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Defense Budget for FY2001: Data Summary

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(name redacted)

Analyst in National Defense
Foreign Affairs, Defense, and Trade Division

(name redacted)

Specialist in National Defense
Foreign Affairs, Defense, and Trade Division

ABSTRACT

This report presents basic information on the U.S. defense budget. It provides figures on the Clinton Administration's FY2001 national defense budget request, including data on budget authority and outlays for the Department of Defense and for the national defense budget function. It also provides figures on historical trends in overall defense spending, including data on the growth and decline of defense spending, on defense outlays as a share of federal expenditures, and on defense outlays as a share of gross domestic product. It also defines key defense budget terms. This report will be updated with the next President's budget request in February 2001.

Defense Budget for FY2001: Data Summary

Summary

This report presents defense budget data in a manner designed to provide various perspectives on U.S. military spending. Part I presents basic data on the Clinton Administration's FY2001 national defense budget request, including data on budget authority and outlays for the Department of Defense and for the national defense budget function. Part II shows trends in overall defense spending, including figures on the growth and decline of defense spending, on defense outlays as a share of federal expenditures, and on defense outlays as a share of gross domestic product. Part III defines key defense budget terms.

Among the trends reflected in these data, several stand out.

- The Clinton Administration is requesting \$305.4 billion in new budget authority for national defense in FY2001 (see Table 1), which represents an increase of 1.3 percent in real, inflation-adjusted dollars from the FY2000 level.
- Budget authority for national defense (including DOD military functions and defense-related activities of other federal agencies) declined by 33 percent, adjusted for inflation, between FY1985, the peak of the 1980s buildup, and FY2000. (See Table 6.) Under Administration projections, funding for national defense will stay flat, adjusted for inflation, through FY2005.
- Funding for weapons procurement has been in decline since FY1985, bottoming out in FY1997 at \$45.2 billion in constant FY2001 dollars. Between FY1985 and FY2000, procurement funding declined much more rapidly than the defense budget as a whole, falling by 60%. Under Administration plans, it will increase over the next few years. (See Figure 2.)
- Under Administration projections for FY2001, outlays for national defense will constitute 2.9 percent of gross domestic product (GDP) (see Table 11 and Figure 8) and 15.6 percent of total federal outlays (see Table 13 and Figure 9). National defense spending will represent a smaller share of the economy than at any time since before World War II. In comparison, during the defense buildup of the 1980s, national defense spending reached a peak of 6.2 percent of GDP in FY1986 and 27.1 percent of total federal outlays in FY1987. While defense outlays are at historically low levels as a percentage of total federal outlays, this trend depends as much on increases in other areas of the federal budget – especially in Social Security, Medicare, and other entitlements – as on decreases in defense spending.

To illustrate trends in the regular defense program, most of the data included in this report exclude costs of Operation Desert Shield/Desert Storm, which was largely financed by allied contributions.

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Defense Budget for FY2001: Data Summary

Introduction

This report is designed to be a readily accessible source of facts and figures on the FY2001 national defense budget. Part I provides basic data on the Clinton Administration's FY2001 national defense budget request, including data on budget authority and outlays for the Department of Defense (DOD) and for the national defense budget function (Function 050). Part II shows trends in overall defense spending, including figures on the growth and decline of defense spending, defense outlays as a share of total federal expenditures, and defense outlays as a share of gross domestic product. Part III defines key defense budget terms.

The significance of long-term defense spending trends depends to a large extent on how budgetary data are interpreted. For example, while defense outlays are at historically low levels as a percentage of total federal outlays, this trend depends as much on increases in other areas of the federal budget as on decreases in defense spending. Also, while defense outlays as a percentage of GDP are at their lowest levels since before World War II, in real dollar terms they remain almost equal to average peacetime defense outlays during the Cold War.

To reflect trends in the regular defense program, most of the data included in this report exclude costs of Operation Desert Shield/Desert Storm, which were largely financed by allied contributions.

CRS annually prepares a number of issue briefs and reports on specific weapon programs and other defense issues, including:

Appropriations for FY2001: Defense, CRS Report RL30205

Appropriations for FY2001: Military Construction, CRS Report RL30210

C-17 Cargo Plane, CRS Issue Brief IB93041

Defense Acquisition Reform: Status and Current Issues, CRS Issue Brief IB96022

Defense Outsourcing: The OMB Circular A-76 Policy, CRS Report RL30392

F-22 Aircraft, CRS Issue Brief IB87111

F/A-18 E/F Aircraft, CRS Issue Brief IB92035

Joint Strike Fighter (JSF) Program: Background, Status, and Issues, CRS Report 98-198F

Military Base Closures: Where Do We Stand?, CRS Report RL30440

Military Medical Care Services: Questions and Answers, CRS Issue Brief IB93103

Military Retirement: Major Legislative Issues, CRS Issue Brief IB85159

National Guard & Reserve Funding, FY1990-00, CRS Report 98-955 F
National Missile Defense: Issues for Congress, CRS Issue Brief IB10034
Navy Attack Submarine Programs: Background and Issues for Congress, CRS Report RL30045
Navy CVN-77 and CVX Aircraft Carrier Programs: Background and Issues for Congress, CRS Report 98-359 F
Navy Network-Centric Warfare Concept: Key Programs and Issues for Congress, CRS Report 98-621 F
Peacekeeping: Issues of US Military Involvement, CRS Issue Brief IB94040
Tactical Aircraft Modernization, CRS Issue Brief IB92115
Theater Air and Missile Defense, CRS Issue Brief IB98028
V-22 Osprey Tilt-Rotor Aircraft, CRS Issue Brief IB86103

Also, for a detailed discussion of the defense budget process, see CRS Report RL30002, *A Defense Budget Primer*, by (name redacted) and (name redacted).

Part I: The FY2001 Defense Budget Request

The following section displays basic data on the FY2001 national defense budget request. Table 1 provides figures for the national defense budget function and the Department of Defense budget, including figures for budget authority and outlays in both current and constant dollars. For a definition of terms, see the glossary at the end of this report.

Tables 2 and 3 show, respectively, budget authority and outlay figures for the national defense budget function broken down by appropriations title.

Table 4 shows DOD budget authority broken down by military component — i.e., the military services. Figure 1 graphically displays service shares of DOD budget authority for FY2001.

Table 5 shows budget authority and outlays associated with Operation Desert Shield/Desert Storm. In order to reflect accurately trends in defense funding, most of the data in this report have been adjusted to exclude costs associated with the Persian Gulf War, since that conflict was largely financed by U.S. allies. Table 5 allows the reader to compare the adjusted data published in this report with unadjusted data published elsewhere.

Table 1. National Defense Budget Function and Department of Defense Budget, FY1992-2005
(current and constant FY2001 dollars in billions)

Fiscal Year:	Actual	Est.	Proj.	Proj.	Proj.	Proj.	Proj.								
	1992	1993	1994	1995	1996	1997	1998	1999		2000	2001	2002	2003	2004	2005
National Defense Budget Function															
Budget Authority															
Current year dollars	287.7	281.1	263.3	266.3	266.0	270.3	271.3	292.1	293.3	305.4	309.2	315.6	323.4	331.7	
Constant FY2001 dollars	352.5	334.7	306.7	304.1	297.5	295.9	290.8	307.0	301.6	305.4	302.7	302.3	302.4	302.8	
Real growth/decline		-5.0%	-8.4%	-0.8%	-2.2%	-0.5%	-1.7%	+5.6%	-1.8%	+1.3%	-0.9%	-0.1%	+0.0%	+0.1%	
Outlays															
Current year dollars	286.1	283.9	278.9	271.0	265.2	270.4	268.4	274.9	290.6	291.2	298.4	307.4	316.5	330.7	
Constant FY2001 dollars	351.3	337.8	324.0	309.3	296.4	294.9	286.9	288.7	298.8	291.2	292.2	295.0	296.6	302.7	
Real growth/decline		-3.8%	-4.1%	-4.5%	-4.2%	-0.5%	-2.7%	+0.6%	+3.5%	-2.6%	+0.4%	+0.9%	+0.5%	+2.0%	
Department of Defense															
Budget Authority															
Current year dollars	274.8	267.2	251.4	255.7	254.4	258.0	258.5	278.4	279.9	291.1	294.8	300.9	308.3	316.4	
Constant FY2001 dollars	336.6	318.2	292.8	291.9	284.5	282.4	277.2	292.6	287.9	291.1	288.6	288.2	288.3	288.9	
Real growth/decline		-5.5%	-8.0%	-0.3%	-2.6%	-0.7%	-1.8%	+5.5%	-1.6%	+1.1%	-0.9%	-0.1%	+0.0%	+0.2%	
Outlays															
Current year dollars	274.7	271.4	265.8	258.4	252.7	258.2	256.1	261.4	277.5	277.5	284.3	293.0	301.9	315.8	
Constant FY2001 dollars	337.2	322.9	308.9	294.9	282.3	281.6	273.8	274.5	285.3	277.5	278.4	281.2	282.8	289.0	
Real growth/decline		-4.2%	-4.3%	-4.5%	-4.3%	-0.3%	-2.8%	+0.3%	+3.9%	-2.7%	+0.3%	+1.0%	+0.6%	+2.2%	

Sources: U.S. Office of Management and Budget, *Historical Tables: Budget of the United States Government, Fiscal Year 2001*, Feb. 2000. Deflators and data on Desert Shield/Desert Storm budget authority and outlays from DOD Comptroller.

Notes: Figures for the year preceding the request (FY2000) represent an estimate and include Administration-proposed supplemental appropriations and rescissions. Figures exclude Operation Desert Shield/Desert Storm costs and receipts.

Explanation: The National Defense Budget Function (050) is one of the categories of the federal budget. It consists of (1) the Department of Defense (DOD) budget, which funds all direct DOD military programs, and (2) a number of defense-related programs administered by other agencies, including atomic energy defense activities of the Department of Energy and civil defense.

Table 2. National Defense Budget Function by Appropriations Title, Budget Authority, FY1992-2005
(current year dollars in billions)

Fiscal Year:	Actual	Proj.	Proj.	Proj.	Proj.	Proj.									
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	
Department of Defense (military activities only)															
Military Personnel	78.8	76.0	71.4	71.6	69.8	70.3	69.8	70.6	73.7	75.8	78.4	80.4	83.1	85.6	
Operation & Maintenance	85.6	89.2	88.6	93.8	93.7	92.4	97.2	105.0	104.9	109.3	107.5	109.1	112.2	114.8	
Procurement	61.0	52.8	44.1	43.6	42.4	42.9	44.8	50.9	54.2	60.3	63.0	66.7	67.7	70.9	
RDT&E	36.5	37.8	34.6	34.5	35.0	36.4	37.1	38.3	38.4	37.9	38.4	37.6	37.5	36.4	
Military Construction	5.3	4.6	6.0	5.4	6.9	5.7	5.5	5.4	4.8	4.5	4.3	3.8	4.6	5.4	
Family Housing	3.7	3.9	3.5	3.4	4.3	4.1	3.8	3.6	3.6	3.5	3.7	3.9	4.0	4.1	
Other	3.9	3.0	3.1	3.4	2.4	6.1	0.3	4.6	0.4	-0.2	-0.5	-0.5	-0.7	-0.7	
Subtotal, Department of Defense	274.8	267.2	251.4	255.7	254.4	258.0	258.5	278.4	279.9	291.1	294.8	300.9	308.3	316.4	
Department of Energy															
Atomic Energy Defense Activities	12.0	12.1	10.9	10.1	10.7	11.4	11.7	12.6	12.2	13.1	13.2	13.4	13.8	13.9	
Other Agencies															
Defense-Related Activities	1.0	1.8	1.1	0.6	0.9	1.0	1.0	1.1	1.2	1.3	1.3	1.3	1.3	1.4	
Total, National Defense	287.7	281.1	263.3	266.3	266.0	270.3	271.3	292.1	293.3	305.4	309.2	315.6	323.4	331.7	

Sources: U.S. Office of Management and Budget, *Historical Tables: Budget of the United States Government, Fiscal Year 2001*, Feb. 2000. Data on Desert Shield/Desert Storm costs and receipts from DOD Comptroller.

Notes: Figures for the year preceding the request (FY2000) represent an estimate and include Administration-proposed supplemental appropriations and rescissions. Excludes Desert Shield/Desert Storm costs and receipts. Totals may not add due to rounding. "Other" includes revolving and management funds, interfund transactions, proprietary receipts from the public, allowances for proposed legislation, and adjustments in contract authority for Working Capital Funds.

Table 3. National Defense Budget Function by Appropriations Title, Outlays, FY1992-2005
(current year dollars in billions)

Fiscal Year:	Actual	Est.	Proj.	Proj.	Proj.	Proj.								
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Department of Defense (military activities only)														
Military Personnel	78.4	75.8	73.1	70.8	66.7	69.7	69.0	69.5	73.5	75.1	77.8	79.9	82.6	88.6
Operation & Maintenance	80.8	90.1	86.8	90.9	88.7	92.4	93.5	96.4	103.8	109.3	106.7	108.3	111.2	113.7
Procurement	72.7	67.3	60.4	54.3	48.5	47.6	48.2	48.8	48.0	51.0	54.1	60.0	63.5	66.1
RDT&E	34.6	36.9	34.8	34.6	36.5	37.0	37.4	37.4	37.4	37.7	37.5	37.3	37.1	36.5
Military Construction	4.2	4.8	5.0	6.8	6.7	6.2	6.0	5.5	4.8	5.0	4.6	4.1	4.0	4.4
Family Housing	3.3	3.3	3.3	3.6	3.8	4.0	3.9	3.7	3.8	3.6	3.7	3.8	3.9	4.0
Other	0.6	-6.9	2.5	-2.6	1.8	1.2	-1.9	0.1	6.3	-4.1	-0.1	-0.4	-0.4	2.5
Subtotal, DOD	274.7	271.4	265.8	258.4	252.7	258.2	256.1	261.4	277.5	277.5	284.3	293.0	301.9	315.8
Department of Energy														
Atomic Energy Defense Activities	10.6	11.0	11.9	11.8	11.6	11.3	11.3	12.4	11.9	12.5	12.9	13.1	13.4	13.6
Other Agencies														
Defense-Related Activities	0.8	1.5	1.1	0.8	0.9	0.9	1.1	1.1	1.2	1.2	1.3	1.3	1.3	1.3
Total, National Defense	286.1	283.9	278.9	271.0	265.2	270.4	268.4	274.9	290.6	291.2	298.4	307.4	316.5	330.7

Sources: U.S. Office of Management and Budget, *Historical Tables: Budget of the United States Government, Fiscal Year 2001*, Feb. 2000. Data on Desert Shield/Desert Storm costs and receipts from DOD Comptroller.

Notes: Figures for the year preceding the request (FY2000) represent an estimate and include Administration-proposed supplemental appropriations and rescissions. Excludes Desert Shield/Desert Storm costs and receipts. Totals may not add due to rounding. "Other" includes revolving and management funds, interfund transactions, proprietary receipts from the public, allowances for proposed legislation, and contract authority for Working Capital Funds.

Table 4. Department of Defense Budget Authority by Component, FY1993-2002
(current year dollars in billions)

Fiscal Year:	Actual 1993	Actual 1994	Actual 1995	Actual 1996	Actual 1997	Actual 1998	Actual 1999	Est. 2000	Req. 2001	Proj. 2002
Army	64.8	62.5	63.3	64.5	64.4	64.0	68.4	69.5	70.6	74.4
% of DOD Total	24.2%	24.9%	24.8%	25.4%	25.0%	24.8%	24.6%	24.8%	24.3%	25.2%
Navy/Marine Corps	83.2	78.1	76.9	80.0	79.5	80.7	83.8	87.2	91.7	90.8
% of DOD Total	31.1%	31.1%	30.1%	31.4%	30.8%	31.2%	30.1%	31.2%	31.5%	30.8%
Air Force	79.1	74.6	73.9	73.0	73.2	76.3	81.9	81.2	85.3	88.3
% of DOD Total	29.6%	29.7%	28.9%	28.7%	28.4%	30.0%	29.4%	29.0%	29.3%	30.0%
Defense										
Wide/Agencies	40.3	36.3	41.6	37.0	40.8	37.6	44.3	41.9	43.5	41.4
% of DOD Total	15.1%	14.4%	16.3%	14.5%	15.8%	14.5%	15.9%	15.0%	14.9%	14.0%
DOD Total	267.4	251.4	255.7	254.4	258.0	258.5	278.4	279.9	291.1	294.8

Source: Figures FY1993-FY1998 from Department of Defense Comptroller, *National Defense Budget Estimates for FY2000*, March, 1999. Figures for FY1999-2002 from the Department of Defense press release, Feb. 7, 2000.

Notes: Totals may not add due to rounding. Figures for the year preceding the request (FY2000) represent an estimate and include Administration-proposed supplemental appropriations and rescissions.

Figure 1. DOD Budget Authority by Component, FY2001 request

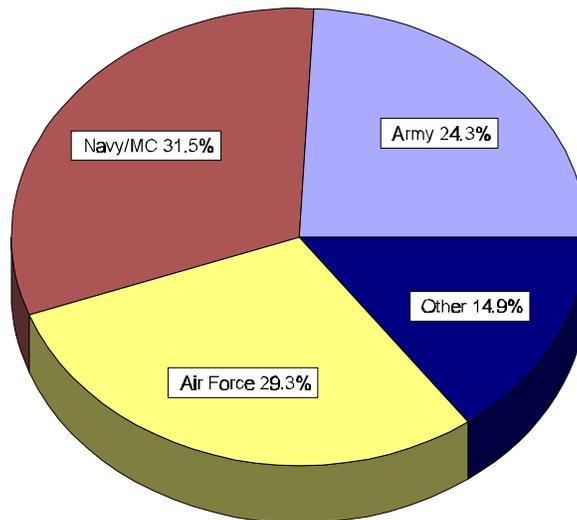


Table 5. Operation Desert Shield/Desert Storm Budget Authority and Outlays

(current year dollars in millions)

	FY1990	FY1991	FY1992	FY1993	FY1994	FY1995	FY1996	FY1997	FY1998	Total
Budget Authority										
Military Personnel	281	5,824	2,409							8,514
Operations & Maintenance	1,328	24,366	8,132							33,826
Procurement	10	5,278	1,950							7,238
Research, Development, Test, & Evaluation	9	69	106							184
Military Construction	0	35	0							35
Family Housing	0	0	0							0
Stock Funds	400	271	0							671
Allied Cash Contributions	0	-43,154	-5,240							-48,394
Total Budget Authority	2,028	-7,311	7,357							2,074
Outlays										
Military Personnel	267	5,382	2,734	114	0	0	0	0	0	8,497
Operations & Maintenance	1,033	16,212	11,152	3,974	1,142	147	51	21	4	33,736
Procurement	1	-152	2,154	2,619	1,369	729	378	44	17	7,159
Research, Development, Test, & Evaluation	5	40	76	45	11	4	1	0	0	182
Military Construction	0	10	13	7	2	2	1	0	0	35
Family Housing	0	0	0	0	0	0	0	0	0	0
Stock Funds	156	-1,778	1,348	429	259	166	79	11	0	670
Allied Cash Contributions	0	-43,154	-5,240	0	0	0	0	0	0	-48,394
Total Outlays	1,462	-23,440	12,237	7,188	2,783	1,048	510	76	21	1,885

Source: Department of Defense Comptroller.

Notes: Totals may not add due to rounding. Totals in this chart represent only cash outlays and receipts. DOD estimates that the total cost of Operation Desert Shield/Desert Storm was \$61.1 billion, including activities supported through allied in-kind assistance and material losses not replaced.

Part II: Trends in Defense Spending

Part II provides data on trends in the defense budget that may be of particular interest as Congress considers aspects of U.S. defense policy. In assessing trends, current levels of spending are often compared to the peak levels reached during the defense buildup of the 1980s. FY1985 was the peak year in budget authority for national defense, FY1987 was the peak in the number of military personnel, and FY1989 was the peak in outlays.

Table 6 shows budget authority by appropriations title for the period FY1985 through FY2005 in inflation-adjusted dollars and calculates real growth or decline over that period. Figure 2 graphically shows trends in budget authority by title from FY1985 to FY2005.

Table 7 shows the trend in personnel levels for active duty forces, reserve forces, and DOD civilians for FY1981 and selected years thereafter. Figure 3 illustrates the trend in active duty military personnel levels. Table 8 and Figure 4 show the trend in total active duty end-strength for FY1950-2005.

Table 9 shows the trend in major elements of force structure (Army and Marine Corps divisions, Air Force tactical air wings, and Navy ships) for FY1980-2001.

Table 10 shows the trend in total national defense budget authority and outlays in current and constant FY2001 dollars from FY1940 to FY2005.

Table 11 tracks national defense outlays as a share of gross national product (GNP) and gross domestic product (GDP) from FY1910 to FY2005.

Figure 5 illustrates the trend in national defense outlays in constant FY2001 dollars from FY1910 to FY2005.

Figure 6 illustrates trends in national defense budget authority and outlays in constant FY2001 dollars from FY1947 to FY2005.

Figures 7 and 8 illustrate trends in national defense outlays as a percentage of GNP/GDP from FY1910 to FY2005 and as a percentage of GDP from FY1947 to FY2005.

Table 12 shows the allocation of outlays by budget enforcement act category in the federal budget in current year dollars, and Table 13 and Figure 9 show the same data as percentages of total federal outlays. Figure 10 shows the allocation of federal outlays in constant FY2001 dollars.

Finally, Table 14 follows the trend in DOD five- and six-year defense plans since 1987.

Table 6. National Defense Budget Authority Trends by Appropriations Title, FY1985-2005
(constant FY2001 dollars in billions)

Fiscal Year	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
Military Personnel	111.5	108.3	114.5	113.9	113.0	111.5	106.7	103.9	95.8	87.8	85.9	81.9
Operation and Maintenance	121.9	116.5	119.5	118.7	119.5	116.7	115.2	105.8	107.4	103.9	107.8	105.3
Procurement	138.2	128.1	107.5	103.1	98.7	97.7	78.1	69.7	59.0	48.5	47.1	45.2
RDT&E	45.9	48.0	49.4	48.7	48.0	44.9	43.2	42.3	42.9	38.5	37.7	37.5
Military Construction	8.1	7.5	7.0	7.0	7.2	6.2	6.1	6.1	5.2	6.7	5.9	7.4
Family Housing	4.2	3.9	4.2	4.2	4.2	3.9	3.9	4.3	4.4	3.9	3.7	4.5
Other	6.8	6.4	2.5	0.6	0.3	-1.0	1.5	4.5	3.4	3.6	3.8	2.7
Subtotal, Department of Defense	436.4	418.7	404.6	396.2	390.9	379.9	354.7	336.6	318.2	292.8	291.9	284.5
Dept. of Energy Defense-Related	11.1	10.8	10.8	10.8	10.9	12.6	14.5	14.7	14.4	12.7	11.5	12.0
Other Defense-Related	0.8	0.6	0.7	0.7	0.8	0.8	1.4	1.2	2.2	1.2	0.6	1.0
Total, National Defense	448.4	430.2	416.1	407.7	402.6	393.3	370.5	352.5	334.7	306.7	304.1	297.5

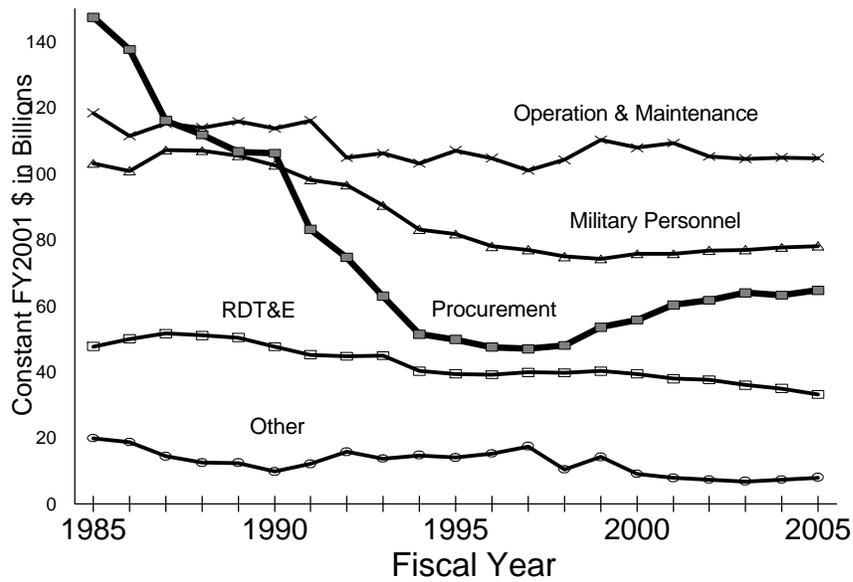
Table 6. National Defense Budget Authority Trends by Appropriations Title, FY1985-2005
(constant FY2001 dollars in billions – continued)

Fiscal Year	1997	1998	1999	2000	2001	2002	2003	2004	2005	Real Growth/ Decline FY85-00	Real Growth/ Decline FY85-05
Military Personnel	80.3	77.2	75.8	76.1	75.8	76.0	75.7	76.0	76.0	-32%	-32%
Operation and Maintenance	101.7	104.4	110.7	108.7	109.3	105.5	105.0	105.4	105.3	-11%	-14%
Procurement	45.2	46.7	52.5	55.1	60.3	62.0	64.4	64.0	65.8	-60%	-52%
RDT&E	38.4	38.7	39.6	39.0	37.9	37.7	36.3	35.4	33.7	-15%	-27%
Military Construction	6.1	5.7	5.6	4.9	4.5	4.2	3.7	4.3	4.9	-40%	-39%
Family Housing	4.3	4.0	3.7	3.7	3.5	3.7	3.7	3.8	3.8	-12%	-9%
Other	6.4	0.4	4.7	0.4	-0.2	-0.5	-0.5	-0.7	-0.6	NA	NA
Subtotal, Department of Defense	282.4	277.2	292.6	287.9	291.1	288.6	288.2	288.3	288.9	-34%	-34%
Dept. of Energy Defense-Related	12.4	12.5	13.2	12.5	13.1	12.9	12.9	12.9	12.7	+12%	+14%
Other Defense-Related	1.1	1.1	1.2	1.2	1.3	1.2	1.2	1.2	1.2	+62%	+62%
Total, National Defense	295.9	290.8	307.0	301.6	305.4	302.7	302.3	302.4	302.8	-33%	-32%

Sources: Office of Management and Budget, *Historical Tables: Budget of the United States Government, Fiscal Year 2001*, Feb. 2000; deflators from Department of Defense, Under Secretary of Defense Comptroller; and CRS calculations.

Notes: Data for FY1990-92 exclude Desert Shield/Desert Storm costs and receipts (see **Table 5**, above). Totals may not add due to rounding.

Figure 2: DOD Budget Authority Trends by Title, FY1985-2005



*FY2000-2005, Administration projection. Excludes Desert Storm.

Figure 3. DOD Active Duty End-Strength Levels, FY1987-2005, Selected Years

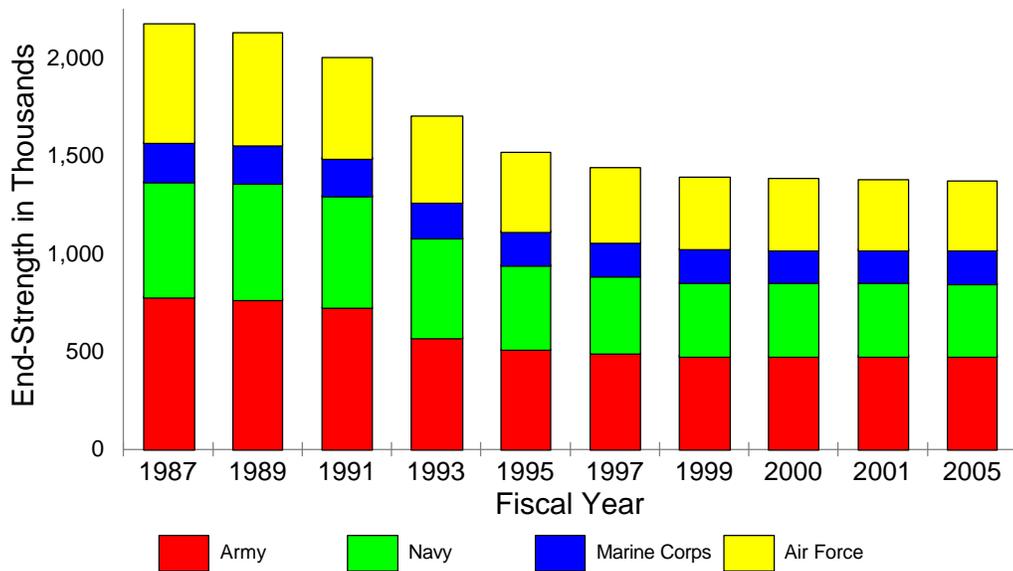


Table 7. Department of Defense Personnel Levels, Selected Years
(end strength/full time equivalents in thousands)

Fiscal Year:	Actual 1981	Actual 1985	Actual 1987	Actual 1989	Actual 1991	Actual 1993	Actual 1995	Actual 1997	Actual 1998	Proj. 2000	Proj. 2001	Proj. 2005
Army	781	781	781	770	725	572	509	492	484	480	480	480
Navy	540	571	587	593	571	510	435	396	382	372	372	369
Marine Corps	191	198	200	197	195	178	174	174	173	173	173	173
Air Force	570	602	607	571	511	444	400	378	367	358	357	352
Total Active	2,082	2,151	2,174	2,130	2,002	1,705	1,519	1,440	1,407	1,382	1,382	1373
Selected Reserves	851	1,188	1,151	1,171	1,138	1,058	946	902	881	864	866	836
Total Civilians (FTEs)	947	1,029	1,032	1,023	969	932	822	746	707	661	645	NA

Sources: Active and reserve data for FY2000-2001 from Office of Management and Budget, *Budget of the United States Government, FY2001: Appendix*, Feb. 2000. Active duty force levels, FY1981-98 from Department of Defense Comptroller, *National Defense Budget Estimates for FY2000*, March, 1999. All data for FY2005 from U.S. Department of Defense, briefing materials accompanying the FY2001 budget (mimeo), Feb. 2000. Reserve personnel levels through FY1997 from: U.S. Library of Congress, Congressional Research Service, *Defense Budget – FY84: Military Manpower and Compensation Issues*, Archived CRS Issue Brief 83052, by (name redacted), 1984; U.S. Library of Congress, Congressional Research Service, *Military Manpower and Compensation: FY1992 Budget Issues*, Archived CRS Issue Brief 91026, by (name redacted), 1992; U.S. Department of Defense, *Manpower Requirements Report, FY1998*, July 1998. Civilian personnel levels from Office of Management and Budget, *Historical Tables: Budget of the United States Government for Fiscal Year 2001*, Feb. 2000.

Notes: Figures reflect end strength for active and reserve forces and full time equivalent (FTE) employment levels for civilians. End strength represents force levels at the end of each fiscal year. FTEs represent total non-overtime hours worked divided by annual compensable hours. Selected reserves do not include Individual Ready Reserve and Inactive National Guard. Totals may not add due to rounding.

**Table 8. Department of Defense Active Duty Personnel Levels,
FY1950-2005**
(end-strength in thousands)

1950	1,459	1964	2,687	1978	2,062	1992	1,808
1951	3,249	1965	2,655	1979	2,024	1993	1,705
1952	3,636	1966	3,094	1980	2,050	1994	1,610
1953	3,555	1967	3,377	1981	2,082	1995	1,519
1954	3,302	1968	3,548	1982	2,108	1996	1,471
1955	2,935	1969	3,459	1983	2,124	1997	1,440
1956	2,806	1970	3,065	1984	2,138	1998	1,407
1957	2,796	1971	2,713	1985	2,151	1999	1,386
1958	2,601	1972	2,322	1986	2,169	2000	1,382
1959	2,504	1973	2,252	1987	2,174	2001	1,382
1960	2,476	1974	2,161	1988	2,138	2005	1,373
1961	2,484	1975	2,127	1989	2,130		
1962	2,808	1976	2,081	1990	2,069		
1963	2,700	1977	2,073	1991	2,002		

Sources: FY2000-FY2005 data from Department of Defense, Briefing material accompanying the FY2001 budget (mimeo), Feb. 2000; FY1950-1998 data from Under Secretary of Defense Comptroller, *National Defense Budget Estimates for FY2000*, Mar. 1999; FY1999 data from Office of Management and Budget, *Budget of the United States Government for FY2001: Appendix*, Feb. 2000.

Figure 4: Department of Defense Active Duty Personnel Levels, FY1950-2005

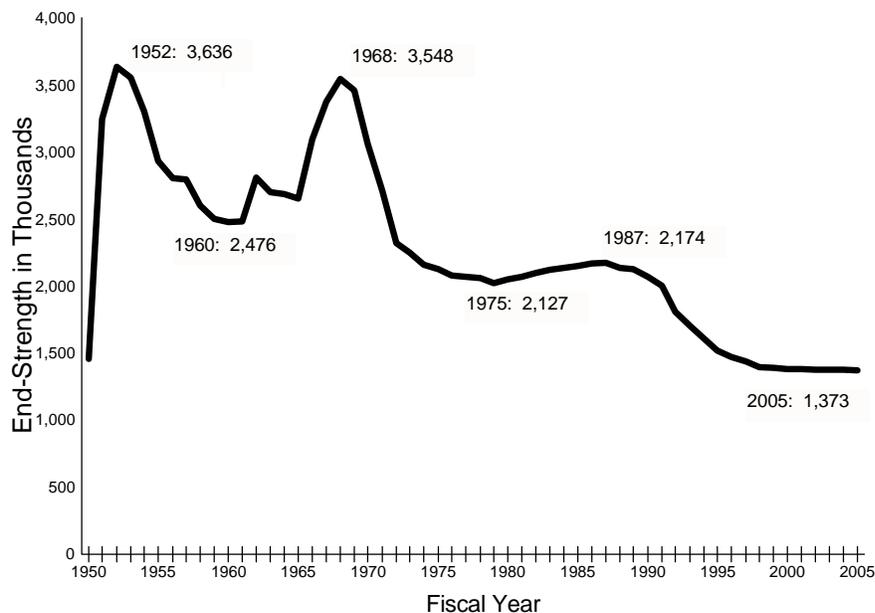


Table 9. U.S. Military Force Structure, FY1980-2001

Fiscal Year	Army Divisions		Marine Divisions		Naval Forces		Air Force Tactical Wings ^a	
	Active	Reserve	Active	Reserve	Carriers ^b	Total Ships	Active	Reserve
1980	16	8	3	1	13	477	26	11
1981	16	8	3	1	13	491	26	11
1982	16	8	3	1	14	513	26	12
1983	16	8	3	1	14	514	25	12
1984	16	9	3	1	14	524	25	12
1985	17	10	3	1	14	542	25	12
1986	18	10	3	1	14	556	25	12
1987	18	10	3	1	15	569	25	12
1988	18	10	3	1	15	566	25	12
1989	18	10	3	1	15	567	25	12
1990	18	10	3	1	15	546	24	12
1991	16	10	3	1	15	526	22	13
1992	14	10	3	1	14	466	16	13
1993	14	10	3	1	13	434	16	11
1994	12	8	3	1	12	387	13	9
1995	12	8	3	1	11+1	373	13	8
1996	10	8	3	1	11+1	365	13	7
1997	10	8	3	1	11+1	357	13	7
1998	10	8	3	1	11+1	333	13	7
1999	10	8	3	1	11+1	317	13	7.2
2000	10	8	3	1	11+1	316	13	7.6
2001	10	8	3	1	11+1	316	12.6	7.6

Sources: U.S. Department of Defense, briefing materials accompanying the FY2001 budget request (mimeo), Feb. 2000. U.S. Library of Congress, Congressional Research Service, *U.S./Soviet Military Balance: Statistical Trends, 1980-1989*, CRS Report 90-401 RCO, by John M. Collins and (name redacted), Aug. 6, 1990. U.S. Library of Congress, Congressional Research Service, *U.S. Armed Forces: Statistical Trends, 1985-1990*, CRS Report 91-672 RCO, by John M. Collins and (name redacted), Sep. 6, 1991. U.S. Department of the Navy (Program Information Center), Listing of U.S. Naval Ship Battle Forces as of 30 September 1993, Washington 1993 and previous editions. Total ships FY2001 estimate from Highlights of the Dept. of Navy FY2001 budget, Feb. 2000, p 2-3.

Notes: Figures for FY2000 and FY2001 are Administration projections.

a. Air Force figures do not include a wing of F-117 aircraft until FY1990.

b. Carrier figures exclude one auxiliary training carrier for FY1980-92 but include one operational reserve training carrier since FY1995.

**Table 10. Real Growth/Decline in National Defense Funding,
FY1940-2005**

(current and constant FY2001 dollars in billions)

Fiscal Year	Budget Authority			Outlays		
	Current Dollars	Constant FY2001 Dollars	Real Growth/ Decline	Current Dollars	Constant FY2001 Dollars	Real Growth/ Decline
1940				1.7	24.9	
1941				6.4	92.1	+269.8%
1942				25.7	334.9	+263.6%
1943				66.7	801.5	+139.3%
1944				79.1	979.5	+22.2%
1945	39.2	574.8		83.0	1061.6	+8.4%
1946	44.0	523.5	-8.9%	42.7	545.1	-48.7%
1947	9.0	108.4	-79.3%	12.8	149.3	-72.6%
1948	9.5	102.0	-5.8%	9.1	102.3	-31.5%
1949	10.9	119.9	+17.5%	13.2	141.6	+38.4%
1950	16.5	164.9	+37.5%	13.7	146.8	+3.7%
1951	57.8	455.6	+176.4%	23.6	225.6	+53.7%
1952	67.5	550.5	+20.8%	46.1	402.2	+78.3%
1953	56.9	474.3	-13.8%	52.8	446.1	+10.9%
1954	38.7	340.5	-28.2%	49.3	424.3	-4.9%
1955	32.9	287.6	-15.5%	42.7	362.4	-14.6%
1956	35.0	287.7	+0.0%	42.5	342.4	-5.5%
1957	39.4	309.4	+7.5%	45.4	347.3	+1.4%
1958	40.1	299.0	-3.3%	46.8	339.5	-2.3%
1959	45.1	315.7	+5.6%	49.0	339.4	-0.0%
1960	44.3	304.7	-3.5%	48.1	331.7	-2.3%
1961	45.1	308.1	+1.1%	49.6	331.3	-0.1%
1962	50.2	337.3	+9.5%	52.3	350.4	+5.7%
1963	52.1	342.6	+1.6%	53.4	354.6	+1.2%
1964	51.6	326.8	-4.6%	54.8	351.0	-1.0%
1965	50.6	312.5	-4.4%	50.6	320.6	-8.7%
1966	64.4	364.9	+16.8%	58.1	343.4	+7.1%
1967	73.1	398.2	+9.1%	71.4	397.4	+15.7%
1968	77.2	405.1	+1.8%	81.9	433.7	+9.1%
1969	78.5	395.5	-2.4%	82.5	422.6	-2.6%
1970	75.3	357.3	-9.7%	81.7	391.6	-7.3%
1971	72.7	325.3	-8.9%	78.9	356.9	-8.9%
1972	76.4	313.1	-3.7%	79.2	331.3	-7.2%
1973	79.1	299.2	-4.5%	76.7	301.9	-8.9%
1974	81.5	283.6	-5.2%	79.3	289.1	-4.3%
1975	86.2	274.5	-3.2%	86.5	282.9	-2.1%
1976	97.3	287.7	+4.8%	89.6	273.7	-3.2%
1977	110.2	299.3	+4.0%	97.2	276.3	+0.9%
1978	117.2	295.1	-1.4%	104.5	276.5	+0.1%
1979	126.5	294.0	-0.4%	116.3	285.5	+3.3%

Fiscal Year	Budget Authority			Outlays		
	Current Dollars	Constant FY2001 Dollars	Real Growth/Decline	Current Dollars	Constant FY2001 Dollars	Real Growth/Decline
1980	143.9	299.1	+1.7%	134.0	293.0	+2.6%
1981	180.0	334.8	+11.9%	157.5	306.7	+4.7%
1982	216.5	371.9	+11.1%	185.3	328.8	+7.2%
1983	245.0	402.8	+8.3%	209.9	354.7	+7.9%
1984	265.2	421.6	+4.7%	227.4	369.3	+4.1%
1985	294.7	448.4	+6.3%	252.7	391.6	+6.0%
1986	289.1	430.2	-4.0%	273.4	412.1	+5.3%
1987	287.4	416.1	-3.3%	282.0	413.4	+0.3%
1988	292.0	407.7	-2.0%	290.4	412.0	-0.3%
1989	299.6	402.6	-1.3%	303.6	413.3	+0.3%
1990	301.2	393.3	-2.3%	297.9	393.9	-4.7%
1991	296.2	370.5	-5.8%	296.7	374.9	-4.8%
1992	287.7	352.5	-4.9%	286.1	351.3	-6.3%
1993	281.1	334.7	-5.0%	283.9	337.8	-3.8%
1994	263.3	306.7	-8.4%	278.9	324.0	-4.1%
1995	266.3	304.1	-0.8%	271.0	309.3	-4.5%
1996	266.0	297.5	-2.2%	265.2	296.4	-4.2%
1997	270.3	295.9	-0.5%	270.4	294.9	-0.5%
1998	271.3	290.8	-1.7%	268.4	286.9	-2.7%
1999	292.1	307.0	+5.6%	274.9	288.7	+0.6%
2000	293.3	301.6	-1.8%	290.6	298.8	+3.5%
2001	305.4	305.4	+1.3%	291.2	291.2	-2.6%
2002	309.2	302.7	-0.9%	298.4	292.2	+0.4%
2003	315.6	302.3	-0.1%	307.4	295.0	+0.9%
2004	323.4	302.4	+0.0%	316.5	296.6	+0.5%
2005	331.7	302.8	+0.1%	330.7	302.7	+2.0%

Sources: U.S. Office of Management and Budget, *Historical Tables: Budget of the United States Government, Fiscal Year 2001*, Feb. 2000; deflators and figures on Desert Shield/Desert Storm costs and receipts from Under Secretary of Defense Comptroller; CRS calculations.

Notes: Figures for FY1990 and beyond exclude costs and receipts of Operation Desert Shield/Desert Storm. Figures for FY1999-2004 reflect Administration projections. No data are available for budget authority prior to FY1945. The figures for budget authority reflect one unavoidable statistical discontinuity. Figures prior to FY1976 are from DOD data that have not been revised to reflect accrual accounting for military retirement in years prior to its adoption in FY1985. Figures from FY1976 on have been revised by the Office of Management and Budget to reflect accrual accounting. The difference, however, is relatively small and does not significantly affect the figures as an indication of trends in national defense funding.

**Table 11. National Defense Outlays as a Percentage of GNP/GDP,
FY1910-2005**
(current year dollars in billions)

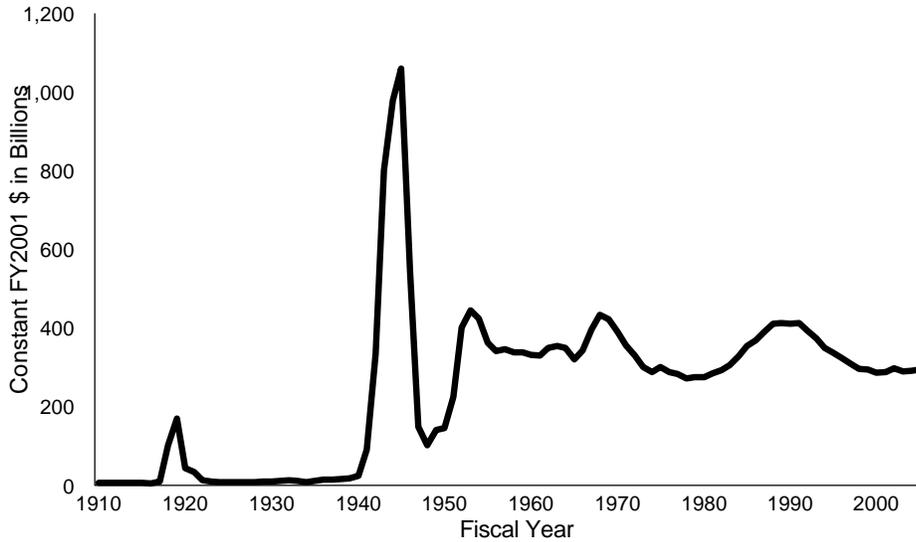
Fiscal Year	National Defense Outlays	GNP/ GDP	Outlays as % of GNP/GDP	Fiscal Year	National Defense Outlays	GNP/ GDP	Outlays as % of GNP/GDP
1910	0.3	35.3	0.8%	1945	83.0	221.4	37.5%
1911	0.3	35.8	0.8%	1946	42.7	222.9	19.1%
1912	0.3	39.4	0.7%	1947	12.8	234.9	5.5%
1913	0.3	39.6	0.7%	1948	9.1	256.6	3.5%
1914	0.3	38.6	0.8%	1949	13.2	271.7	4.8%
1915	0.3	40.0	0.7%	1950	13.7	273.6	5.0%
1916	0.3	48.3	0.6%	1951	23.6	321.3	7.3%
1917	0.6	60.4	1.0%	1952	46.1	348.9	13.2%
1918	7.1	76.4	9.3%	1953	52.8	373.1	14.2%
1919	13.5	84.0	16.1%	1954	49.3	378.0	13.0%
1920	4.0	91.5	4.4%	1955	42.7	395.3	10.8%
1921	2.6	69.6	3.7%	1956	42.5	427.6	9.9%
1922	0.9	74.1	1.3%	1957	45.4	450.5	10.1%
1923	0.7	85.1	0.8%	1958	46.8	460.6	10.2%
1924	0.6	84.7	0.8%	1959	49.0	491.8	10.0%
1925	0.6	93.1	0.6%	1960	48.1	519.8	9.3%
1926	0.6	97.0	0.6%	1961	49.6	530.9	9.3%
1927	0.6	94.9	0.6%	1962	52.3	568.6	9.2%
1928	0.7	97.0	0.7%	1963	53.4	600.2	8.9%
1929	0.7	103.1	0.7%	1964	54.8	642.3	8.5%
1930	0.7	90.4	0.8%	1965	50.6	688.2	7.4%
1931	0.7	75.8	1.0%	1966	58.1	757.2	7.7%
1932	0.7	58.0	1.2%	1967	71.4	811.7	8.8%
1933	0.6	55.6	1.2%	1968	81.9	870.0	9.4%
1934	0.5	60.5	0.9%	1969	82.5	949.4	8.7%
1935	0.7	68.9	1.0%	1970	81.7	1,013.7	8.1%
1936	0.9	77.6	1.2%	1971	78.9	1,081.7	7.3%
1937	0.9	86.8	1.1%	1972	79.2	1,178.5	6.7%
1938	1.0	87.9	1.2%	1973	76.7	1,313.6	5.8%
1939	1.1	87.9	1.2%	1974	79.3	1,441.7	5.5%
1940	1.7	96.5	1.7%	1975	86.5	1,559.2	5.5%
1941	6.4	113.9	5.6%	1976	89.6	1,735.9	5.2%
1942	25.7	144.2	17.8%	1977	97.2	1,974.6	4.9%
1943	66.7	180.0	37.1%	1978	104.5	2,219.5	4.7%
1944	79.1	209.0	37.9%	1979	116.3	2,504.9	4.6%

Fiscal Year	National Defense Outlays	GNP/GDP	Outlays as % of GNP/GDP	Fiscal Year	National Defense Outlays	GNP/GDP	Outlays as % of GNP/GDP
1980	134.0	2,731.8	4.9%	1995	272.1	7,322.6	3.7%
1981	157.5	3,060.3	5.1%	1996	265.8	7,700.1	3.5%
1982	185.3	3,231.1	5.7%	1997	270.5	8,182.8	3.3%
1983	209.9	3,441.7	6.1%	1998	268.5	8,636.3	3.1%
1984	227.4	3,846.5	5.9%	1999	274.9	9,115.4	3.0%
1985	252.7	4,141.6	6.1%	2000	290.6	9,571.9	3.0%
1986	273.4	4,398.3	6.2%	2001	291.2	10,041.3	2.9%
1987	282.0	4,653.9	6.1%	2002	298.4	10,502.4	2.8%
1988	290.4	5,016.6	5.8%	2003	307.4	10,982.8	2.8%
1989	303.6	5,406.6	5.6%	2004	316.5	11,502.0	2.8%
1990	299.3	5,738.4	5.2%	2005	330.7	12,084.5	2.7%
1991	273.3	5,927.9	4.6%				
1992	298.4	6,221.7	4.8%				
1993	291.1	6,560.9	4.4%				
1994	281.6	6,948.8	4.1%				

Source: CRS calculations based on data from U.S. Office of Management and Budget, *Historical Tables: Budget of the United States Government, Fiscal Year 2001*, Feb. 2000.

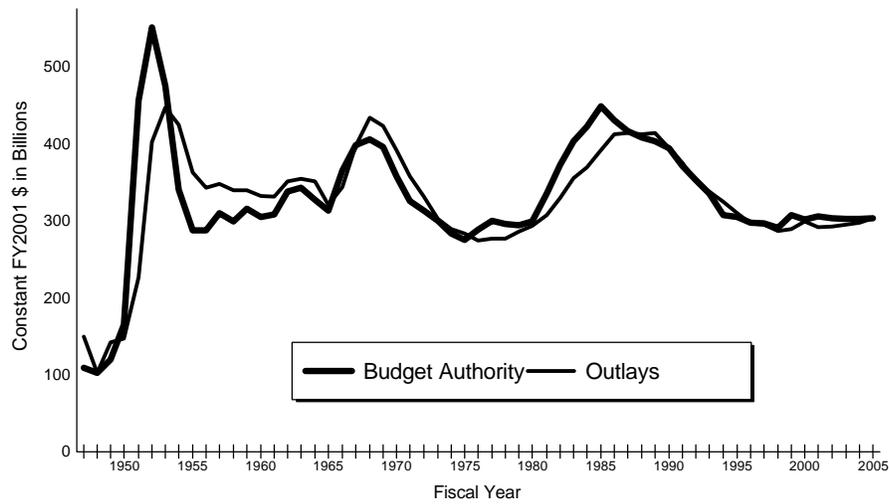
Notes: For this and following tables, national defense outlay figures for FY1990 and beyond **do not** exclude Operation Desert Shield/Desert Storm costs and receipts, since such the amounts involved cannot be separated from national economic activity or from total federal outlays. GNP before 1940, GDP thereafter.

Figure 5: National Defense Outlays, FY1910-2005



*FY2000-2005: Administration projections.

Figure 6: National Defense Budget Authority and Outlays, FY1947-2005



*FY2000-2005: Administration projections. Excludes Desert Shield/Desert Storm.

Figure 7: National Defense Outlays, Percentage of GNP/GDP, FY1910-2005

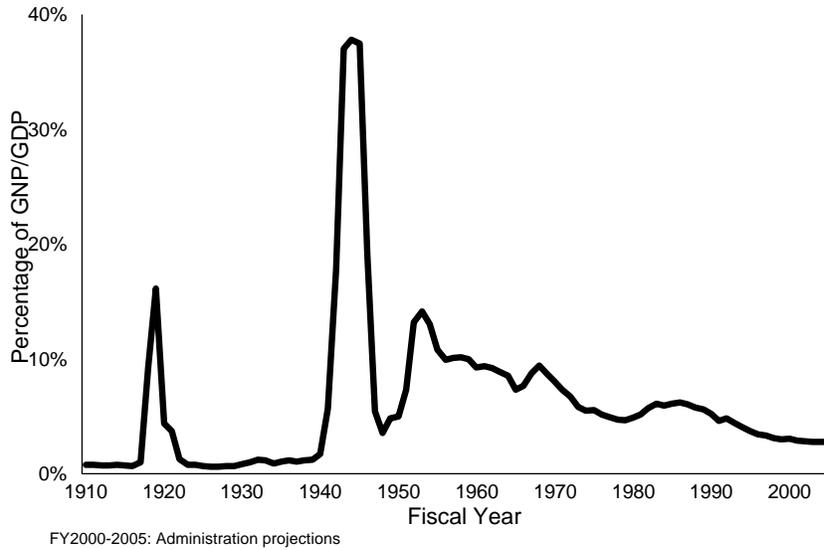
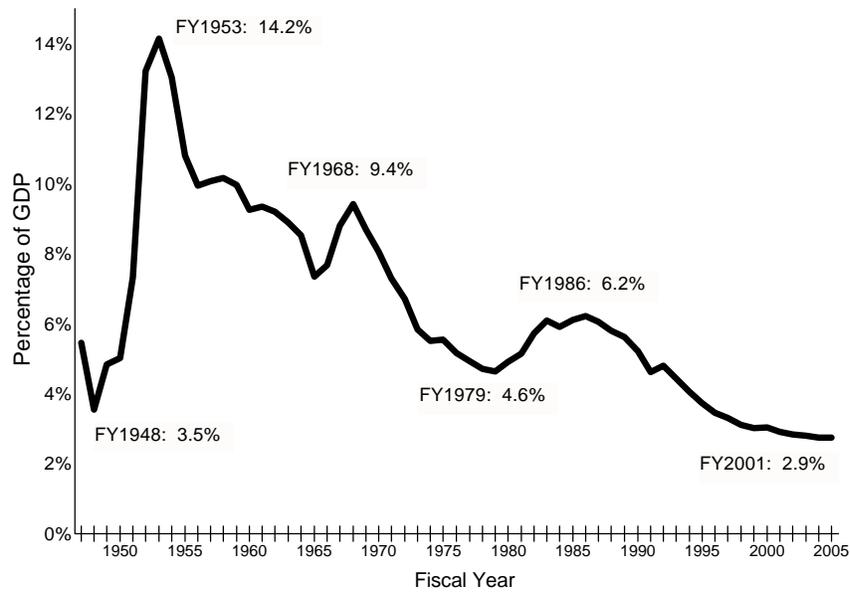


Figure 8: National Defense Outlays, Percentage of GDP, FY1947-2005



*FY2000-2005: Administration projections.

Table 12. Allocation of Federal Outlays by Budget Enforcement Act Category, FY1962-2005
(current year dollars in billions)

Fiscal Year	Defense Discretionary Outlays	Non-Defense Discretionary Outlays	Mandatory Outlays	Net Interest	Total Federal Outlays
1962	52.6	19.5	27.9	6.9	106.8
1963	53.7	21.6	28.3	7.7	111.3
1964	55.0	24.1	31.2	8.2	118.5
1965	51.0	26.8	31.8	8.6	118.2
1966	59.0	31.1	35.0	9.4	134.5
1967	72.0	34.5	40.7	10.3	157.5
1968	82.2	35.8	49.1	11.1	178.1
1969	82.7	34.6	53.6	12.7	183.6
1970	81.9	38.4	61.0	14.4	195.6
1971	79.0	43.5	72.8	14.8	210.2
1972	79.3	49.2	86.7	15.5	230.7
1973	77.1	53.3	98.0	17.3	245.7
1974	80.7	57.5	109.7	21.4	269.4
1975	87.6	70.3	151.2	23.2	332.3
1976	89.9	85.6	169.6	26.7	371.8
1977	97.5	99.5	182.3	29.9	409.2
1978	104.6	114.0	204.7	35.5	458.7
1979	116.8	123.1	221.5	42.6	504.0
1980	134.6	141.6	262.2	52.5	590.9
1981	158.0	149.9	301.6	68.8	678.2
1982	185.9	140.0	334.8	85.0	745.8
1983	209.9	143.4	365.3	89.8	808.4
1984	228.0	151.4	361.4	111.1	851.9
1985	253.1	162.6	401.2	129.5	946.4
1986	273.8	164.7	415.9	136.0	990.5
1987	282.5	161.7	421.3	138.7	1,004.1
1988	290.9	173.5	448.3	151.8	1,064.5
1989	304.0	184.8	485.9	169.0	1,143.7
1990	300.1	200.4	568.3	184.4	1,253.2
1991	319.7	213.6	596.6	194.5	1,324.4
1992	302.6	232.0	647.7	199.4	1,381.7
1993	292.4	248.6	669.8	198.7	1,409.5
1994	282.3	261.6	715.0	203.0	1,461.9
1995	273.6	272.1	738.0	232.2	1,515.8
1996	266.0	268.5	785.0	241.1	1,560.6
1997	271.7	277.2	808.3	244.0	1,601.3
1998	270.2	284.5	856.7	241.2	1,652.6
1999	275.5	299.5	898.3	229.7	1,703.0
2000	291.2	326.3	951.7	220.3	1,789.6
2001	292.1	341.8	992.8	208.3	1,835.0
2002	299.2	351.9	1,045.6	198.6	1,895.3
2003	308.2	357.1	1,108.3	189.3	1,962.9
2004	317.2	363.5	1,182.9	177.5	2,041.1
2005	331.4	369.8	1,260.5	163.8	2,125.5

Source: U.S. Office of Management and Budget, *Historical Tables: Budget of the United States Government, Fiscal Year 2001*, Feb. 2000.

Note: National defense outlay figures do not exclude Desert Shield/Desert Storm costs and receipts.

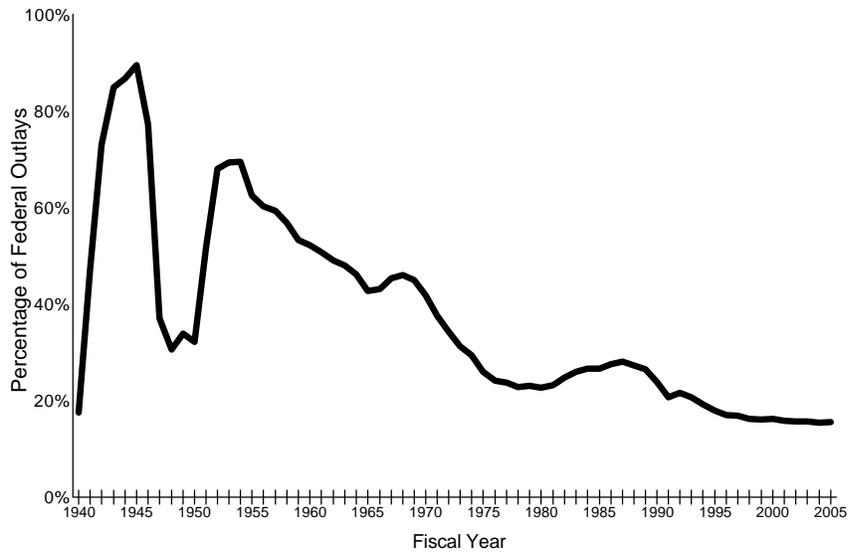
**Table 13. Allocation of Federal Outlays by
Budget Enforcement Act Category, FY1962-2005**
(percentage of total outlays)

Fiscal Year	Defense Discretionary Outlays	Non-Defense Discretionary Outlays	Mandatory Outlays	Net Interest	Defense Share Discretionary
1962	49.3%	18.3%	26.1%	6.5%	73.0%
1963	48.2%	19.4%	25.4%	6.9%	71.3%
1964	46.4%	20.3%	26.3%	6.9%	69.5%
1965	43.1%	22.7%	26.9%	7.3%	65.6%
1966	43.9%	23.1%	26.0%	7.0%	65.5%
1967	45.7%	21.9%	25.8%	6.5%	67.6%
1968	46.2%	20.1%	27.6%	6.2%	69.7%
1969	45.0%	18.8%	29.2%	6.9%	70.5%
1970	41.9%	19.6%	31.2%	7.4%	68.1%
1971	37.6%	20.7%	34.6%	7.0%	64.5%
1972	34.4%	21.3%	37.6%	6.7%	61.7%
1973	31.4%	21.7%	39.9%	7.0%	59.1%
1974	30.0%	21.3%	40.7%	7.9%	58.4%
1975	26.4%	21.2%	45.5%	7.0%	55.5%
1976	24.2%	23.0%	45.6%	7.2%	51.2%
1977	23.8%	24.3%	44.6%	7.3%	49.5%
1978	22.8%	24.9%	44.6%	7.7%	47.8%
1979	23.2%	24.4%	43.9%	8.5%	48.7%
1980	22.8%	24.0%	44.4%	8.9%	48.7%
1981	23.3%	22.1%	44.5%	10.1%	51.3%
1982	24.9%	18.8%	44.9%	11.4%	57.0%
1983	26.0%	17.7%	45.2%	11.1%	59.4%
1984	26.8%	17.8%	42.4%	13.0%	60.1%
1985	26.7%	17.2%	42.4%	13.7%	60.9%
1986	27.6%	16.6%	42.0%	13.7%	62.4%
1987	28.1%	16.1%	42.0%	13.8%	63.6%
1988	27.3%	16.3%	42.1%	14.3%	62.6%
1989	26.6%	16.2%	42.5%	14.8%	62.2%
1990	23.9%	16.0%	45.3%	14.7%	60.0%
1991	24.1%	16.1%	45.0%	14.7%	59.9%
1992	21.9%	16.8%	46.9%	14.4%	56.6%
1993	20.7%	17.6%	47.5%	14.1%	54.0%
1994	19.3%	17.9%	48.9%	13.9%	51.9%
1995	18.0%	18.0%	48.7%	15.3%	50.1%
1996	17.0%	17.2%	50.3%	15.4%	49.8%
1997	17.0%	17.3%	50.5%	15.2%	49.5%
1998	16.3%	17.2%	51.8%	14.6%	48.7%
1999	16.2%	17.6%	52.7%	13.5%	47.9%
2000	16.3%	18.2%	53.2%	12.3%	47.2%
2001	15.9%	18.6%	54.1%	11.4%	46.1%
2002	15.8%	18.6%	55.2%	10.5%	46.0%
2003	15.7%	18.2%	56.5%	9.6%	46.3%
2004	15.5%	17.8%	58.0%	8.7%	46.6%
2005	15.6%	17.4%	59.3%	7.7%	47.3%

Source: CRS calculations based on U.S. Office of Management and Budget, *Historical Tables: Budget of the United States Government, Fiscal Year 2001*, Feb. 2000.

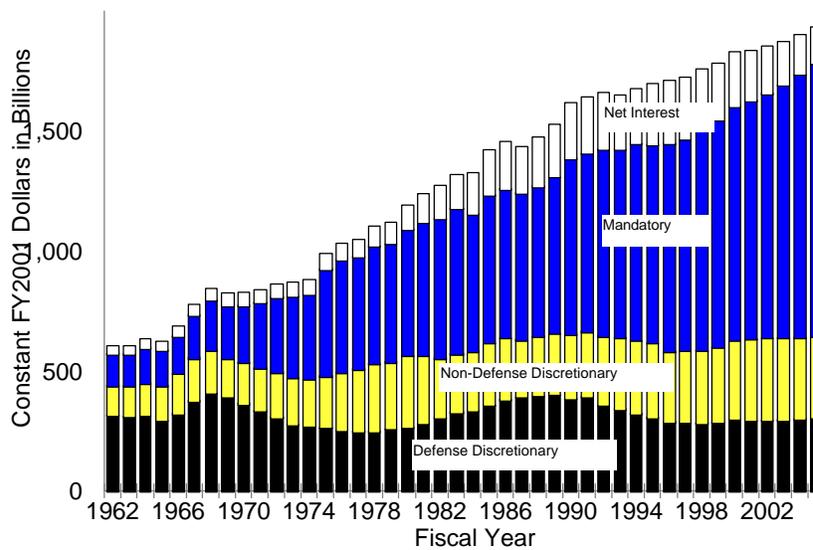
Note: National defense outlay figures do not exclude Desert Shield/Desert Storm costs and receipts.

Figure 9: National Defense Outlays, Percentage of Total Federal Outlays, FY1940-2005



*FY2000-2005: Administration projections.

Figure 10: Federal Outlays by Budget Enforcement Act Category, FY1962-2005



*FY2000-2005, Administration projection.

Table 14. Trends in Department of Defense Future-Years Defense Plans
(budget authority, current year dollars in billions)

FY Admin. Request	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
FY1987, 2/86	312	332	354	375	396														
FY1988, 1/87	282	303	323	344	365	387													
FY1989, 2/88	279	283	291	307	324	342	360												
Reagan FY1990	279	284	290	306	321	336	351	366											
Bush FY1990	279	284	290	296	311	322	336	350											
FY1991, 1/90	279	284	290	289	295	300	304	308	312										
FY1992, 2/91	279	284	291	291	280	278	278	278	281	283	287								
FY1993, 1/92	279	284	291	291	298	269	268	268	270	270	275								
FY1994, 3/93	279	284	291	291	284	275	259	251	248	240	233	241							
FY1995, 2/94	279	284	291	291	284	275	267	249	252	243	240	247	253						
FY1996, 2/95	279	284	291	291	284	275	267	251	253	246	243	248	256	266	277				
FY1997, 3/96	279	284	291	291	284	275	267	251	256	252	243	248	254	262	270	277			
FY1998, 2/97	279	284	291	291	284	275	267	251	256	252	250	251	256	263	270	277			
FY1999, 2/98	279	284	291	293	276	282	267	251	256	254	258	255	257	263	271	274	284		
FY2000, 2/99	279	284	291	293	276	282	267	251	256	254	258	259	263	267	286	288	299	308	319
FY2001, 2/00	279	284	291	293	276	282	267	251	256	254	258	259	278	280	291	295	301	308	316

Sources: U.S. Department of Defense, Briefing materials accompanying the FY2001 budget (mimeo), Feb. 2001, and prior years' briefing materials. U.S. Office of Management and Budget, *Historical Tables: Budget of the United States Government, FY2001*, Feb. 2000 and prior years. U.S. Office of Management and Budget, *Budget Baselines, Historical Data, and Alternatives for the Future*, Jan. 1993.

Notes: Boldface denotes the future-year defense plan projected at the time of the budget submission. Figures for the year immediately preceding the year for which funding is requested (e.g., FY1987 in the FY1988 request) represent an estimate and may include proposed supplemental appropriations or rescissions. Actual figures reported in following years may differ because of congressional action on supplemental appropriation requests, transfers of budget authority from one year to another, and/or adjustments in contract authority for Working Capital Funds. The large discrepancies in year-to-year estimates for FY1991 are due to substantial changes in accounting methods for Operation Desert Shield/Desert Storm. Though the figures for FY1990-92 presented here have been adjusted to exclude funding for Operation Desert Shield/Desert Storm, these adjustments do not eliminate all of the discrepancies for FY1991.

Part III: Definitions of Budget Terms

The definitions that follow are taken from Office of Management and Budget and Department of Defense publications.

Accrual Accounting – as applied to military retired pay, a method of recording costs designed to reflect the liability of the federal government for the future retirement costs of military personnel currently on active or reserve duty. First used in FY1985 in DOD, this method of accounting represents a change from the earlier practice in which the cost of military retirement was measured in terms of actual payments to current retirees.

Appropriation – one form of budget authority provided by Congress for the funding of an agency, department, or program for a given amount of time. An appropriation provides funds for purposes specifically designated by Congress. Funds will not necessarily all be spent in the year in which they are initially provided.

Authorization – establishes or maintains a government program or agency by defining its scope. Authorizing legislation is normally a prerequisite for appropriations and may set specific limits on the amount that may be appropriated for the specified program or agency. An authorization, however, does not make money available, and sometimes appropriations are made without having been authorized.

Budget Authority – legal authority for an agency to enter into obligations for the provision of goods or services. It may be available for one or more years. An appropriation is one form of budget authority.

Budgetary Resources – used in the context of the Budget Enforcement Act of 1997 deficit reduction process, it refers to funds subject to automatic spending reductions. For defense programs only, these funds are made up of the sum of new budget authority and unobligated balances of budget authority provided in prior years.

Current/Constant Dollars – the cost of goods or services in **current dollars** is the value in terms of prices current at the time of purchase – current dollars are also referred to simply as “dollars” or as “then-year dollars.” The cost of goods or services in **constant dollars** is the value adjusted to eliminate the effects of changes in prices (usually due to inflation). Constant dollars, expressed in terms of an arbitrary reference year (e.g., **Fiscal Year 2001 dollars**), are determined by dividing current dollars by a “deflator” based on the prices in the reference year. Constant dollars are used to assess growth rates of programs independently of the effects of inflation. Growth rates in constant, inflation-adjusted dollars are referred to as “real growth” rates.

Deficit – in the federal budget, the amount by which total federal budget outlays for a given fiscal year exceed total federal revenues for that year.

Fiscal Year – a fiscal year in the federal government begins on October 1 and ends on September 30 and is designated by the calendar year in which it **ends**. Thus, FY2000 began on October 1, 1999 and will end on September 30, 2000. (Note that the federal fiscal year ran from July 1 to June 30 until FY1977.)

National Defense Budget Function – one of the categories of the federal budget. It consists of the Department of Defense (DOD) budget, which funds all direct DOD military programs, and of a number of defense-related activities administered by other agencies. These activities include atomic energy defense activities funded through the Department of Energy, civil defense programs administered by the Federal Emergency Management Agency, and the Selective Service System. The DOD budget constitutes more than 95% of the National Defense Budget Function.

Obligation – an order placed, contract awarded, service agreement undertaken, or other commitments made by federal agencies during a given period which will require outlays during the same or some future period.

Outlays – money spent by a federal agency from funds provided by Congress. Outlays in a given fiscal year are a result of obligations that in turn follow the provision of budget authority.

Sequester or Sequestration – a term used in the Budget Enforcement Act of 1997, it refers to the withholding of funds from obligation or expenditure and the eventual cancellation of new budget authority, new loan guarantee commitments, new direct loan obligations, and other spending authority as defined in the Budget Act of 1974. It also results in the reduction of obligation limitations.

Total Obligational Authority – a financial measure unique to DOD, it refers to the total value of direct defense programs for a fiscal year. Prior to FY1979 it differed from Budget Authority in significant ways, the largest of which was that TOA in a given year increased if congressional action led to a transfer of BA balances from prior years, while BA would not change. Beginning in FY1979, however, transfers which extend the availability of funds began to be treated as BA and not only TOA. The current difference between BA and TOA is usually small and technical.

Unexpended Funds – budget authority that has been appropriated by Congress, but remains unspent, representing future outlays. Unexpended funds, whether obligated or as yet unobligated, are formally appropriated by Congress for specific programs.

Unobligated Funds – budget authority that has been appropriated by Congress for specific programs but that has not yet been pledged or obligated by contract

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