

## **Reducing Wasteful Spending at the Pentagon**

The United States can maintain its security with Pentagon spending equivalent to the levels established by the BCA caps. In particular, the United States has several avenues of saving money to streamline the buying power of DOD's resources and better prioritize funds towards national security needs by pursuing deeper acquisition reform, reducing excessive overhead costs, and cutting excessive nuclear weapons spending.

### Acquisition Reform and Unsustainable Cost Overruns of Major Weapons Programs

- The Government Accountability Office (GAO) tracks the financial status of major acquisition programs, totaling 79 programs as of March, 2016. GAO has reported that current major acquisition programs have experienced \$469 billion in cost overruns during their lifetime, or 48 percent. [GAO, 3/16]
- Some programs have experienced even greater cost growth, such as the F-35, the cost of which has increased 70 percent per aircraft since the initial estimates when the program began. [NSN, 8/15]

### Fighting Waste and Bad Business Practices in DOD's Bloated Back Office

- DOD's defense business board identifies that \$125 billion could be saved over five years through reducing overhead and reforming back-office business practices, such as contractor reform and making better use of information technology, and reducing unnecessary staff through attrition. That amount of money could fund 50 Army brigades or 10 deployments of carrier strike groups annually for 5 full years. [Defense Business Board, 1/22/15]
- Back-office is a significant and excessive cost at DOD, which employs over 1,000,000 workers (448,000 are civilians and 268,000 are contractors) at a cost of \$134 billion per year (23 percent of DOD's budget, as of 2015). [Washington Post, 12/5/16]

#### Cutting Excessive and Unnecessary Spending on Nuclear Weapons

- Over the next 30-years, current nuclear modernization plans are projected to cost \$1 trillion, including the cost of the B-21 nuclear bomber, Columbia-class ballistic missile submarine, ground-based missile defense, and a new nuclear capable air-launched cruise missile.
- Even modest proposals, such as the SANE Act, sponsored by Sen. Markey (D-MA) and Rep. Blumenaur (D-OR), would save \$100 billion on nuclear weapons spending over the next decade by reducing the number of new ballistic missile submarines, delay the B-21, and cancel the nuclear mission of the F-35, among other measures. [Arms Control Association, 12/16. Sen. Markey, 3/23/15]
- Nuclear experts have warned that continuing the current excessive nuclear modernization program undermines American security. Bill Clinton's Former Secretary of Defense William Perry has warned, "We're now at the precipice, maybe I should say the brink, of a new nuclear arms race...This arms race will be at least as expensive as the arms race we had during the Cold War, which is a lot of money." [Bill Perry, 12/3/15]

# Pentagon Spending Facts and Figures (Source: <u>Analysis of FY2017 Defense Budget</u>, Todd Harrison, CSIS)

Figure 10: DoD Budget Authority and Active End Strength, FY 1948 to FY 2017



Figure 8: Total National Defense Outlays FY 1945 to FY 2017 Adjusted for Inflation

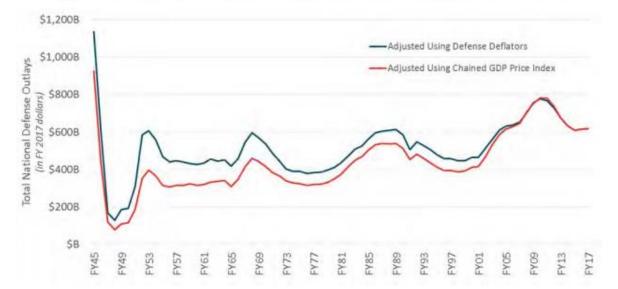


Table 1: Summary of Defense-Related Funding in the FY 2017 Request

(All figures in then-year dollars)	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
DoD (base discretionary)	\$521.7B	\$523.9B	\$556.7B	\$564.8B	\$570.4B	\$585.2B
DoD (base mandatory)	\$6.8B	\$7.9B	\$8.0B	\$8.0B	\$7.8B	\$7.9B
DoD (OCO)	\$58.6B	\$58.8B				
Atomic Energy Defense Activities	\$20.0B	\$20.5B	\$19.6B	\$20.2B	\$20.6B	\$21.1B
Other Defense-Related Activities	\$8.3B	\$8.4B	\$9.9B	\$9.3B	\$9.4B	\$9.6B
Veterans Benefits and Services	\$164.4B	\$179.2B	\$183.4B	\$194.7B	\$203.2B	\$211.7B
Amortization of Unfunded Liabilities	\$82.6B	\$83.4B	\$85.5B	\$88.5B	\$91.6B	\$94.8B
Tax Expenditures	\$23.1B	\$22.8B	\$23.4B	\$24.3B	\$25.3B	\$26.3B
Total Defense-Related	\$885.5B	\$904.8B	\$886.5B	\$909.8B	\$928.3B	\$956.7B