

# The U.S. Army's Untenable Trajectory: What Congress Should Do to Fix It

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## KEY TAKEAWAYS

High inflation is negatively affecting the Army, which was already constrained by a budget that has been held below even normal rates of inflation.

Signs of strain are becoming obvious in critical areas such as training standards, end strength, military construction, and procurement.

Congress can and should help put the Army on a more sustainable path.

Despite claims the Army's fiscal year (FY) 2023 President's budget request "sustains the force on a strategic path," the opposite is true.<sup>1</sup> The \$46 billion cumulative loss of buying power that the Army has endured since FY 2020 has taken a severe toll on nearly every aspect of Army combat power.<sup>2</sup> Budgets that have consistently failed to even keep pace with inflation have forced the Army to cut training standards, propose reducing its active end strength, cut military construction programs to historic lows, and pare many key modernization programs down to the bone. The latest rating from The Heritage Foundation's authoritative *Index of U.S. Military Strength* assesses the Army as only "marginally" able to perform its role to protect the U.S. and its vital national interests.<sup>3</sup> Any objective assessment would conclude the Army is on an unsustainable path.

This paper, in its entirety, can be found at <http://report.heritage.org/ib5272>

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The lack of publicly released national security and national defense strategies from this Administration makes it challenging to understand the thinking behind President Joe Biden’s decision to sharply reduce the Army’s buying power.

The return of war to Central Europe should serve as a powerful reminder that land combat remains a real possibility and that the maintenance of ready ground forces remains a crucial element of U.S. national security. President Biden’s FY 2023 defense budget for the Army belies none of that urgency. Now that the long-delayed FY 2023 defense budget has been released, it is obvious the trends observed in Heritage’s earlier report, “Congress Should Address the Impact of Four Years of Declining Buying Power on the U.S. Army,” have only accelerated.<sup>4</sup>

In accordance with the law, on April 7, 2022, the Army Chief of Staff General James McConville submitted an Unfunded Priority List totaling \$5.1 billion.<sup>5</sup> The breadth and magnitude of the list reveals the challenges the Army is facing. Specific shortfalls in Army readiness, capacity, and capabilities can be found in the *Index of U.S. Military Strength*.<sup>6</sup> Many of the programs on this list are worthy and Congress should support this request while identifying offsets and savings in other areas to pay for these line items. The Heritage Foundation’s *Blueprint for Balance* contains multiple recommendations where money could be saved in the federal budget, both in the defense budget and in other areas.<sup>7</sup> Congress should further investigate what the cumulative impact of under-funding the Army has been over the past three years and act to fix those specific shortfalls.

## Loss of Buying Power

The Army’s topline budget from FY 2020 to the President’s request for FY 2023 is reflected in Table 1. Also shown are the official estimates for inflation—what the Army’s budget would have been with only adjustments for inflation—and the difference between those numbers and what the Army actually received.

The impact of absorbing a cumulative \$46 billion loss of buying power can be observed in multiple areas of the Army.

**Training Standards.** Operating Tempo Full Spectrum Training Miles is the metric the Army uses to measure the amount of training funds that Brigade Combat Teams (BCT) are allocated to achieve designated readiness levels. It is a composite of resourced miles for all the major platforms in a brigade. In FY 2022 the amount of funded Full Spectrum Training Miles was reduced to 1,109, which forced the Army to lower its training standards

TABLE 1

## Army Loss in Buying Power

ALL DOLLAR FIGURES ARE IN BILLIONS OF CURRENT U.S. DOLLARS

	FISCAL YEAR					Cumulative Total
	2019	2020	2021	2022	2023 (request)	
Topline (enacted)	\$ 181	\$185	\$178	\$175	\$178	—
Official inflation factor	—	0.02	0.017	0.023	0.03	—
Army budget with just inflation factored	—	\$184.62	\$187.76	\$192.08	\$197.84	—
Shortfall between an Army budget with just inflation and what they actually received	—	\$0.38	-\$9.76	-\$17.08	-\$19.84	-\$46.29

**SOURCES:** Army Financial Management & Comptroller, “Budget Materials,” <https://www.asafm.army.mil/Budget-Materials/> (accessed May 3, 2023); and Office of the Under Secretary of Defense (Comptroller), “National Defense Budget Estimates for FY 2022,” August 2021, p. 61, Table 5-3, [https://comptroller.defense.gov/Portals/45/Documents/defbudget/FY2022/FY22\\_Green\\_Book.pdf](https://comptroller.defense.gov/Portals/45/Documents/defbudget/FY2022/FY22_Green_Book.pdf) (accessed May 3, 2022).

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for BCTs, only allowing it to train squads, platoons, and companies (not the BCT as a whole)—a significant departure from previous standards.<sup>8</sup> The FY 2023 budget request provides for a small increase (to 1,235 miles), but likely not enough to allow BCTs to train to BCT standards.<sup>9</sup>

Given that BCTs need to be able to deploy and operate as a team, this reduced level of training readiness is not strategically sustainable for the Army.

**Cuts to Army End Strength.** The FY 2023 budget request contains a proposal to cut 12,000 soldiers from the Army’s end strength. For years, the Army has advised that it is too small to execute its assigned responsibilities. The Army Chief of Staff General James McConville, in response to his Advance Policy Questions for confirmation, stated, “The total Army needs to be larger.”<sup>10</sup>

The Army has explained the cut as at least partially driven by an inability to recruit enough soldiers. Under Secretary of the Army Gabe Camarillo attempted to explain the cut by saying, “This is not a budget driven decision. It is entirely about quality” (meaning the Army was unwilling to reduce its quality standards for new recruits). He also said the cut was “driven by a need to modernize.”<sup>11</sup>

Policymakers should view these statements critically. If the Army was not under extraordinary financial pressure, it is unlikely the Army would

have opted to cut its end strength. If Congress ultimately approves the President's request to shrink the active Army to 473,000, the Army will be *the smallest it has been since 1940* (83 years).<sup>12</sup> This, at a time when there is a land war in Europe and China is aggressively expanding its capabilities.

In the Army FY 2023 budget request, it projects recruiting 63,700 soldiers in FY 2023, 8,300 more than it projects recruiting in FY 2022 (55,400).<sup>13</sup> But to meet this increased recruiting mission, the Army has inexplicably cut both recruiting manpower and funding. The Army's FY 2023 budget request reduces the number of non-commissioned officers assigned to the recruiting mission by 203.<sup>14</sup> The Army's budget request for FY 2023 recruiting activities, \$691 million, does not keep pace with inflation compared to previous year requests.<sup>15</sup> Finally, the Army requested \$30 million less (\$206 million) for enlistment bonuses for FY 2023 than requested in FY 2022 (\$236 million).<sup>16</sup> None of these moves suggests the Army views its recruiting challenges as serious.

Admittedly, the recruiting environment is very difficult at present, but cutting Army end strength—versus considering any one of a number of possible options to increase the effectiveness of military recruiting programs—should not have been the first choice of this Administration.<sup>17</sup> Given the threats facing the nation, only strategy should dictate a smaller Army end strength. If the end strength cut is indeed linked to financial pressure—either an inability to afford those 12,000 soldiers or an inability to compete with private-sector wages and benefits—then policymakers should look to other areas of the defense and non-defense elements of the federal budget (as described in The Heritage Foundation's *Budget Blueprint*)<sup>18</sup> to find savings.

**Military Construction.** Of the total \$5.1 billion Army Unfunded Priorities List that General James McConville sent Congress on April 7, 2022, \$1.4 billion of that was for military construction.<sup>19</sup> The reason over one-quarter of the Army's unfunded list was dedicated to military construction is that the Army has been forced to dramatically under-fund military construction in the base budget due to overall fiscal constraints.

The FY 2023 request for \$1.24 billion for military construction is \$1.83 billion less than the average constant-dollar amount of Army military construction since 1948.<sup>20</sup> On average, since 1948 the Army has applied \$3.07 billion in constant dollars to its military construction needs. In 2016, the Army had 139,458 buildings with a plant replacement value of \$295 billion.<sup>21</sup> At the proposed FY 2023 level of investment for military construction (\$1.24 billion), the Army would replace all its facilities every 237 years.

The funding proposed for military construction for the Army, if it continues, is strategically unsustainable and will eventually result in sub-standard Army facilities.

## Military Procurement

Adequate funding for Army procurement ensures soldiers go into combat with modern equipment that meets or exceeds adversary capabilities. The U.S. never wants to send soldiers into a fight with anything less. However, much of the Army's inventory is showing its age and needs replacement. The Heritage Foundation's *Index of U.S. Military Strength* assesses the Army's capabilities (the terminology the Pentagon uses for equipment) as only "marginal."<sup>22</sup>

It will not be possible to improve that assessment with less funding. The proposed Army procurement budget for FY 2023 is \$21.3 billion—\$1.5 billion below what was enacted for FY 2022 (down 7 percent) and down 12 percent from enacted procurement in FY 2021.<sup>23</sup> The impact of these successive cuts is that for many modernization programs, it will take decades for the Army to reach its acquisition objective, i.e., the number of systems it needs to complete the fielding.

For example, given the spate of recent cuts, at the rate of procurement proposed for FY 2023, it will take the Army 33 years to reach its objective for the Armored Multi-Purpose Vehicle; 28 years for the Joint Assault Bridge; and 29 years for the Joint Lightweight Tactical Vehicle, the workhorse of many Army formations. Helicopter modernization for the UH-60M, AH-64E, and the CH-47F fleets has slowed to a crawl, even though the Army is far short of its objectives for those fleets. For FY 2023, the Army proposes to procure 6 CH-47s, 25 UH-60Ms, and 35 AH-64s, markedly fewer than in previous years. For example, in FY 2020 the Army proposed to procure 9 CH-47s, 73 UH-60Ms, and 48 AH-64Es.<sup>24</sup>

## Discussion

There are areas in which Congress can free up money to help the Army overcome its fiscal shortfalls. President Joe Biden recently announced that he plans to spend "billions" to make every military vehicle "climate-friendly,"<sup>25</sup> and the Department of Defense (DOD) announced that the FY 2023 budget request contains over \$3 billion to combat climate change.<sup>26</sup> The Heritage Foundation has published recommendations for billions in savings in the federal defense and non-defense budgets.<sup>27</sup> These are some areas in which Congress could look to find money to apply to critical Army needs.

## Recommendations

Congress should:

- **Exercise its oversight function.** Congress should ask Army and DOD leaders to better justify their statements that the Army is indeed on a “sustainable strategic path” given obvious shortfalls in the areas of military personnel, training, military construction, and procurement.
- **Fund the Army to cover its pressing requirements.** At the same time, Congress should press Army and DOD leaders to describe their efforts to find efficiencies where possible. Lawmakers should also consider trimming investments designed to make the Army “climate friendly” that do not increase capability or readiness.<sup>28</sup>
- **Convene hearings and fact-finding mechanisms.** These should explore solutions to the military recruiting crisis that has now spread to all the military services. The problem will not be transitory and will only be solved with a partnership between the DOD, Congress, the rest of the executive branch, and the states.

## Conclusion

The Army is being impacted by a fiscal pressure tied to higher-than-normal inflation combined with a budget that is being artificially held below even normal rates of inflation. Signs of strain are becoming obvious. Congress can and should help put the Army on a more sustainable path.

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## Endnotes

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