?
4. Many libertarians and progressives support a foreign policy of “restraint” that would have the United States less involved with nations overseas and more focused on climate change and global health. This view has not gained much traction, despite the chaotic withdrawal from Afghanistan and lingering effects of the pandemic.
  - The best course would be to implement a high-low mix (high-capability forces for great power conflict, lower-capability forces for regional conflicts and other operations), increase reliance on reserve forces, and promote a gradual transition toward new technologies as they prove themselves.
  - The public will be the ultimate arbiter. Polling indicates public support for a force of about the current size.
  - The overview concludes with an analyst’s plea for a clear explanation about how the administration calculated force structure requirements, something missing for nearly 20 years.

What is force structure? The Department of Defense (DOD) defines force structure as “the number, size, and structure of units.” Force structure is one of four elements of military capability, the others being readiness (“the ability of units and equipment to deliver the outputs for which they were designed”), modernization (“the technical sophistication of weapon systems and equipment”), and sustainment (“the ability to maintain the necessary level of military activity”).<sup>1</sup>

### *The Biden Administration’s Strategy*

Analysis of force structure must begin with strategy since that, at least in theory, drives all elements of military capability as well as national security policy and budgets.

A complete explanation of the Biden administration’s defense strategy and defense program will not be available until late in 2021 or even with the submission of the FY 2023 budget in February 2022. However, the administration did publish the Interim National Security Strategy Guidance (INSSG), with the main points shown below.<sup>2</sup>

- **Expanded Definition of National Security:** The INSSG discusses democracy enhancement, voter rights, human rights, domestic infrastructure, international trade, economic prosperity, systemic racism, workforce diversity, global health, and education. It cites climate 27 times but never mentions the military services by name. The administration has discussed this broad vision of national security as “integrated deterrence.”<sup>3</sup>

1. Joint Chiefs of Staff, *DOD Dictionary of Military and Associated Terms* (Washington, DC: Department of Defense, June 2020), <https://www.jcs.mil/Portals/36/Documents/Doctrine/pubs/dictionary.pdf>.

2. Joseph R. Biden, Jr., *Interim National Security Strategic Guidance* (Washington, DC: The White House, March 2021), <https://www.whitehouse.gov/wp-content/uploads/2021/03/NSC-1v2.pdf>. These priorities are highlighted in other documents, for example, Secretary of Defense Lloyd Austin, “Message to the Force,” Department of Defense, March 4, 2021, <https://media.defense.gov/2021/Mar/04/2002593656/-1/-1/0/SECRETARY-LLOYD-J-AUSTIN-III-MESSAGE-TO-THE-FORCE.PDF>; and Office of the Undersecretary of Defense (Comptroller), *FY 2022 Defense Budget Overview* (Washington, DC: Department of Defense, May 2021), [https://comptroller.defense.gov/Portals/45/Documents/defbudget/FY2022/FY2022\\_Budget\\_Request\\_Overview\\_Book.pdf](https://comptroller.defense.gov/Portals/45/Documents/defbudget/FY2022/FY2022_Budget_Request_Overview_Book.pdf).

3. “Integrated deterrence” does not appear in the INSSG but does appear in a variety of later administration documents and statements. For example, Lloyd Austin, “The Pentagon Must Prepare for a Much Bigger Theater of War,” *Washington Post*, May 5, 2021, [https://www.washingtonpost.com/opinions/lloyd-austin-us-deter-threat-war/2021/05/05/bed8af58-add9-11eb-b476-c3b287e52a01\\_story.html](https://www.washingtonpost.com/opinions/lloyd-austin-us-deter-threat-war/2021/05/05/bed8af58-add9-11eb-b476-c3b287e52a01_story.html).

- **Five Threats: China, Russia, North Korea, Iran, and Global Terrorism:** These are the same threats that the Trump administration identified and that the Obama administration described at the end of its tenure.<sup>4</sup> Like the Trump administration, the Biden administration strategy places greatest emphasis on China. Although the Biden administration identifies Iran as a threat, it will likely treat Iran differently from the Trump administration because of its desire to reestablish an arms control agreement.
- **Importance of Allies:** The strategy extols the role of allies and expresses a desire to reestablish U.S. leadership. This attitude toward allies is not much different from the Trump administration's stated position, but it was never clear whether President Trump himself supported these relationships. President Biden has repeatedly sought to reassure allies and partners.
- **Ending "Forever Wars":** Withdrawal from Afghanistan, Iraq, and Syria will ease the operational tempo of military forces but may not produce enough slack to allow significant cuts to force structure. See discussion below under Challenge 1.
- **Cutting "Legacy Systems":** This parallels discussion among many strategists but leaves unclear the definition of "legacy." See discussion below under Challenge 3.
- **Constraints on Defense Resources:** "Our national security budget will prioritize new resources for diplomacy and development." See discussion below.
- **Pursuing Arms Control:** "We will head off costly arm races and re-establish our credibility as a leader in arms control." However, there are some tensions here because the budget supports most elements of nuclear modernization.
- **Implementing Progressive Social Goals and Screening Arms Sales:** These efforts will greatly affect particular communities but will not likely have a direct effect on force structure.

The interim strategy does not contain the strong component of management reform that the Trump administration's 2018 National Defense Strategy (NDS) did.<sup>5</sup> The Biden administration's final National Security Strategy (NSS) and NDS will almost certainly contain something about the need for management reform, but unlike the Trump administration, the Biden administration does not seem to be planning to find large savings there. This likely means no major organizational DOD restructuring or change in roles and missions.

Gone also is the strong tone of U.S. primacy found in the Trump strategy documents. Instead, there is an emphasis on cooperation, diplomacy, and international institutions.

### *The Biden Administration's Budget: Near-Term Caps and Long-Term Uncertainty*

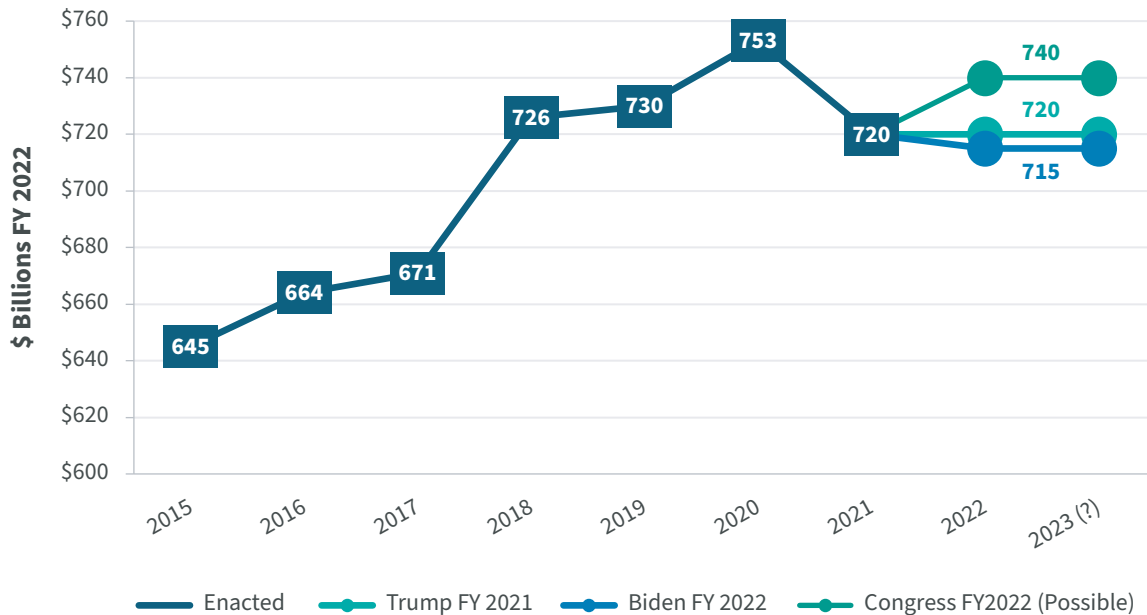
As budgeteers like to say, "Plans without funding are hallucinations." The Trump administration put resources against its strategy—Figure 1 shows increased budgets from FY 2017 to FY 2020. These budget increases allowed the services to rebuild readiness, institute a robust modernization program, and grow force structure a little.

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4. For example, Ash Carter, "U.S. National Security Challenges and Ongoing Military Operations," Senate Armed Services Committee, 114th Cong., 2nd sess., September 22, 2016, [https://www.armed-services.senate.gov/imo/media/doc/Carter\\_09-22-16.pdf](https://www.armed-services.senate.gov/imo/media/doc/Carter_09-22-16.pdf).

5. The White House, *A New National Security Strategy for a New Era* (Washington, DC: December 2017), <https://www.whitehouse.gov/articles/new-national-security-strategy-new-era/>; and Department of Defense, *A Summary of the 2018 National Defense Strategy: Sharpening the American Military's Competitive Edge* (Washington, DC: January 2018), <https://dod.defense.gov/Portals/1/Documents/pubs/2018-National-Defense-Strategy-Summary.pdf>.

Figure 1: Recent DOD Budget History (constant dollars, including war funding)



Source: Office of the Under Secretary of Defense, *National Defense Budget Estimates for FY 2022* (Washington, DC: Department of Defense, August 2021), [https://comptroller.defense.gov/Portals/45/Documents/defbudget/FY2022/FY22\\_Green\\_Book.pdf](https://comptroller.defense.gov/Portals/45/Documents/defbudget/FY2022/FY22_Green_Book.pdf).

Note: The enacted amount for FY 2020 includes pandemic supplementals.

However, budget increases ended in FY 2020, and DOD resources have since declined. The Trump administration projected flat resource levels in constant dollars over the five-year planning horizon. The Biden administration has a similar projection, though the out-years are placeholders pending decisions about long-term strategy and resources. A budget proposal even this high was a surprise given the negative tone of the Democratic Party platform: “We can maintain a strong defense and protect our safety and security for less.”<sup>6</sup>

One major change is that the budget folds war funding (“Overseas Contingency Operations”) into the base, thus simplifying budget processes and eliminating a long-standing item of controversy.

The Biden administration’s resource level is slightly below that projected by the Trump administration, but the difference disappears when the reduced resource requirements for Afghanistan are considered. This level is surprising, given the wording in the Democratic Party’s platform. However, during the campaign, Biden had said there would be no major cuts to defense, and the FY 2022 budget bears that out.

Nevertheless, these resources are unlikely to be adequate for the expansive national security strategy that the Biden administration has laid out. The Trump administration would have faced the same challenge. A budget pause of one or two years might be accommodated, but several years of flat budgets will erode U.S. capabilities. A less ambitious strategy could accommodate that erosion, but the Biden administration’s commitment to global engagement may drive a continuing high level of military deployments.

6. “2020 Democratic Party Platform,” Democratic Party, 2020, <https://democrats.org/where-we-stand/party-platform/>.

Competing pressures act on long-term defense budget projections. FY 2020 and FY 2021 had federal budget deficits of more than \$3 trillion, and the forecast for future deficits is in the vicinity of \$1.5 trillion a year, even with tax increases proposed by the administration.<sup>7</sup> These large deficits may eventually produce caps such as those in the Budget Control Act of 2011. On the other hand, no one in Washington—Democrat or Republican—seems overly concerned about the massive deficits that recent spending has generated.

Further, defense hawks argue for increased resources and seem to be gaining traction. Representative Mike Rogers (R-AL) of the House Armed Services Committee called the FY 2022 budget, “putting lipstick on a pig. This budget is woefully inadequate. It doesn’t keep pace with China.”<sup>8</sup> The Senate Armed Services Committee supported a \$25 billion increase to the Biden proposal.<sup>9</sup> Surprisingly, the House Armed Services Committee also supported an increase despite skepticism by its chairman. The House Appropriations Committee has marked at the level of the Biden administration’s proposal. Republican efforts to include defense infrastructure in the government-wide infrastructure bill were unsuccessful.<sup>10</sup>

If these efforts succeed, force structure could be yanked back from the brink. Congressional proposals for increased resources have not added personnel but would take the pressure off force structure as the source of funding. Force structure in all the services would likely continue at about its current level, with the possible exception of Navy ships, which increase.

Changes in appropriations in FY 2022 are surprising. Military personnel increases, as does research, development, testing, and evaluation (RDT&E), but procurement decreases by \$8 billion. The increase in military personnel seems contrary to a “divest to invest” approach, but that may await implementation in the long-term strategy. The increase in RDT&E combined with a decrease in procurement has a “skip a generation” appearance—reducing procurement of current systems in order to invest in a future generation of systems. Former secretary of defense Donald Rumsfeld had tried this in the early 2000s, but the wars overwhelmed the effort.

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7. “An Analysis of Certain Proposals in the President’s 2022 Budget,” Congressional Budget Office, July 30, 2021, <https://www.cbo.gov/publication/57358>.

8. Tony Bertuca, “Defensive Spending Debate Persists among Lawmakers,” Inside Defense, July 20, 2021, <https://insidedefense.com/daily-news/defense-spending-debate-persists-among-lawmakers>.

9. Senate Armed Services Committee, *Fiscal Year 2022: National Defense Authorization Act* (Washington, DC: U.S. Congress, 2021), <https://www.armed-services.senate.gov/imo/media/doc/FY22%20NDAA%20Executive%20Summary.pdf>.

10. “Shelby, Inhofe, Wicker Offer Budget Amendment to Modernize Aging Defense Infrastructure,” U.S. Senate Committee on Appropriations, August 10, 2021, <https://www.appropriations.senate.gov/news/shelby-inhofe-wicker-offer-budget-amendment-to-modernize-aging-defense-infrastructure>.

## The Administration's FY 2022 Plan for Force Structure

Table 1 shows the evolution of force structure plans.

Table 1: Force Structure Targets

	Obama FY 2020 Goal	FY 2021	Trump FY 2025 Goal	FY 2022 Budget
<b>Active-Duty End Strength</b>	1,000,500	1,351,000	1,361,000	1,346,400
<b>Guard and Reserve End Strength</b>	739,1000	800,200	806,200	799,500
<b>Regular/Reserve Army End Strength</b>	450,000/ 530,000	485,900/ 526,300	490,500/ 529,300	485,000/ 525,500
<b>Army Brigade Combat Teams: Total, (Active/ Reserve)</b>	56 (30/26)	58 (31/27)	58 (31/27)	58 (31/27)
<b>Navy Carriers</b>	11	11	11	11
<b>Navy Ships</b>	295	306	315	297
<b>Air Force TacAir A/C (4th/5th Generation)</b>	1,101 (699/402)	1,194 (939/255)	~1,200	1,207 (904/303)
<b>USMC End Strength</b>	180,000	181,200	184,100	178,500

Source: Author's compilation through external resources.

Note: "End strength" is the number of military personnel in the service at the end of the fiscal year (September 30). Excludes Space Force since it is so new and without these historical data.

- The left column of Table 1 shows the last plans of the Obama administration.<sup>11</sup> Former deputy secretary of defense Robert Work noted that this force was "too big for the budget allocated but too small to meet demands laid on it."<sup>12</sup>
- The second column shows the FY 2021 enacted levels.
- The third column shows the Trump administration's goals. Whether the administration could have achieved these force levels with the resources planned is unlikely.
- The fourth column shows FY 2022 in the president's budget proposal.

Subsequent chapters on the individual services discuss the specifics of each services' forces, and the full analysis must await publication of the administration's long-term plans. Nevertheless, a few insights emerge.

11. Force levels from Department of Defense, *2014 Quadrennial Defense Review* (Washington, DC: March 2014), [https://archive.defense.gov/pubs/2014\\_Quadrennial\\_Defense\\_Review.pdf](https://archive.defense.gov/pubs/2014_Quadrennial_Defense_Review.pdf).

12. Robert Work, "Storm Clouds Ahead: Musings about the 2022 Defense Budget," *War on the Rocks*, March 30, 2021, <https://warontherocks.com/2021/03/storm-clouds-ahead-musings-about-the-2022-defense-budget/>.

In the FY 2022 budget, the services have generally maintained end strength, even at the expense of modernization, despite what the strategy says. This likely reflects a desire to avoid preemptively losing structure before a final strategy is developed. Once structure is lost, it is hard to regain.

The Navy and Air Force have proposed retiring older platforms as “legacy” systems (see discussion below). Congress may support the Navy retirements but seems likely to limit those of the Air Force. The Marine Corps is a clear exception. Having consciously changed strategy, it proposes a substantial cut to personnel to invest in modernization. Half of DOD’s FY 2022 personnel reductions come from the Marine Corps.

The Trump administration’s plan for moderate growth in force structure has likely been shelved.

Active-duty and reserve end strength have been rising and falling together. Although the strategy might lean toward a more active-duty force for rapid deployment, this balance reflects the political power of the reserve components, which have used their congressional contacts in the past to object to any effort to cut them disproportionately. The Army chapter will contain a detailed discussion of this since the Army is most heavily dependent on its reserve component.

### *Challenge 1: Retaining Capacity for Regional Conflicts, Crisis Response, and Allied Engagement*

Since World War II, U.S. strategy has entailed a high level of global presence for regional conflicts, crisis response, and allied engagement.<sup>13</sup> The notion that great power conflict will occur mostly in the “gray area” further increases day-to-day demand for military forces. As many experts point out, physical presence is needed to meet these demands and to exercise global leadership; virtual presence is actual absence.<sup>14</sup> Former secretary of defense Robert Gates called ignoring current conflicts and focusing on future conflicts “next war-itis.”<sup>15</sup>

High demand for forces increases operational tempo. DOD has a global force management process to prioritize force requests and allocate forces to meet them so that they do not overly stress personnel. However, combatant commanders have no restrictions on the extent of their requests for forces, so a gap always exists between requests and the forces available.<sup>16</sup> Further, the national leadership often directs deployments and commitments in response to global events despite intentions to reduce demands. The recent surge of forces for the evacuation of Afghanistan is an example. Another is that deployments to Europe have increased greatly since Russia seized Crimea and invaded Ukraine. Thus, the services are caught in “a bear trap of current commitments.”<sup>17</sup>

The Trump administration’s NDS described a concept called “dynamic force employment,” designed to prioritize deployments and allow some reduction. However, this failed in the face of continuing high global demands.<sup>18</sup>

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13. See, for one example among many, James Thomas, *Reshaping the U.S. Military*, Testimony Before the Senate Armed Services Committee, 115th Cong., 1st sess., February 16, 2017, <https://www.armed-services.senate.gov/hearings/17-02-16-reshaping-the-us-military>.

14. For example, Thomas Donnelly, *Peers, Near-Peers, and Partial Peers: Making Sense of America’s Balance-of-Power Interests*, Statement before the Senate Committee on Armed Services, 115th Cong., 1st sess., February 16, 2017; and Michael J. Mazarr, “Presence v. Warfighting: A Looming Dilemma in Defense Planning,” *War on the Rocks*, April 26, 2016, <https://warontherocks.com/2016/04/presence-vs-warfighting-a-looming-dilemma-in-defense-planning>.

15. Associated Press, “Military Must Focus on Current Wars, Gates Says,” *NBC News*, 2008, [http://www.nbcnews.com/id/24600218/ns/us\\_news-military/t/military-must-focus-current-wars-gates-says/#.XURBD-hKhPY](http://www.nbcnews.com/id/24600218/ns/us_news-military/t/military-must-focus-current-wars-gates-says/#.XURBD-hKhPY).

16. For an excellent description of how force demands are generated, forces are allocated, and services cycle units through deployments, see Edward J. Filiberti, *Generating Military Capabilities* (Carlisle, PA: U.S. Army War College Press, 2016).

17. Attributed to General Joseph Langley when chief of the National Guard Bureau.

18. DOD, *National Defense Strategy*, 7.

The Biden administration may propose a similar effort to reduce the burden of deployments. Secretary of Defense Lloyd Austin launched a global force posture review intended to assess “how we best allocate military forces in pursuit of national interest.”<sup>19</sup> However, this review will likely run into the same barriers: reducing the tempo of operations requires reductions in global activity. Yet, this conflicts with the Biden administration’s emphasis on support to allies and partners, which would regard any reduction in U.S. presence as evidence of U.S. withdrawal, particularly after the debacle in Afghanistan. In their view, increased diplomatic engagement is unlikely to substitute for military presence.<sup>20</sup>

To meet both wartime and day-to-day force demands, some strategists have proposed maintaining capabilities for these other global commitments.

- Elaine McCusker and John Ferrari at the American Enterprise Institute (AEI) caution against ignoring near-term risk. “Invariably, when we attempt to pretend near-term risk does not exist and assume a reduction in operational tempo that does not occur, the force struggles to keep up. Near-term readiness decays at an accelerated rate that cascades into reducing future readiness—the very thing the leadership thought it was buying.” Instead, they propose maintaining a fully manned force structure and using legacy forces for experimentation before committing to large, untested, expensive development programs.<sup>21</sup>
- Evan Montgomery at the Center for Strategic and Budgetary Assessments makes a similar argument in the naval context. He notes that “the United States is on the hook to deter for rivals across three theaters.” To do this, he proposes “introducing more diversification into defense strategy” to “enable it to conduct operations against second-tier opponents without burning through the capabilities it needs to deter its main competitors.”<sup>22</sup>
- The Heritage Foundation’s *Index of U.S. Military Strength* proposes a large expansion of U.S. active-duty components to meet both warfighting and peacetime requirements: 50 regular Army brigade combat teams, 400 battle force ships, 625 strike aircraft, 36 active-duty Marine Corps battalions, and 1,200 active-duty Air Force fighter/ground-attack aircraft. All the military services were rated as “marginal” and particularly deficient on capacity (i.e., the size of the forces).<sup>23</sup>
- Seth Jones, then-director of CSIS’s Transnational Threats Project, has argued that a focus on great power competition should not obscure the fact that the most likely demands on DOD will be to respond to global terrorism and actions in the gray area between peace and conflict. He notes: “It would be imprudent if the United States were to move too quickly away from countering terrorists while the threat is still high.”<sup>24</sup>

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19. U.S. Department of Defense, “Statement by Secretary of Defense Lloyd J. Austin III on the Initiation of a Global Force Posture Review,” Press Release, February 4, 2021, <https://www.defense.gov/News/Releases/Release/Article/2494189/statement-by-secretary-of-defense-lloyd-j-austin-iii-on-the-initiation-of-a-glo/>.

20. For an excellent discussion of the trade-offs, see Doug Berenson, “Getting the Defense Department off the Hamster Wheel: Reducing Operating Costs to Invest in the Future of the Force,” War on the Rocks, March 31, 2020, <https://warontherocks.com/2021/03/getting-the-defense-department-off-the-hamster-wheel-reducing-operating-costs-to-invest-in-the-future-of-the-force/>.

21. Elaine McCusker and John Ferrari, *Defense Budget Lessons* (Washington, DC: American Enterprise Institute, February 2021), <https://www.aei.org/research-products/report/defense-budget-lessons/>; and one of their colleagues, Mackenzie Eaglen, had earlier described a larger force structure needed to fully implement a global strategy in Mackenzie Eaglen, *Repair and Rebuild: Balancing New Military Spending for a Three-Theater Strategy* (Washington, DC: American Enterprise Institute, October 2017), 17, <http://www.aei.org/wp-content/uploads/2017/11/Repair-and-Rebuild.pdf>.

22. Evan Montgomery, “Defense Strategy in the Empire State of Mind: How Preparing for the Best Can Leave Washington Vulnerable to the Rest,” War on the Rocks, February 19, 2021, <https://warontherocks.com/2021/02/defense-strategy-and-the-empire-state-of-mind-how-preparing-for-the-best-can-leave-washington-vulnerable-to-the-rest/>.

23. Dakota L. Wood, ed., *2021 Index of U.S. Military Strength* (Washington, DC: The Heritage Foundation, 2021), [https://www.heritage.org/sites/default/files/2020-11/2021\\_IndexOfUSMilitaryStrength\\_WEB\\_0.pdf](https://www.heritage.org/sites/default/files/2020-11/2021_IndexOfUSMilitaryStrength_WEB_0.pdf).

24. Seth G. Jones, “America’s Counterterrorism Gamble,” CSIS, *CSIS Briefs*, July 2018, <https://www.csis.org/analysis/americas-counterterrorism-gamble>.



The competing demands of high-end conflict and day-to-day force deployments push the military services toward a high-low mix: a force that incorporates advanced, and often very expensive, technologies along with less expensive elements that can cover less-demanding threats, such as regional opponents and crisis response. The administration's emerging program does not acknowledge such an approach. However, the services appear to have moved in that direction in the last several years with regard to particular decisions, such as the Air Force's decision to retain the A-10 fleet and procure some F-15EXs; the Navy's decision to continue the frigate program, expand the number of unmanned systems, and develop less-expensive amphibious ships; and Special Operations Command's pursuit of an armed overwatch aircraft.<sup>25</sup>

## Challenge 2: A Strategy-Resources Gap

Gaps between strategy and resources are a recurring theme in the national security literature. The strategic desires of policy officials often outrun the resources that the budget process provides. The gap will particularly affect force structure because the emerging national defense strategy prioritizes modernization. Force structure in all the services (except possibly the Navy and the Space Force) would likely be a bill payer.

The flat budget of the Biden administration, and of the Trump administration before it, would open a strategy-resources gap because DOD needs some real growth every year to offset increases in the cost of personnel and operations. (Note: congressional additions to the FY 2022 Biden administration's budget would mitigate this gap.) Compensation for military and civilian personnel has historically had to increase about 1 percent above inflation to compete with the civilian labor market.<sup>26</sup> Further, spending in the Operations and Maintenance account, which includes a wide variety of activities, from military operations to healthcare to base operations to environmental restoration, has also increased in real terms, averaging 2.6 percent above inflation.<sup>27</sup> The Congressional Budget Office estimates that DOD's current plans will require an additional \$77 billion over the five-year planning period from FY 2021 to FY 2025.<sup>28</sup>

In 2019, General Joseph Dunford set off a debate when he was chairman of the Joint Chiefs of Staff by saying that the defense strategy requires 3 to 5 percent real growth per year. Dunford and other senior officials made that point many times, so it was not a casual observation. Many use that as a benchmark for resource requirements.<sup>29</sup>

Although General Dunford and others provided no analytic justification for the 3 to 5 percent requirement, the internal dynamics of budget growth (described above) plus increasing threats from China and elsewhere indicate the need for real increases in the DOD budget just to stand still.

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25. For a longer discussion about a high-low mix, see Mark Cancian, "Building Military Forces for the 2020s: Implementing Strategy and Exercising Global Leadership in an Era of Reduced Resources," CSIS, *Transition 46 Series*, February 10, 2021, <https://www.csis.org/analysis/building-military-forces-2020s-implementing-strategy-and-exercising-global-leadership-era>.

26. Calculated by comparing inflation for the military personnel account with DOD's overall inflation. Office of the Undersecretary of Defense (Comptroller), *FY 2022 Defense Budget Overview*, Table 5-6.

27. Todd Harrison and Seamus P. Daniels, *Analysis of the FY 2021 Defense Budget* (Washington, DC: CSIS, August 2020), 7, <http://defense360.csis.org/wp-content/uploads/2020/08/Analysis-of-the-FY-2021-Defense-Budget.pdf>.

28. Congressional Budget Office, *Long-Term Implications of the 2021 Future Years Defense Program* (Washington, DC: September 2020), <https://www.cbo.gov/publication/56554>. CBO's figures include acquisition cost growth as well as military personnel and O&M costs.

29. See, for example, "A Conversation with Chairman of the Joint Chiefs of Staff Joseph Dunford," Brookings Institution, May 29, 2019, <https://www.brookings.edu/events/a-conversation-with-chairman-of-the-joint-chiefs-of-staff-general-dunford/>; and Aaron Mehta, "DoD needs 3-5 percent annual growth through 2023, top officials say," *Defense News*, June 13, 2017, <https://www.defensenews.com/pentagon/2017/06/13/dod-needs-3-5-percent-annual-growth-through-2023-top-officials-say/>.

Even when the defense budget was rising, there was criticism that resources were inadequate. The National Defense Strategy Commission, a group created by Congress to consider DOD's 2018 NDS and provide an independent perspective, strongly endorsed General Dunford's goal of 3 to 5 percent real budget growth.<sup>30</sup>

Conservative think tanks have picked up this theme. The Heritage Foundation affirmed the 3 to 5 percent annual growth standard.<sup>31</sup> Similarly, Mackenzie Eaglen of AEI recommended that Congress "plan a two-year budget deal that buys back readiness and investment lost to the Budget Control Act."<sup>32</sup> Eaglen's colleague, Gary Schmitt, called the current situation "strategic insolvency," observing that "money matters and for three decades we have failed to come to terms with that basic fact."<sup>33</sup>

An exercise conducted by the Center for Strategic and Budgetary Assessments and Ronald Reagan Institute illustrated the problems created by a strategy-resources gap. In the exercise, teams sought to build forces under a reduced defense budget. Nearly all teams cut force structure and personnel heavily to preserve investment. The result "made all teams question America's ability to win a war, let alone deter another." Further, the resulting structure "increased U.S. reliance on nuclear deterrence [because there were] fewer conventional rungs in the escalation ladder."<sup>34</sup>

### *Challenge 3: The Need to Shift More Aggressively to a Great Power Structure*

A continuing criticism of recent DOD budgets is that they do not go far enough in shifting to a focus on great power conflict. In this view, the budgets retain too many legacy forces and systems and do not invest enough in funding and fielding the kinds of advanced technologies that such conflicts require. In general, such critics call for cutting forces to fund more modernization. It is thus the opposite of the desire to meet day-to-day deployment demands. As one example among many, Becca Wasser and Stacey Pettyjohn argue that the FY 2022 budget tries to do "too much with too little." They argue for a strategy that cuts personnel to invest in advanced munitions.<sup>35</sup> This approach is captured in the phrase, "divest to invest."

This criticism frequently revolves around the question of "legacy systems." The INSSG, like the Democratic Party platform before it, states the need to "shift our emphasis from unneeded legacy platforms and

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30. National Defense Strategy Commission, *Providing for the Common Defense: The Assessment and Recommendations of the National Defense Strategy Commission* (Washington, DC: United States Institute of Peace, November 2018), <https://www.usip.org/publications/2018/11/providing-common-defense>.

31. Frederico Bartels, *Biden's Fiscal Year 2022 Defense Budget Would Create Unacceptable Risk* (Washington, DC: Heritage Foundation, July 2021), D.C.: Heritage Foundation, July 9, 2021 <https://www.heritage.org/defense/report/bidens-fiscal-year-2022-defense-budget-would-create-unacceptable-risk>.

32. Mackenzie Eaglen, "Congress, It's Time for a Two-Year Budget Deal," *Breaking Defense*, January 10, 2021, <https://breakingdefense.com/2021/01/congress-its-time-for-two-year-budget-deal-eaglen-at-aei/>.

33. Gary J. Schmidt, "Defining Defense Down," AEI, June 2, 2021, <https://www.aei.org/articles/defining-defense-down-2/>.

34. Thomas G. Mahnken et al., *America's Strategic Choices: Defense Spending in a Post-Covid 19 World* (Washington, DC: CSBA and Ronald Reagan Institute, January 2021), 8, 9, <https://csbaonline.org/research/publications/americas-strategic-choices-defense-spending-in-a-post-covid-19-world>.

35. Quotation from Aaron Mehta, "Biden's First Budget Tries 'Too Much with Too Little,' New Wargame Finds," *Breaking Defense*, July 20, 2021, <https://breakingdefense.com/2021/07/bidens-first-budget-tries-too-much-with-too-little-new-wargame-finds/>. For other examples of this line of criticism, see Thomas Mahnken and Christopher Bassler, "What Is a Legacy System? The Key Is Relevance, Not Age," *Defense News*, February 22, 2021, <https://www.defensenews.com/opinion/commentary/2021/02/22/what-is-a-legacy-system-the-key-is-relevance-not-age>; Paul Scharre, "Esper's Convenient Lie," *Defense One*, September 18, 2020, <https://www.defenseone.com/ideas/2020/09/espers-convenient-lie/168596/>; Susanna V. Blume and Molly Parrish, *Investing in Great Power Competition* (Washington, DC: Center for a New American Security, July 2020), <https://www.cnas.org/publications/reports/investing-in-great-power-competition>; Elbridge Colby, "How to Win America's Next War: War's Sci-Fi Future," *Foreign Policy*, May 5, 2019, <https://foreignpolicy.com/2019/05/05/how-to-win-americas-next-war-china-russia-military-infrastructure/>; and Christian Brose, *The Kill Chain: Defending America in the Future of High-Tech Warfare* (New York: Hatchet Books, 2020).

weapon systems to free up resources for investments in cutting-edge technologies and capabilities that will determine our military and national security advantage in the future.”<sup>36</sup>

However, a major unanswered question is, what are “legacy” platforms? On this definition hang tens of billions of dollars of acquisition funding and the structure of future forces. Many strategists see legacy platforms as those that use old technologies and outdated operational concepts. They would cut manned aircraft, aircraft carriers, and armored vehicles, substituting unmanned, smaller, and distributed systems.<sup>37</sup>

The military services define legacy systems as old systems in the inventory. They would retire older systems and buy similar but more modern systems. For example, strategists would urge the Air Force to curtail F-35 procurement and move toward a fleet of unmanned aerial vehicles (UAVs). The Air Force would retire F-16s and A-10s and use the savings to buy more F-35s.

The FY 2022 budget indicates that the service definition is prevailing, judging by the treatment of manned and unmanned aerial systems. In FY 2022, the Army buys 60 manned aircraft but no major unmanned systems. The Air Force buys 91 manned aircraft but no unmanned systems. The Department of the Navy buys 101 manned aircraft and just 6 unmanned aircraft. Indeed, unmanned aircraft are a major DOD divestment area, with the Air Force divesting MQ-4 Block 30 Global Hawks, the Navy divesting its remaining four BAMS-D UAVs, and the Marine Corps divesting the disappointing RQ-21s. This balance could change in the long-term plan after incorporating the results of all the many ongoing reviews, but it indicates the service preference.

Lingering in the background of this discussion is whether the new platforms and munitions are fully ready to replace legacy systems. As Thomas Spoehr of the Heritage Foundation noted, “if you’ve already jettisoned your legacy equipment and the innovative alternative is not yet ready for prime time, you’ve left yourself wide open.”<sup>38</sup>

#### *Challenge 4: Strategy Changes That Could Change Force Structure*

Strategy drives force structure. Thus, any changes in strategy will change the size and shape of the forces. The Biden administration’s interim strategy has received broad support in Congress and the national security community (at least those elements related to traditional national security), as did the Trump administration’s NDS.

Nevertheless, two challenges have arisen to this strategic approach. First, some libertarians and progressives have proposed a strategy of “restraint” and the reduced spending that goes with it.

CATO, a libertarian think tank, has consistently rejected a strategy of engagement and forward deployments. As Christopher Preble, then CATO’s vice president for defense and foreign policy studies, argues: “Admitting that the United States is incapable of effectively adjudicating every territorial dispute or of thwarting every security threat in every part of the world is hardly tantamount to surrender. It is, rather, a wise admission of the limits of American power and an acknowledgment of the need to share the burdens, and the responsibilities, of dealing with a complex world.”<sup>39</sup>

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36. Biden, *Interim National Security Strategy Guidance*, 14.

37. For a detailed discussion of the definition of “legacy” and its impact, see Mark Cancian and Adam Saxton, “What’s in a Name? Billions in Cuts Depend on Defining ‘Legacy,’” *Breaking Defense*, March 10, 2021, <https://breakingdefense.com/2021/03/whats-in-a-name-billions-in-cuts-depend-on-defining-legacy/>.

38. Thomas W. Spoehr, “Want to Shed Older Weapons? You Need a Solid Plan,” *Defense One*, February 17, 2021, <https://www.defenseone.com/ideas/2021/02/older-weapons-pentagon/172104/>.

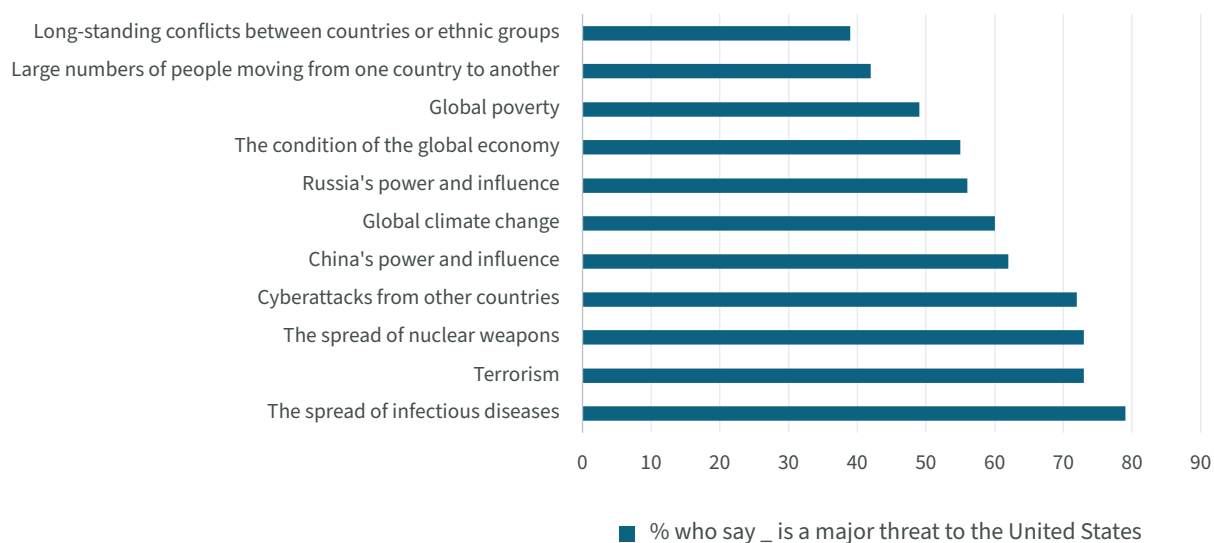
39. Christopher A. Preble, “Adapting to American Decline,” *New York Times*, April 21, 2018, <https://www.cato.org/publications/>

CATO’s strategy would reduce forward deployments and cut the Army, Air Force, and Marine Corps by a third. The strategy would cut the Navy relatively less (by 25 percent) to retain the ability to deploy globally when needed. Reserves would be reduced less than active-duty forces to maintain a surge capability. These changes would cut about \$110 billion per year from the defense budget.<sup>40</sup>

In recent years, a progressive critique of national security strategy and budgets has arisen. For example, a coalition of progressives in Congress called on President Biden to “cut the Pentagon budget by more than 10 percent” and instead “invest in diplomacy, humanitarian aid, global public health, sustainability initiatives, and basic research.”<sup>41</sup> A detailed progressive analysis came out in a similar place to the libertarian analysis: cutting ground force structure heavily (in the Army and Marine Corps), reducing readiness through cuts in civilians and contractors, and terminating several nuclear modernization programs and most national missile defense programs. It would save about \$125 billion per year if fully implemented.<sup>42</sup>

Many of these critics want to focus national security on climate and global health as the greatest challenges rather than conventional military threats. They seek to leverage public opinion, which shows great concerns about “infectious disease,” “global climate change,” and “global poverty.”<sup>43</sup>

Figure 2: Public Opinion on Threats to the Nation



Source: Jacob Poushter and Moira Fagan, “Americans See Spread of Disease as Top International Threat, Along With Terrorism, Nuclear Weapons, Cyberattacks,” Pew Research, April 13, 2020, <https://www.pewresearch.org/global/2020/04/13/americans-see-spread-of-disease-as-top-international-threat-along-with-terrorism-nuclear-weapons-cyberattacks/>.

commentary/adapting-american-decline. For the basic text on “restraint,” see Barry R. Posen, *Restraint: A New Foundation for U.S. Grand Strategy* (Ithaca, New York: Cornell University Press, 2014), <http://www.jstor.org/stable/10.7591/j.ctt5hh0db>.

40. Force levels from a think tank budget exercise, results described in Jacob Cohn and Ryan Boone, eds., *How Much Is Enough? Alternative Defense Strategies* (Washington, DC: Center for Strategic and Budgetary Analyses, 2016), <http://csbaonline.org/research/publications/how-much-is-enough-alternative-defense-strategies>.

41. Barbara Lee et al., “Letter to Pres. Joseph R Biden, March 16, 2021,” Congresswoman Barbara Lee, March 16, 2021, <https://lee.house.gov/news/press-releases/lee-pocan-and-auchincloss-lead-50-members-urging-biden-to-cut-defense-budget>.

42. Center for International Policy, *Sustainable Defense: More Security, Less Spending – Final Report of the Sustainable Defense Task Force of The Center for International Policy* (Washington, DC: June 2019), <http://comw.org/pda/sustainable-defense-more-security-less-spending/>.

43. For a connection of global health and climate change with a perceived inflation of the China threat, see Bruce Jentleson, “Be Wary of China Threat Inflation,” *Foreign Policy*, July 30, 2021, <https://foreignpolicy.com/2021/07/30/china-threat-inflation-united-states-soviet-union-cold-war/>.

So far, this alternative strategy has not gained enough traction to shift the national security strategy in a major way. The Biden administration strategy rejects “restraint,” instead continuing engagement with allies and partners.

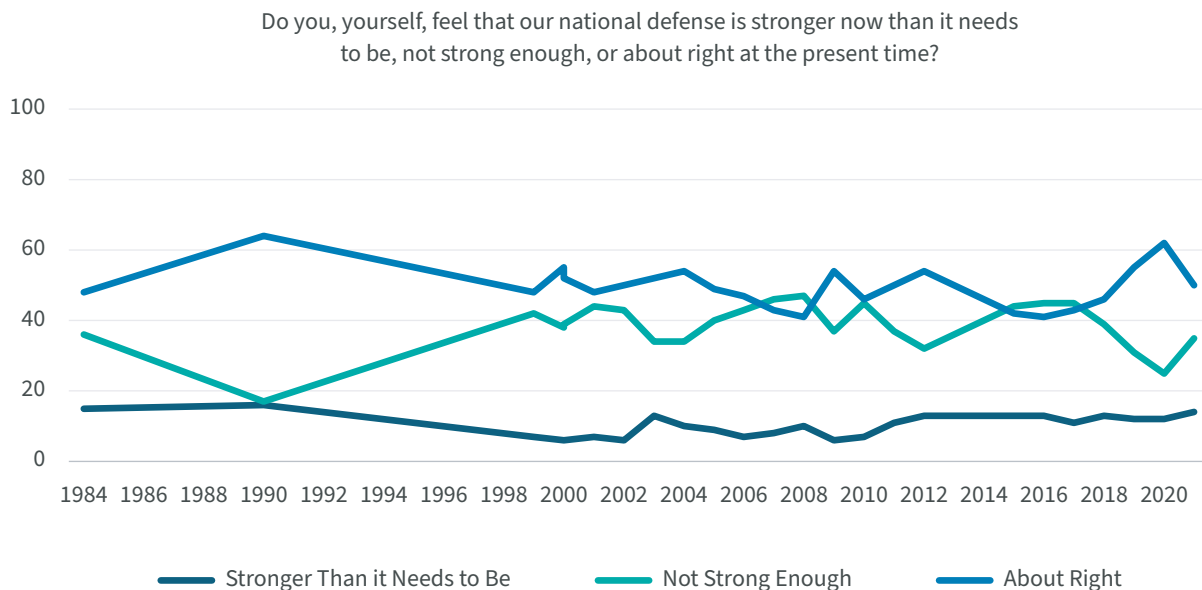
The DOD budget will contain some funding for pandemics and climate change. Much of this will focus on making the military more resilient. The FY 2022 budget contains \$617 million for “tackling the climate crisis,” about half of which would harden infrastructure. This seems quite in line with DOD’s traditional missions.

Some of this climate- and pandemic-related funding may be, in effect, a tax on DOD to support society- and government-wide climate initiatives. For example, the current budget includes \$3.6 billion dollars for environmental construction.<sup>44</sup>

### Where Is Public Opinion?

Ultimately, the size and shape of the defense effort depend on the level of support from the American people. The chart below shows public attitudes toward national defense.<sup>45</sup> The good news for defense is that there is little support for the notion that the United States is too strong. That opinion barely gets into double digits. The bad news is that support for budget increases or force expansion is weak though growing.

Figure 3: Public Opinion on National Defense



Source: “Military and National Defense,” Gallup, June 5, 2021, <https://news.gallup.com/poll/1666/Military-National-Defense.aspx>.

44. Terri Moon Cronk, “Official Testifies on DOD Budget Request for Construction, Energy, Environmental Programs,” U.S. Department of Defense, July 15, 2021, “container-title”: “U.S. Department of Defense,” “language”: “en-US,” “title”: “Official Testifies on DOD Budget Request for Construction, Energy, Environmental Programs,” “URL”: “<https://www.defense.gov/Explore/News/Article/Article/2696448/official-testifies-on-dod-budget-request-for-construction-energy-environmental/>,” “author”: “[{“family”: “Cronk”, “given”: “Terri Moon”}],” “accessed”: “[{“date-parts”: [“2021”, “9”, “20”]}, “issued”: “[{“date-parts”: [“2021”, “7”, “15”]}]}],” “schema”: “<https://github.com/citation-style-language/schema/raw/master/csl-citation.json>”” <https://www.defense.gov/News/News-Stories/Article/Article/2696448/official-testifies-on-dod-budget-request-for-construction-energy-environmental/>.

45. “Military and National Defense,” Gallup, June 5, 2021, <https://news.gallup.com/poll/1666/Military-National-Defense.aspx>.

The opinion that the United States is not strong enough began rising in 2012, as the postwar drawdown took effect, and continued rising with the increased threats from Russia, ISIS, and China becoming apparent in 2014.

“Not strong enough” dipped dramatically after 2017, likely reflecting satisfaction with the defense buildup and concerns about the Trump administration, but bumped up in FY 2021. Questions about the level of the defense budget elicit similar dynamics.

### *The Analyst’s Plea: Why Do We Have What We Have?*

Since the early 2000s, DOD has not offered any rationale for its force structure calculations. For example, the Trump administration proposed a “1+” construct for sizing forces: “defeating aggression by a major power . . . [and] deterring aggression by [another] major power.” That required 58 total Army brigade combat teams, 355 Navy ships, about 1,200 Air Force aircraft, and a Marine Corps of 185,000 personnel. There was no description of how the administration determined these very specific force levels from the very general description of the strategic goals it was proposing. This was not unusual. The Quadrennial Defense Reviews of 2010 and 2014 had the same lack of connection.<sup>46</sup>

This is not an academic concern. Such an explanation would require articulation of “theories of victory,” which lay out how the United States proposes to use its forces in conflict to achieve some result. That would illuminate many trade-offs and operational concepts that are now hidden. Some members of Congress have picked up on this, for example, Representative Luria (D-VA) pressing the Navy for its assumptions behind its goals for fleet size.<sup>47</sup>

By providing such an explanation in its national defense strategy, the Biden administration would strengthen its budget justification, help the public understand the basis for its force goals, and further its own policy of enhancing transparency in government. ■

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46. DOD, *Quadrennial Defense Review Report* (Washington, DC: February 2010), <https://history.defense.gov/Portals/70/Documents/quadrennial/QDR2010.pdf>; and DOD, *Quadrennial Defense Review 2014* (Washington, DC: March 2014), <https://history.defense.gov/Portals/70/Documents/quadrennial/QDR2014.pdf?ver=tXH94SVvSQLVw-ENZ-a2pQ%3d%3d>.

47. Elaine Luria, “A New U.S. Maritime Strategy,” Center for International Maritime Security, July 12, 2021, <https://cimsec.org/a-new-u-s-maritime-strategy/>.