U.S. Military Forces in FY 2020

The Strategic and Budget Context

Mark F. Cancian

Part of U.S. Military Forces in FY 2020: The Struggle to Align Forces with Strategy

CSIS Senior Adviser Mark Cancian annually produces a series of papers on U.S. military forces, including composition, new initiatives, long-term trends, and challenges. This first white paper in the series analyzes the strategy and budget context for building forces in FY 2020, criticisms of the strategy, budget and resulting force plans, and risks for sustaining force levels in the future.

KEY TAKEAWAYS

▪ The administration’s FY 2020 budget proposal continues defense spending increases to align U.S. military forces with a national defense strategy (NDS) focused on great power competition. This strategy prioritizes capability over capacity.

▪ Thus, the FY 2020 budget prioritizes modernization to compete with China and Russia and maintains the higher readiness levels achieved in the FY 2017–FY 2019 budgets. It expands force structure only a little. Even defense buildups have limits and require trade-offs.

▪ However, day-to-day operations for ongoing conflicts, crisis response, and allied engagement continue to put high demands on forces.

▪ These unrelenting operational demands require force structure and drive the services to a high-low mix: high for great power conflict, low (or less high) for day-to-day deployments and regional conflicts.

▪ Although widely supported, the NDS has been criticized by some for being underfunded and by others for being too aggressive, while the proposed FY 2020 budget has been criticized for not making sufficient changes to align with the NDS.

▪ The future presents two major risks for sustaining force plans: (1) a lack of real growth in future budgets; and (2) softening public support.

Additional white papers published over the next month will take an in-depth look at each of the military services, DOD civilians, contractors, and non-DOD national security programs.
Although the dictates of the 2018 national defense strategy are clear, implementing them in the real world is difficult in the face of real-world crises, the inertia of legacy investments, and the long timelines needed to field new capabilities. Thus, the budget continues the priorities that Secretary James Mattis set in 2017 but struggles with the need to make trade-offs. These priorities include:

- **Fixing readiness, so that forces meet a minimum standard.** Readiness is vital for maintaining current capabilities and, hence, deterrence but is extremely expensive and perishable. Readiness funding increases in FY 2017–FY 2019 fixed many shortfalls, but forces have not fully attained the readiness levels that the services desire. Nevertheless, the budget priority has shifted to modernization (RDT&E increases 9.5 percent).

- **Increasing modernization to fill existing gaps and build capability to compete with great powers such as Russia and China.** The budget continues production of existing systems and increases R&D for future systems but does not launch major new programs. Instead, the budget upgrades existing systems and buys more munitions, particularly long-range and precision munitions. Many potentially new systems remain in RDT&E.

- **Expanding force structure, but modestly.** This represents a conscious decision to focus budgets elsewhere. However, high day-to-day demands for forces continue in order to sustain ongoing operations for the Middle East and Eastern Europe, global presence to support partners and allies, and crisis response against threats such as North Korea, Iran, and Venezuela.

The tensions show that there is no escaping the trade-offs between readiness, modernization, and force structure. All are desirable. In an ideal world, forces would be highly ready, thoroughly modernized, and large enough to meet the demands of both surge warfighting and day-to-day deployments. However, even large budget increases have limits and, therefore, require choices, often characterized as capacity versus capability. The Trump administration, like the Obama administration before it, has chosen capability, at least in theory. However, the press of operational demands is pushing the services towards a high-low mix in order to cover both.

**The Administration’s Strategy**

The administration’s National Security Strategy, issued in December 2017, and National Defense Strategy (NDS), issued in January 2018, describe the national security environment the administration sees and, by implication, the rationale for military forces that it plans. The NDS bluntly depicts a U.S. military that is losing its edge over potential competitors and urges “increased and sustained investment” for “long-term strategic competitions with China and Russia.” It echoes many long-standing themes from the Republican national security establishment.

The NDS identifies five threats: China, Russia, North Korea, Iran, and global terrorism. These are the same threats that Secretary Carter described at the end of the last administration, but the order has changed.

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Whereas Carter had put Russia first, the Trump administration puts China first. Further, the administration strategy puts greater emphasis on China and Russia than the other three threats.

Most strategists agree with this set of priorities, arguing that China is the United States’ most challenging long-term competitor. Its share of global wealth has more than tripled from 1994 to 2015, growing from 3.3 percent to 11.8 percent. Its share of global military spending has increased six-fold, from 2.2 percent in 1994 to 14 percent in 2018, and China is now the second-largest military spender in the world.4

Russia has some military strengths and has shown itself to be an opportunistic aggressor. It competes fiercely in the gray zone, and its nearness to NATO allies in Eastern Europe, especially the Baltic States, causes concerns about a rapid strike. However, Russia is economically weak (with an economy only as large as Italy’s) and faces demographic collapse, so its ability to be a long-term competitor with the United States is limited, especially with the United States allied to the rich countries of NATO. In national security, Russia punches above its weight.

The NDS also emphasizes the importance of allies, extolling their value, the long-standing relationships, and the need for these connections in the future. This contrasts with the president’s often critical comments. Finally, the NDS has an extended discussion about the importance of the “resilient, but weakening post-WWII international order.”

A big change is the force sizing construct, the way the strategy calculates how many forces are needed and of what kind. The two major conflict construct, which has been a constant in various configurations since the end of the Cold War, is replaced by a “1+” construct: “defeating aggression by a major power . . . [and] deterring aggression by [another] major power.” This change likely reflects the fact that conflict with a major power like China or Russia would be more demanding than the typical regional conflicts of the past such as in North Korea or Iraq. What it means for force planning, however, is unclear in the unclassified documents.

Overall, as with the National Security Strategy, there is a strong tone of U.S. primacy: “The Department of Defense will . . . remain the preeminent military power in the world, ensure the balance of power remains in our favor, and advance an international order that is most conducive to our security and prosperity.” The department will “prevail in conflict and preserve peace through strength.” There is no hint that the United States will accept a decline in status or even a multipolar world.

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### The Administration’s Plan for Force Structure

#### Table 1: Force Structure Targets

<table>
<thead>
<tr>
<th>Service</th>
<th>BCA Caps LT effects (&quot;Sequestration&quot;)</th>
<th>Obama FY 2017 FYDP Goal</th>
<th>Trump Campaign (9/2016)</th>
<th>FY 2020 Budget</th>
<th>FY 2024 FYDP Plan&lt;sup&gt;5&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Army manpower (regular/reserve)</strong></td>
<td>421,000/498,000</td>
<td>450,000/530,000</td>
<td>540,000/[563,000]*</td>
<td>480,000/525,500</td>
<td>488,000/528,500</td>
</tr>
<tr>
<td><strong>Army brigade combat teams (AC/RC)</strong></td>
<td>53 (27/26)</td>
<td>58 (30/28)</td>
<td>68 (40/28)</td>
<td>58 (31/27)</td>
<td>58 (31/27)</td>
</tr>
<tr>
<td><strong>Navy carriers</strong></td>
<td>10</td>
<td>11</td>
<td>12</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td><strong>Navy ships</strong></td>
<td>274</td>
<td>295</td>
<td>350</td>
<td>301</td>
<td>314 (355 by FY2034)</td>
</tr>
<tr>
<td><strong>Air Force TacAir A/C (4th/5th generation)</strong></td>
<td>1,015 (668/347)</td>
<td>1,101 (699/402)</td>
<td>1,310 (837/473)</td>
<td>1,194 (939/255)</td>
<td>~1,200*** (833/367)</td>
</tr>
<tr>
<td><strong>USMC manpower</strong></td>
<td>175,000</td>
<td>180,000</td>
<td>242,000 (!)**</td>
<td>186,200</td>
<td>186,400</td>
</tr>
</tbody>
</table>


**This was the implied size of the Marine Corps in the Heritage study that Trump cited. It is not clear that the study intended such a large increase.

***Operational inventory (“PMAI”) estimated at 56 percent of total inventory. The Air Force is moving to a different sizing metric—operational squadrons—but data are not yet fully available.

The table shows the evolution of force structure plans. The bottom line is that even an expanded budget does not allow large force structure increases. Force structure is a lower priority under the current national defense strategy, and the modest increases in the administration’s plans reflect that reality.

- In the left column is the force structure that would result if the caps set by the Budget Control Act of 2011 (BCA) were imposed. As discussed later, these caps may be a thing of the past, but the implied force structure could again become relevant if concerns about deficits or the desire to increase domestic spending severely squeezed the DOD budget.<sup>6</sup>

- The second column shows the last plans of the Obama administration. While higher than the BCA level, these levels were still not adequate to implement the multi-theater strategy that the Obama administration had adopted at the end of its time in office.

- The third column shows what President Trump had laid out during the campaign. Based on work by the Heritage Foundation, described later, it shows a very large force increase.

- The fourth column shows the forces for FY 2020 in the president’s budget proposal.

- The final column shows the long-term force structure targets described in the FY 2020 budget proposal.

The chapters on the individual services discuss the specifics of each service’s forces.

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5. Note: The Future Years Defense Program (FYDP) is DOD’s internal program and financial database as approved by the secretary. The FYDP arrays cost data, manpower, and force structure over a five-year period. Because these plans are fiscally constrained to a level directed by the president, they represent an official statement about priorities. The current FYDP period is FY 2020-FY 2024.

The Administration’s Budget: Putting its Money Where its Mouth Is

As budgeteers like to say, “Plans without funding are hallucinations.” The future of military forces and implementation of the administration’s entire national security DOD strategy depend on the future of the budget. To its credit, the administration put resources toward its strategy. The large DOD budget increase proposed in 2020 (4.9 percent over 2019), coming after several previous years of increases, would (if enacted) allow the services to rebuild readiness, institute a robust modernization program, and grow force structure a little.

The chart below shows the evolution of the DOD budget projections.

Chart 1: DOD Budget Projections

“PB 2012.” The upper line is the budget projection before the Budget Control Act of 2011. Then-Secretary Gates regarded it as the minimum required to execute the strategy, and defense hawks often refer to it as a goal.

“Enacted.” This black line shows Congressional appropriations through FY 2019.

“Trump FY 2020.” This is the Trump administration’s fiscal projection in the FY 2020 budget. After FY 2020, the forecast levels off in constant dollar terms. (The forecast appears to increase because this chart is in then-year dollars, which includes inflation. This projection normalizes for some complex budget manipulations that the administration proposed.7)

“Trump FY 2019.” This is the Trump fiscal projection in the FY 2019 budget. This was the first long-term budget projection that the Trump administration made. The FY 2020 projection shows a large increase over this initial projection.

“Obama FY 2017.” This is the projection in the FY 2017 budget, the last budget that the Obama administration produced.

“BCA Caps.” This represents the floor. Successive budget agreements have modified the caps, and the most recent budget agreement lifts the caps in FY 2020 and FY 2021. The caps cease after FY 2021.

Because the administration’s FY 2020 budget projection is flat in real terms after FY 2020, internal offsets will be needed to pay for any future initiatives. The recent budget agreement exacerbated this challenge. It shaves the FY 2020 level, though the reduction is not as large as it seems because half of it is for the border wall. The FY 2021 reduction from the planned level is substantial, about $10 billion below inflation, and may signal that the defense budget has reached its peak. This flatness makes budgeteers wary about force structure increases because they are expensive and, once made, must be sustained.

**Chart 2: DOD Budget Projections with 2019 Budget Agreement**

**Criticisms and Competing Visions**

The NDS received a lot of support in Congress and the broader national security community. The challenges that it identified built on what the Obama administration had been discussing after 2014 and on many analyses by outside experts.

Nevertheless, Washington being the debating society that it is, four sorts of criticisms—not all compatible—emerged that bear on the size and structure of forces:

- The strategy is underfunded;
- The modernization program, and the budget in general, is focused too much on existing systems and not enough on future systems;
- The strategy focuses too much on great power conflict and downplays more likely demands; and
- The strategy itself is wrong.
THE STRATEGY IS UNDERFUNDED
This criticism arises from statements by General Dunford, chairman of the Joint Chiefs of Staff, that the defense strategy requires 3 to 5 percent real growth per year. Dunford and other senior officials have made this point many times, so it is not a casual observation. However, no analytic justification has ever been presented.  

The foremost critique of resources came from the National Defense Strategy Commission, a group created by Congress to consider the department’s National Defense Strategy and provide an independent perspective. The commission supported the broad objectives of the NDS but criticized many of the trade-offs the NDS made, for example, moving from a “two-war” force sizing construct to a “one-war plus” construct and relying on a “dynamic force employment” process to make up for force structure shortfalls. Furthermore, it highlighted a failure to invest sufficiently in innovation and joint experimentation and the lack of focus on “gray zone competition.”

The commission harshly criticized what it saw as the lack of adequate resources and called the current situation “an emergency.” It states pointedly that “The NDS is not adequately resourced,” and “America is very near the point of strategic insolvency, where its ‘means’ are badly out of the alignment with its ‘ends.'” It strongly endorsed Chairman Dunford’s goal of 3 to 5 percent real budget growth.

Conservative think tanks have picked up this theme. For example, a recent Heritage Foundation publication affirmed the 3 to 5 percent annual growth goal, highlighting the need to “maintain current gains, while continuing to prepare the nation’s military for great power competition.” Heritage specifically noted that the requested active end-strength growth across the services was “very modest” and short of the 16,000 personnel increase necessary to fill readiness gaps.  

Similarly, Rick Berger and Gary Schmitt of the American Enterprise Institute argued that “the proposed budget . . . falls short of the funding the military needs to carry out the strategy with confidence.”

This discussion points out the ends/ways/means connection, that is, that strategies must be connected to programs and resources. Pursuing anything like the current strategy—which includes competing long-term with China and Russia; meeting threats from North Korea, Iran, and global terrorism; using robust forward stationing and deployments to maintain global alliance structures; and maintaining an all-volunteer force—requires a lot of resources. Different strategies, as described later, can save money, but it is not possible to pursue the current strategy with significantly reduced resources. Whether the current strategy needs an even larger budget, given recent budget increases, can be debated.

NOT ENOUGH CHANGE IN THE BUDGET
Another criticism, also raised by the National Defense Strategy Commission, is that the budget did not go far enough in implementing the strategy; that is, the budget retains too many legacy forces and systems and does not move aggressively enough in funding and fielding the kinds of advanced technologies that

the strategy requires. In general, such critics argue for cutting forces to fund more modernization. Here are three criticisms among many:

▪ Susanna Blume, a senior fellow at the Center for a New American Security: “The proposal remains too focused on both the size of the joint force as opposed to its overall capability and on reducing risk in the near term at the expense of investment in the future.”

▪ Elbridge Colby, former deputy assistant secretary of defense for strategy: “The U.S. armed forces need to adapt to deal with a potential great power threat. This will require making significant changes in the way the US military is sized, shaped, postured, employed, and developed . . . [focusing on] quality rather than size.”

▪ Christian Brose, former staff director of the Senate Armed Services Committee: “Washington has been voicing the need for change, and failing to deliver it, ever since officials at the US Department of Defense first warned of a coming ‘military-technical revolution,’ in 1992.”

The caution in the service budgets may be a feature, not a bug—a judgment by service programmers that the current budget increase may not last, as described below under “risks.” In that view, the services should buy as much as they can of existing systems and not try to start many new ones, which may not be sustainable if funding declines in the future. Thus, the lack of change may reflect different views about the fiscal future and not about strategy.

TOO FOCUSED ON GREAT POWER CONFLICT

In contrast to the strategists who focus on great power competition and therefore want DOD to move more quickly to align the budget with the needs of high-end conflict, other strategists argue that the press of ongoing conflicts, allied desires for engagement, and the need to respond rapidly to crises pushes against such a strategy. In this view, the world is in a state of persistent conflict that demands a continuing U.S. response. As many experts point out, physical presence is needed to meet these demands and to exercise global leadership; virtual presence is actual absence. Former Secretary Gates called ignoring current conflicts and focusing on future conflicts “next war-itis.”

Continuing 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. The tension is that combatant commanders have no restrictions on their requests for forces, and therefore, a gap always exists between requests and the forces available to meet them. Further, the national leadership often directs deployments and commitments in response to global events despite

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18. 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).
intentions to reduce demands. For example, deployments to Europe have increased greatly since Russia’s seizure of the Crimea and invasion of Ukraine.

To meet both wartime and day-to-day force demands, conservative think tanks have proposed larger force structures.

- Heritage’s *Index of U.S. Military Strength* evaluates U.S. force structure based on its ability to “handle two major wars or major regional contingencies (MRCs) simultaneously or in closely overlapping time frames.” To meet this requirement, the index calls for a large expansion of U.S. active-duty components: 50 regular Army brigade combat teams, 400 battle force ships, and 625 strike aircraft, 36 active duty Marine Corps battalions, and 1,200 active duty Air Force fighter/ground-attack aircraft. On a five-category scale from “very weak” to “very strong,” the index rated the U.S. Navy and Air Force as being “marginal.” The Army was upgraded to “marginal” from “weak” based on an increase in Brigade Combat Teams, and the Marine Corps was rated as “weak” due to procurement delays and a lack of readiness.19

- The American Enterprise Institute has similarly recommended a broad expansion of forces to cover a “three-theater” demand. It argued that “America’s deteriorating international position requires an urgent reinvestment in and expansion of U.S. military forces.” The recommended budget is 4 percent of GDP, about $112 billion above the Trump administration’s planned FY 2020 budget.20 In a supplemental report aimed at “repairing and rebuilding” the armed forces, Mackenzie Eaglen outlined a path whereby in 2025 the Army would have 519,000 active end strength, the Marine Corps 202,000, and the Air Force 350,000. In addition, an accelerated shipbuilding plan would bring the Navy’s fleet up to 339 ships.21

The competing demands of a high-end conflict and day-to-day force deployments push the military services towards a high-low mix: a force that incorporates both advanced, and often very expensive, technologies and less expensive elements that can cover less demanding threats, such as regional opponents and crisis response. The administration’s program does not acknowledge such an approach, but the services appear to have moved in that direction in regard to particular decisions, such as the Air Force’s decision to retain the A-10 and procure some F-15EXs and the Navy’s decision to continue the frigate program, continue procurement of F-18s, and investigate less-expensive amphibious ships.

Seth Jones, 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.”22 While the NDS does include terrorism as a threat, it also notes that “Interstate strategic competition, not terrorism, is now the primary concern in US national security.”23

As noted in the service sections of this report, the proposed FY 2020 budget does not reduce forces dedicated to counterterrorism and irregular warfare. However, the training of general-purpose forces has been almost entirely reoriented towards high-end conflict. The risk, as one observer of special forces noted, is that “the military will double down on operational models that were designed for direct confrontation with a near-peer adversary” and ignore “unconventional challenges.”

**THE STRATEGY IS WRONG—TOO FORWARD DEPLOYED, TOO AGGRESSIVE**

Although the NDS strategy has received wide and bipartisan support, it is not universally acclaimed, particularly by those who want to spend less on defense. However, if ends/ways/means are to remain aligned, then reduced budgets require a less ambitious strategy.

CATO, for example, has consistently rejected a strategy of engagement and forward deployments and instead proposes a strategy of “restraint.” As Christopher Preble, 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.”

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.

Within the last year, a progressive critique of national security strategy and budgets has arisen, espousing a strategy of “restraint” and making similar critiques as CATO. One such analysis proposes cutting ground (Army and Marine Corps) force structure heavily, 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 when fully implemented.

**RISKS**

The future poses two risks to the administration’s plans: (1) the lack of real growth in future budgets; and (2) the sustainment of public support.

**LACK OF REAL GROWTH IN FUTURE BUDGETS**

As noted earlier, budgets after FY 2020 are flat in constant dollar terms. This is not all bad for defense. The administration decided to give DOD its budget increase up front and not gradually, so DOD benefited from higher near-term budgets.

Nevertheless, there will be new initiatives and programs proposed to increase capabilities for great power conflicts. Further, there are likely to be “fact of life” bills that must be paid. For example, O&M

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requirements may continue to increase in real terms, perhaps to pay for rising healthcare costs, and personnel compensation will need to increase to compete for labor in a market economy. CBO estimates that such costs will require an additional $78 billion over the FYDP period, FY 2020-FY 2024. With a capped top line, these budget increases will require offsetting cuts to existing programs.²⁸

The administration has long stated its intention to pay for these new initiatives through cuts in overhead and infrastructure. Such efforts are commendable. However, while it is easy to criticize excess overhead, the specifics get messy and hard to implement.²⁹ For example, the administration has been unwilling to push for base closures, which is the most well-documented and widely supported mechanism for achieving overhead savings. The FY 2020 budget has few new initiatives and only small savings. The much-ballyhooed audit identified no savings because that is not its function.³⁰

To help close this gap, Secretary Esper has announced plans to institute a DOD-wide version of the “night court” process that he instituted in the Army to move resources from lower- to higher-priority activities (for further details on this initiative, see the discussion in the later section on civilians).

SUSTAINMENT OF PUBLIC AND POLITICAL SUPPORT
Ultimately, the extent of the defense effort depends on the level of support from the American people. Polling data gathered over the past two decades by Gallup records the shifting public attitudes towards national defense.³¹ 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 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 and is now below “about right,” likely reflecting concerns about the Trump administration. Questions about the level of the defense budget elicit similar dynamics.

This level of public opinion would seem to support, though weakly, the path that the Trump administration is on but would not support further large increases. Public opinion could deteriorate if forces become engaged in unpopular conflicts.

²⁹. See, for example, Mark Cancian, “Bad Idea: Easy Savings from DOD Management Reform,” Breaking Defense, December 11, 2017, https://breakingdefense.com/2017/12/41070/. The piece, and several others, shows how savings are possible but face strong opposition and require investment of political capital.
Congressional Action

In its FY 2020 action thus far, Congress has mostly supported the administration’s request, which is surprising given how the Democratic Party has moved to the left and focused on domestic programs, while prominent Democrats have expressed skepticism about defense spending—for example, Congressman Adam Smith (D-WA), chairman of the House Armed Services Committee, stated “I think the [defense budget] number’s too high,” and Senator (and presidential candidate) Elizabeth Warren (D-MA) suggested the need to “cut our bloated defense budget.”

THE BUDGET DEAL FOR FY 2020 AND FY 2021

The FY 2020 budget faced a challenge from the beginning because, unlike the FY 2019 budget, it was not covered by a bipartisan budget deal. The recently announced budget agreement resolved that uncertainty. The FY 2020 level, $738 billion for national security (DOD base budget, war funding, plus nuclear programs in the Department of Energy), is above the $733 billion that the administration had projected last year. It is not far from the president’s $750 billion request, considering that $7 billion of the gap was for border security, which was important to the White House but not as important to DOD.

The challenge will be FY 2021, the budget that DOD is now building. The budget agreement allows $740.5 billion, an increase of only $2.5 billion. With inflation running about 2 percent a year, just staying even would require a $14 billion annual increase, and as noted earlier, many defense advocates cite a 3 to 5 percent real

increase as being required to meet the strategy. Some deep cuts will be needed just to get down to the agreed level, and then DOD will have to make further cuts to create some headroom for new programs. That may be a traumatic process for a Pentagon that has enjoyed several years of substantial growth.\footnote{Leo Shane and Joe Gould, “Budget deal gives a big funding boost to defense, but Republicans wanted more,” *Military Times*, July 22, 2019, https://www.militarytimes.com/news/pentagon-congress/2019/07/23/budget-deal-gives-a-big-funding-boost-to-defense-but-republicans-wanted-more/.

*THE END OF BCA CAPS?*

The Budget Control Act of 2011 set budget caps for 10 years, a period that runs outs in FY 2021. Because the latest budget deal includes FY 2021, the BCA caps appear to have finally exited the Washington stage. They are unlikely to return. The caps were instituted at a time when deficit hawks were powerful, and the public was worried about rising debt levels. Now, deficit hawks are much less influential. The president, the Republicans in the Senate, and the Democrats in the House have all made it clear that they value funding of their programs (defense and domestic, respectively) more than they are concerned about the deficit. Many commentators have pointed out that this is not sustainable for the long term and, indeed, projections by the Congressional Budget Office show rising deficits and debt.\footnote{Congressional Budget Office, *The 2019 Long-Term Budget Forecast* (Washington, DC: June 2019), https://www.cbo.gov/system/files/2019-06/55331-LTBO-2.pdf. Under the most likely scenario, that current policies for revenue, entitlements, and discretionary spending continue, debt will rise from 78 percent today to 219 percent of GDP by 2049.}{\footnote{For description of this “intergenerational child abuse,” see Mark Cancian, “Goodbye sequestration, hello deficits: how the budget deal sticks our children with the bill,” Forbes, August 3, 2019, https://www.forbes.com/sites/markcancian/2019/08/03/goodbye-sequestration-hello-deficits-how-the-budget-deal-sticks-our-children-with-the-bill/#24d3bb086242.}

*Mark F. Cancian* (Colonel, USMCR, ret.) is a senior adviser with the International Security Program at the Center for Strategic and International Studies in Washington, D.C.

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