

Insight

A Helpful Starting Point for Rebuilding the Military

RACHEL HOFF | JANUARY 17, 2017

As the new Congress lays the groundwork for its legislative agenda and holds confirmation hearings for Trump Administration officials, another priority is on the horizon: next year's budget. Congressional defense leaders will likely propose a significant increase to the Pentagon's budget, in line with President-elect Trump's own campaign promises to rebuild the military.

There are early reports that defense committee chairmen Senator John McCain and Congressman Mac Thornberry plan to propose a defense budget of \$640 billion for Fiscal Year 2018 (FY18). The FY17 defense bill authorized \$551 billion for base defense spending, subject to the 2011 Budget Control Act (BCA) spending cap. The proposed FY18 budget authorization represents a substantial—in addition to much-needed and long-coming—increase of almost \$90 billion.

Without congressional action on the BCA, the "sequestration" spending caps will remain in place for next year's budget. The estimated cap on defense spending under the BCA would be around \$549 billion for FY18. This figure would represent a significant shortfall below the funding the military needs to fulfill its missions in an increasingly dangerous world, especially as readiness and modernization have taken a backseat to day-to-day costs of war-fighting. The new Congress should work with the Trump Administration to end sequestration and reinvest in American military strength.

The Obama Administration and congressional Democrats have, for years, demanded a dollar-for-dollar match for any spending above the caps, where any increase to the defense budget requires an equal increase in spending on domestic programs. The incoming Trump Administration has indicated that it does not plan to hold the defense budget hostage to a domestic agenda. Trump's budget plan released during the campaign calls for significant reductions in non-defense spending. General James Mattis, Trump's nominee for Secretary of Defense, has stated that he does not support adhering to the dollar-for-dollar principle.

After years of consecutive cuts since the BCA, the defense budget has suffered a 25 percent reduction in real dollars. The FY18 defense authorization proposal could be the beginning of a reinvestment that the military desperately needs—and one that the global security situation demands.