Implications for the U.S. Army

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Expectations for the U.S. Army over the next decade

• The budget cuts will continue
• The Army will shrink in size
• New strategy and missions, coupled with current images of high-technology warfare, may disadvantage the Army in budget deliberations
• Planned equipment programs will be slowed or canceled
• The Army may be lighter
• Training will be more region-specific
DoD base budget
FY 2013 budget request
Annual Real Change in DOD Base Budget, FY 2013 Plan

In real terms, plan for FY 2017 is 5% below the FY 2010 budget, 1.6% below the FY 2012 budget.
Army’s planned changes reflect new strategy and the President’s budget

- **Size, force structure, and organization**
  - Cut active-duty force from 562,000 to 490,000 troops (13% cut)
  - Eliminate 8 of 45 active brigades (18% cut)
  - Return to 3-battalion brigades, eliminate five additional brigades?

- **Personnel and Training**
  - Increase seniority in active-duty force, to accommodate growth
  - Conduct rotational unit training in Europe, Asia, and the Middle East
  - Expand training for hybrid warfare
  - Align active and reserve forces with regional commands
  - Continue emphasis on language and cultural training

- **Footprint**
  - Remove two heavy brigades from Europe
  - Retain a permanent rotational presence in Middle East

- **Technology**
  - Expand cyberspace capabilities
If not overturned, Budget Control Act will cut non-war defense budget to FY 2007 level
Fiscal sustainability may require deeper cuts to non-war budget

Assumes defense contributes 25% of total deficit reductions
Rising costs of some Defense categories will crowd out other spending

- Rising costs of health care for service members, families, and retirees
- Rising operating & maintenance costs for aging and new weapon systems
- Rising costs of weapon systems

Even a constant budget can mean force cuts.
A 10% budget cut could mean force cuts of 15-20%.
Changed strategy and missions may put the Army at a disadvantage in budget talks

• Changes suggest a diminished role for the Army
  – End combat operations in Afghanistan
  – Stay out of counterinsurgency wars
  – Abstain from nation-building
  – Rebalance toward Asia and the Pacific

• On the other hand
  – Army leaders worry that future political leaders will not feel bound by the today’s strategy documents
  – After cutbacks occur, rebuilding an army sized for large, sustained operations would take time
  – DoD’s budget allocations to the military departments have not changed significantly for decades
High-technology images of warfare may also point to a smaller Army

• Technological advances of the past decade may mean the Army can get by with fewer units

• High-technology images of future warfare may advantage the Air Force and Navy at budget time
  – Surveillance and combat drones
  – Precision targeting

• On the other hand
  – In the past, the shift from trained people to high-technology equipment has not always worked as well as hoped
  – Some fights will always have to be conducted at close range, on enemy territory
Army drawdown will likely include cutbacks to equipment programs

- Match equipment purchases to reduced force structure
- Limit new equipment for Guard and Reserve
- Defer or cancel expensive new equipment
- Focus on refurbishment and upgrades of existing equipment
Changed missions and technologies may portend a lighter Army

• DoD strategy calls for improved agility and rapid deployment to distant theaters—a challenge for heavy brigades
• Earlier plans for a new generation of light, survivable, high-firepower ground vehicles were curtailed as costs climbed
• The Army may choose to eliminate more of its heavy brigades
The US Army currently plans to reduce active-duty troop strength by about 13 percent.

Whether or not the Budget Control Act of 2011 remains in effect, fiscal pressures could shrink the force by another 10 to 20 percent.

Planned modernization programs will likely be curtailed.

The Army may choose to eliminate several heavy brigades.

The Army will continue to adapt its individual and unit training to reflect changed strategy and missions as well as emerging technologies.
Back-up slides
### FY 2013-17 Plan for DoD

Discretionary Budget Authority, Current $ Billions

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The $478 Billion Reduction
Change from FY 2012 Plan to FY 2013 Plan

Extended FY 2012 plan

Extended FY 2013 plan

Fiscal Year

Billions of Dollars
U.S. Outlays for National Defense (Share of GDP)
Costs of DoD’s Plans, by Appropriation Category

(Billions of 2012 dollars)

- OCO Funding
- Family Housing
- Military Construction
- Operation and Maintenance
- Military Personnel
- Procurement
- Research, Development, Test, and Evaluation

Source: Congressional Budget Office.
Figure 4: Operation and Maintenance Funding per Active Duty Troop, FY1955-FY2013

Source: CRS based on Department of Defense budget data.
Costs of DoD’s Plans for Its Military Health System

(Billions of 2012 dollars)

Source: Congressional Budget Office.