

President Biden's Budget Request

Matt Kenney
JINSA Vice President, Government Affairs

President Joe Biden's [Fiscal Year \(FY\) 2024 budget request](#) calls for \$886 billion in defense spending, in what Secretary Austin [calls](#) "the most strategy-driven request we've ever produced" to focus on confronting the pacing challenge from the People's Republic of China. Meanwhile, U.S. Central Command's importance appears to be decreasing. CENTCOM Commander Gen. Erik Kurilla [testified](#) earlier this month "our forces decreased 15% over the course of 2022 alone" and that his command has seen "a reduction of 85% from its 2008 peak."

Although the Biden administration touts its defense budget request as the largest ever, given inflation, it actually represents a decrease in real spending on defense and concomitant loss of purchasing power—at the same time that U.S. adversaries like China and Russia are significantly increasing their own defense spending in real dollars.

What Happened?

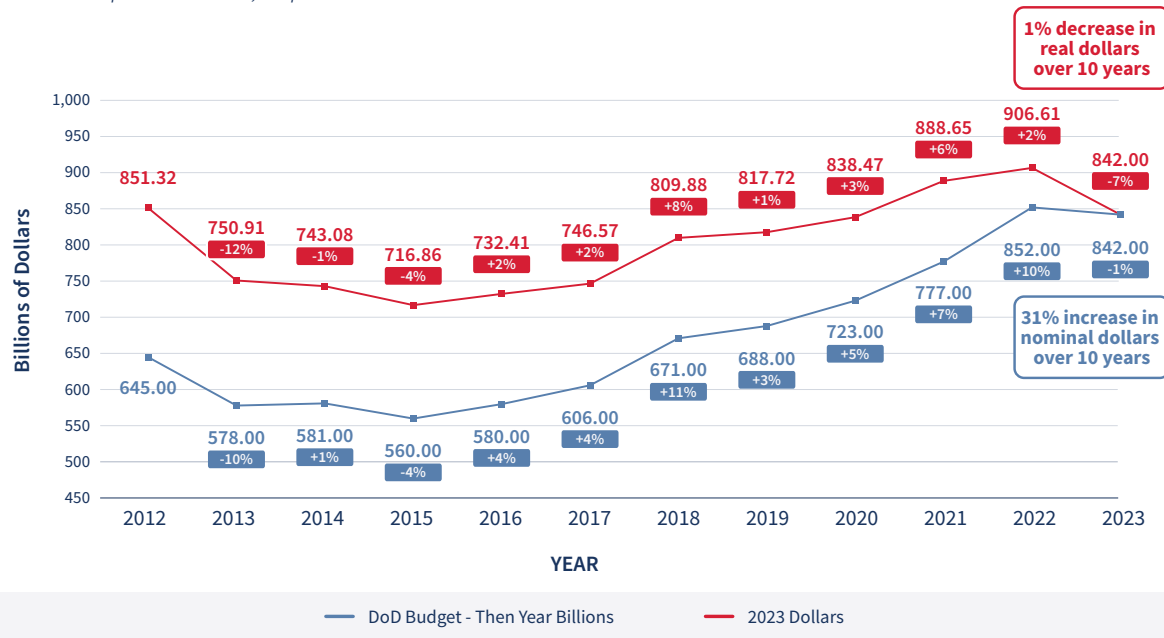
- On March 9, President Joe Biden released his FY 2024 budget request for \$1.7 trillion in total discretionary federal spending next year, including \$842 billion for the Department of Defense.

Why Is It Important?

- Although the Biden administration touts its defense budget request as the largest ever, given inflation, it represents a decrease in real spending on defense—at the same time that U.S. adversaries and competitors are significantly increasing their own defense spending.

DoD Budget Authority Over Time

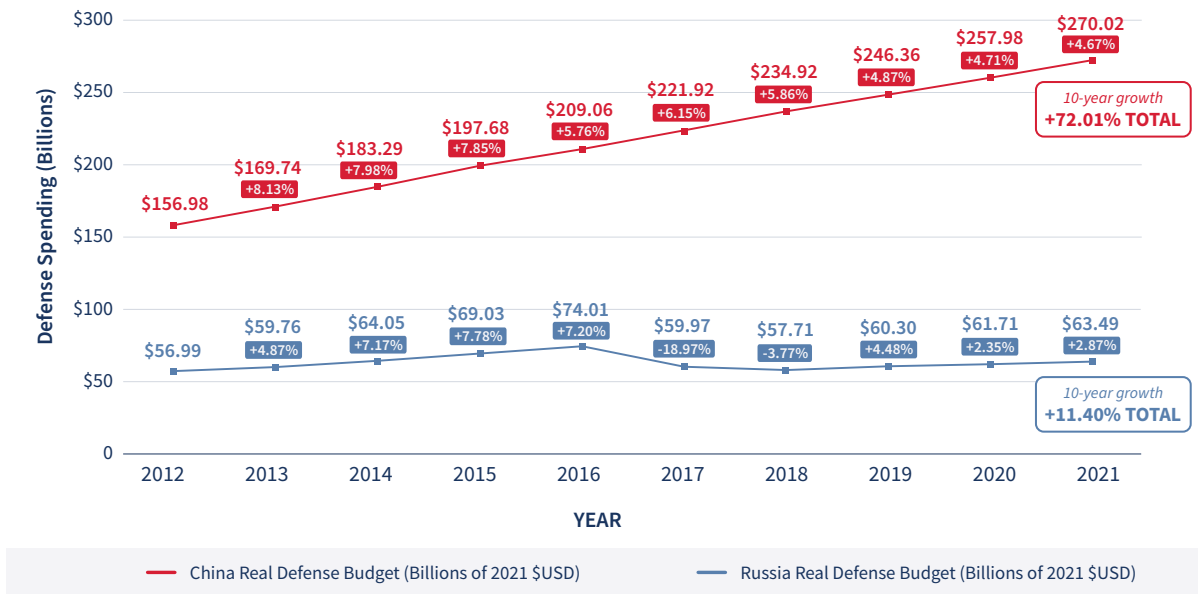
Source: U.S. Department of Defense, Comptroller



- Administration officials have [referred](#) to their [\\$842 billion](#) request for the Department of Defense as the “largest, nominal-dollar peacetime budget ever.” However, the administration’s focus on the nominal dollar figure is misleading and hides an actual reduction in defense spending.
 - » The President’s budget request for DOD is an increase of \$26 billion over FY 2023 base funding levels and \$100 billion more than FY 2022, a 3.2% nominal increase.
 - » However, if inflation rates stay steady at 6% through the end of this fiscal year, the request represents a 3% real decrease in Pentagon funding.
 - The most recent Consumer Price Index (CPI) measurement for February 2023 measured inflation at a [6.0%](#) annualized rate.
 - » As measured by GDP, under the President’s Budget the defense spending would be [3.2%](#) in 2024, a slight increase from 3.0% last year, and consistent with the average spending rate over the past 10 years, but below average rates in the 1990s and early 2000s.
- America’s great power rivals are also increasing their own defense spending significantly.
 - » The People’s Republic of China’s latest military budget for 2023 represents a 7.2% [increase](#) from last year, based on Beijing’s public disclosures which may be understated.
 - » Russia has increased its 2023 military budget by [40% over](#) the originally planned levels from 2021 (to \$84 billion). Even under the Biden administration’s [supposedly strict and successful sanctions](#), they managed to increase funding from 2022 to 2023.

China and Russia Military Spending

Source: SIPRI Military Expenditure Database



- Although the President’s defense budget tracks with the [2022 National Defense Strategy](#)’s (NDS) priorities of China and Russia, it does not allocate sufficient resources to address another NDS priority: addressing threats in the Middle East.
 - » While the NDS notes the need to address the threats posed by Iran and violent extremist organizations like ISIS and Al Qaeda, the budget requests to do so are modest and may be inadequate to the task.
 - » While DOD budget documentation does not delineate total funding by Combatant Commands, in the case of CENTCOM, the U.S. Air Force is the Combatant Command Support Agent (CCSA) and has primary responsibility for funding its headquarters.
 - Funding in [this category](#) shrunk from \$211 million in FY 2021 to a \$116 million request in FY 2023 – a 45% decrease. The Air Force has not yet publicly released supporting material for this year’s FY 2024 request.
 - » While Gen. Kurilla recently testified that “ISIS continues to organize attacks throughout the Middle East and must not be allowed to operate uncontested,” the budget request this year for counter ISIS train and equip funding shrank slightly from last year:
 - Counter ISIS Train and Equip Fund (CTEF) in [Iraq](#): \$242 million requested for FY 2024 vs. 315 million enacted last year.
 - Counter ISIS Train and Equip Fund (CTEF) in [Syria](#): \$156 million requested for FY 2024 vs. 160 million enacted last year.

- Responses to the defense budget broke down along party lines.
 - » **Mike [Rogers](#) (R-AL), House Armed Services Committee Chairman:** “The United States is facing the most complex and challenging set of threats to our national security in decades. Unfortunately, the President has once again submitted a budget request that fails to take these threats seriously.”
 - » **Rep. Adam [Smith](#) (D-WA), House Armed Services Committee Ranking Member:** “President Biden’s topline request addresses a complex range of national security and national defense challenges, from strategic competition with China and Russia, to addressing challenges posed by rogue actors and violent extremist organizations, and climate change.”
 - » **Sen. Jack [Reed](#) (D-RI), Chairman of the Senate Armed Services Committee:** “President Biden has put forth a muscular topline defense budget to keep America safe and strong.”
 - » **Sen. Roger [Wicker](#) (R-MS), Ranking Member of the Senate Armed Services Committee:** “The President’s defense budget is woefully inadequate and disappointing. It does not even resource his own National Defense Strategy to protect our country from growing threats around the world.”
- The administration’s Department of State budget also included several requests relevant to the U.S.-Israel relationship and U.S. regional policy.
 - » The budget requests \$3.3 billion to fulfill the U.S.-Israel Memorandum of Understanding; \$1.45 billion in assistance for Jordan; and \$1.4 billion to support the U.S. strategic partnership with Egypt.
 - It also requests \$259 million for “critical assistance to the Palestinian people in the West Bank and Gaza, as well as across the region, in support of a two-state solution with Israel.”
 - » The Biden Administration claims the budget [supports de-escalation and integration in the Middle East](#) by requesting \$90 million for a new Middle East and North Africa Opportunity Fund “to support priorities for U.S. engagement and respond to prospects for de-escalation and peace across the region.”
 - According to [Jewish Insider](#), this funding will “support U.S. engagement to navigate potential breakthroughs and challenges that can dramatically impact the region,’ including the Negev Forum, as well as peacebuilding in Yemen, Libya and Syria, and democratization in Tunisia...”
 - » The budget also provides \$150 million to support a U.S. return to the UN Educational, Scientific, and Cultural Organization (UNESCO). The United States (and Israel) withdrew from UNESCO in 2018 because of anti-Israeli bias and to stop accumulating arrears, which had [accumulated](#) to more than half a billion dollars.