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FOR ARMS CONTROL
AND NON-PROLIFERATION

Analysis of President Trump's Proposed FY 2018 Pentagon Budget

The Fiscal 2018 budget outline presented by the Trump Administration includes a Pentagon spending request that is unlikely to please many members of Congress. Some will contend that the \$52 billion increase to the Department of Defense compared to current FY 2017 levels is too low, while others will argue that any Pentagon spending boost is unwarranted and comes at the expense of non-defense agencies like the State Department.

Overall, President Trump requests approximately \$639 billion for the Department of Defense, including just under \$65 billion for the Overseas Contingency Operations (OCO) account, a supplemental war fund that is not subject to congressionally-mandated budget caps and is often used to support programs outside of its original scope. The proposal also calls for repealing "defense sequestration" that has limited the Pentagon's base budget since 2011.

John Tierney, executive director of the Center for Arms Control and Non-Proliferation, labeled the proposal as counterproductive to sound budgeting:

"President Trump's call to blindly increase the Pentagon budget lacks any accountability and won't make the American people safer. The Pentagon is the only major federal agency to never pass a legally-mandated audit, meaning the agency can't fully account for more than \$600 billion it receives every year. At the same time, billions of dollars are lost annually on wasteful programs. This budget supports the misguided philosophy that more spending equals better security. In reality, smarter spending equals better security."

Discretionary Spending	FY 2017 CR/Enacted (\$ Billions)	FY 2018 Request (\$ Billions)	Change (\$ Billions)
DOD Base Budget	521.7	574	+52.3
Overseas Contingency Operations - Defense	65	64.6	-0.4
Department of Defense Total	586.7	638.6	+51.9
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State, USAID, Treasury International Prgms. Base Budget	38	27.1	-10.9
State & USAID - Overseas Contingency Operation	19.2	12	-7.2
State, USAID, Treasury International Prgms. Total	57.2	39.1	-18.1
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National Nuclear Security Administration	12.5	13.9	+1.4

	FY 2017 CR/Enacted (\$ Billions)	FY 2018 Request (\$ Billions)	Change (\$ Billions)
Total, Discretionary Spending	1,164.8	1,151.2	-13.6

The proposed budget also provides a \$1.4 billion increase above current FY 2017 levels for the National Nuclear Security Administration (NNSA), an 11% increase. While details are sparse, there is no indication that any increased spending would advance NNSA’s non-proliferation programs that work to secure fissile and radiological material around the world.

The proposed budget calls for major cuts in non-defense spending to fund the Pentagon budget increase, such as:

- ▶ 32% reduction in Department of State and U.S. Agency for International Development (USAID) compared to current FY 2017 levels, including cuts to State and USAID’s allotment under the OCO account.
- ▶ 14% reduction below current FY 2017 levels for the Department of Education.
- ▶ 31% reduction below current FY 2017 levels for the Environmental Protection Agency.

In addition, the budget outline calls for the elimination of numerous federal programs, such as the United States Institute of Peace, Corporation for Public Broadcasting, Legal Services Corporation, Woodrow Wilson International Center for Scholars, National Endowment for the Arts, the Great Lakes Restoration Initiative and cleaning up the Chesapeake Bay.

Alongside the FY 2018 request, President Trump also submitted a supplemental budget for the current fiscal year, which would increase funding for the Pentagon by \$30 billion and add an additional \$3 billion for the administration’s proposed border wall and immigration executive orders. The request also calls for a reduction in funding for non-defense programs by \$18 billion.

Supplemental Request FY2017	
Discretionary Spending	Change (\$ Billions)
Defense (Base Budget)	+25
Defense (Overseas Contingency Operations Account)	+5
Defense Total	+ 30
Border Wall & Executive Orders	+3
Other Non-Defense	-18
Non-Defense Total	-15