

THE DEFENSE MONITOR



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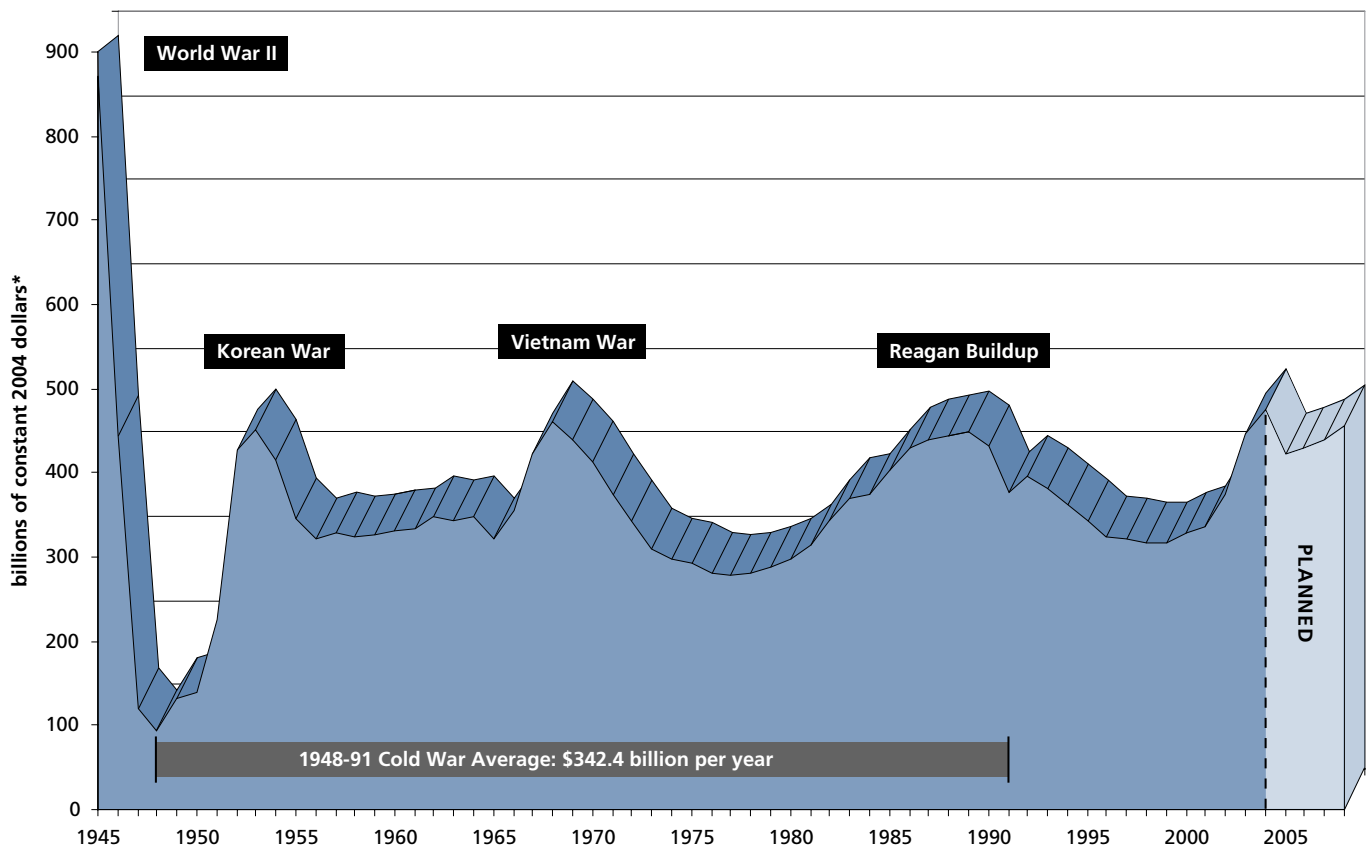
Vital Statistics: The U.S. Military

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THIS ISSUE OF THE DEFENSE MONITOR provides basic information about U.S. and foreign military forces, including facts on size, equipment, and cost. It is intended as a snapshot reference guide — more data is available on the CDI website at www.cdi.org/news/vital-statistics/ and on the government Internet sources listed at the back of the issue.

Despite a substantial change in the nature of threats from war between superpowers to terrorism, the trends in relative spending and force strength between the United States and the rest of the world continue much as they have since the end of the Cold War. The United States maintains, and is even increasing, a massive superiority in

FIGURE 1: U.S. MILITARY SPENDING, FISCAL YEARS 1945-2008



* Figures are in constant dollars, which removes the distortion caused by inflation.

Sources: Tables 7-2 and 5-9, *National Defense Budget Estimates for FY2004*, Office of the Under Secretary of Defense (Comptroller), March 2003. Table 6, *Mid-Session Review, Fiscal Year 2004*, July 15, 2003, Office of Management and Budget.

conventional military capabilities and funding compared to the rest of the world — potential enemies and friends alike. The trend of military funding dominating the U.S. federal budget also continues.

The primary threat to U.S. security, however, is no longer massed Soviet forces, but rather small numbers of attackers who require neither billions or even millions of dollars, nor large conventional military forces, to wreak their havoc. Countering these attackers may require strengthening the diplomatic, economic, law enforcement, and informational tools of national security as much as massive funding of conventional military tools. President George W. Bush's emphasis on overthrowing the "state sponsors" of terrorism does indeed require large

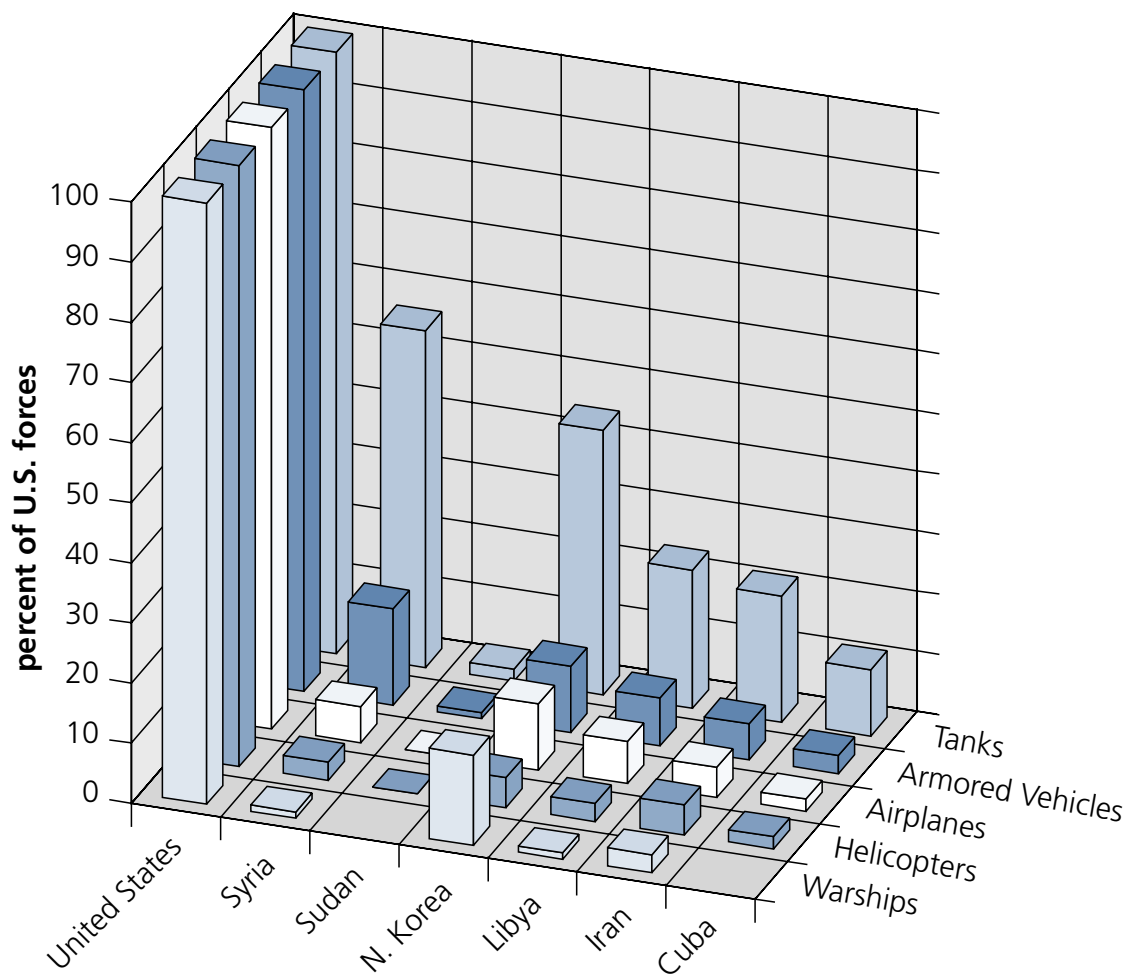
conventional military forces and high spending, but unfortunately the administration's reliance on such "preventive" wars, particularly with its unilateral approach, has inspired opposition, mistrust, and more hatred around the world, adding fuel to the terrorists' cause.

Figure 1: Spending Trends

President Bush's statement that the nation is "at war" is accurate in terms of military spending. As Figure 1 on the previous page illustrates, the administration has successfully raised the level of funding for military forces from high "peacetime" levels during the Cold War to the even higher levels of the Korean and Vietnam conflicts.

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FIGURE 2: RELATIVE SIZE OF U.S. AND OTHER ARMED FORCES



Source: *The Military Balance 2003-2004*, International Institute for Strategic Studies, 2003.

FIGURE 3: STRENGTHS OF U.S., ALLIED, AND SELECTED OTHER ARMED FORCES, 2003

U.S. & ALLIES

	Active Duty Personnel	Reserve Personnel	Heavy Tanks	Armored Infantry Vehicles	Airplanes	Helicopters	Warships	Major Amphibious, Mine, & Support Ships
U.S.	1,427,000	1,237,700	8,023	23,661	10,646	5,772	190	186
France	259,050	100,000	614	4,084	1,291	581	34	53
Germany	284,500	358,650	2,398	5,378	658	657	25	61
U.K.	212,660	272,550	543	4,753	953	647	49	51
Other NATO*	1,538,110	1,963,380	11,027	21,448	4,640	2,198	172	377
Australia	53,650	20,300	101	619	294	134	17	22
Japan	239,900	47,000	1,020	900	779	626	70	66
South Korea	686,000	4,500,000	2,390	2,520	756	490	59	41
Total	4,700,870	8,499,580	26,116	63,363	20,017	11,105	616	857

COUNTRIES WITH POOR U.S. RELATIONS

Cuba	46,000	39,000	900	700	198	90	–	7
Iran	540,000	350,000	1,655	1,420	532	264	6	39
Libya	76,000	40,000	1,840	1,945	706	165	2	14
North Korea	1,082,000	4,700,000	3,500	2,500	1,151	306	29	40
Sudan	104,500	–	200	316	51	27	–	–
Syria	319,000	354,000	4,500	3,800	616	181	2	12
Total	2,167,500	5,483,000	12,595	10,681	3,254	1,033	39	112

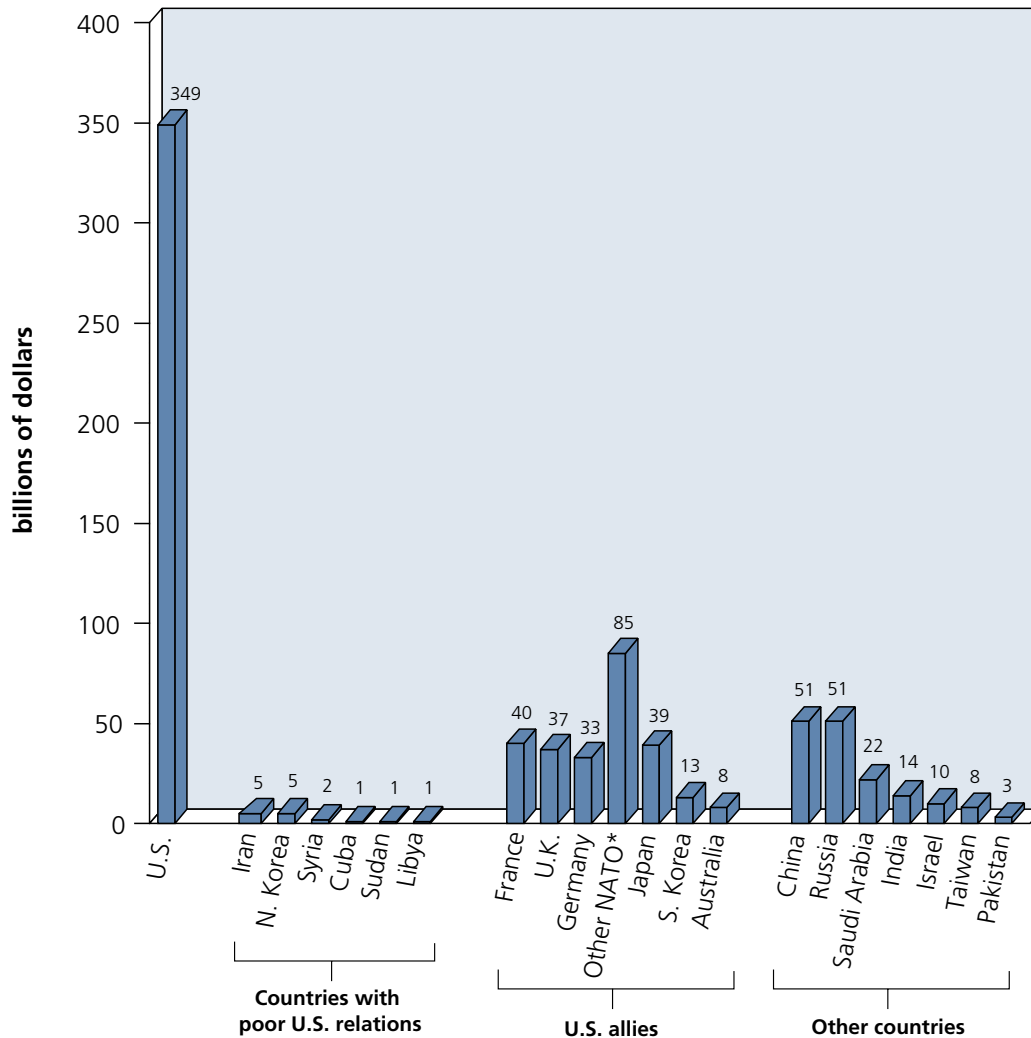
OTHER COUNTRIES

China	2,250,000	600,000	7,180	4,560	3,398	478	132	258
India	1,325,000	535,000	3,938	1,917	1,388	406	48	57
Israel	167,600	358,000	3,950	12,670	575	291	3	–
Pakistan	620,000	513,000	2,368	1,251	631	169	18	12
Russia	960,600	2,400,000	22,380	32,005	5,432	1,870	85	518
Saudi Arabia	124,500	75,000	1,055	5,700	531	193	8	14
Taiwan	290,000	1,657,500	926	1,325	593	275	36	50
Vietnam	484,000	4,000,000	1,315	1,680	259	75	8	46

* Other NATO (North Atlantic Treaty Organization) includes Belgium, Canada, Czech Republic, Denmark, Greece, Hungary, Iceland, Italy, Luxembourg, Netherlands, Norway, Poland, Portugal, Spain and Turkey.

Source: *The Military Balance 2003-2004*, International Institute for Strategic Studies, 2003.

FIGURE 4: GLOBAL MILITARY SPENDING COMPARISONS, 2002



* Other NATO includes Belgium, Canada, Czech Republic, Denmark, Greece, Hungary, Italy, Luxemburg, Netherlands, Norway, Poland, Portugal, Spain and Turkey.

Sources: *The Military Balance 2003-2004*, International Institute for Strategic Studies, 2003. *Budget of the United States Government, Fiscal Year 2004*, Office of Management and Budget.

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(In fact, despite a smaller scale of military operations, the Bush spending will exceed spending at the peak of both the Korean and Vietnam wars.)

Figures 2 and 3: Military Strength

The United States maintains massive superiority of conventional military capabilities compared to countries accused of supporting terrorism. **Figures 2 and 3** on the previous pages enumerate the size and equipment of vari-

ous militaries around the world. Any simple “bean count” such as this understates the full military strength of the United States and its allies. These data do not portray the generally higher capabilities of U.S. and allied weaponry — much of the equipment in nonallied countries is old, obsolete or in poor repair, and would be cannon fodder for U.S. forces. Nor do the data capture the unrivaled U.S. capabilities in communications, sensors, targeting, navigation, intelligence gathering, logistics, training, maintenance and global mobility.

Figure 4: International Spending

Although military spending is not a direct measure of military strength or capabilities, order-of-magnitude comparisons of various countries' spending can be revealing. **Figure 4** shows military spending of the United States, potential adversaries, allies and other nations of interest. The United States is in a league of its own. Interestingly, the closest U.S. allies in NATO plus Japan, South Korea and Australia collectively make up another spending behemoth at \$257 billion, dwarfing even China and Russia.

Figure 5: Total Cost

Figure 5 indicates that official "national defense" spending figures undercount the full cost of military forces and wars. The table does not include additional tens of billions of dollars of military-related spending each year for interest payments on the federal debt, a large share of which is attributable to past military spending but is not estimated by the government. Total interest on the federal debt in Fiscal Year (FY) 2003 was approximately \$328 billion. Calculating the military-related share is complicated, but amounts to at least \$100 billion.

Figure 6: Military and Nonmilitary Spending

Military spending now accounts for about half of all discretionary spending (49.5 percent). The federal government spent approximately \$2.2 trillion in Fiscal Year 2003, including "discretionary" and "mandatory" spending. Discretionary spending pays for activities that we commonly think of as government programs, such as building roads, protect-

FIGURE 5: TOTAL MILITARY AND MILITARY-RELATED SPENDING, 2002-2004

MILITARY	billions of dollars		
	Fiscal Year 2002 actual	Fiscal Year 2003 estimate	Fiscal Year 2004 projected
Department of Defense			
Pay	86.8	92.7	98.7
Operating and Maintenance Costs	130.0	136.3	133.1
Weapon Purchases	62.5	63.2	67.9
Weapon Research	44.4	52.8	58.2
Construction	5.1	6.0	6.1
Other	3.2	7.1	6.7
Subtotal	332.0	358.2	370.7
Supplementary Spending*		48.8	65.6
Department of Defense Subtotal	332.0	407.0	436.3
Nuclear Weapon Programs	14.9	16.3	17.1
Defense-related activities	1.7	1.8	2.6
"National Defense"	348.6	425.1	456.0
MILITARY-RELATED			
Foreign Military Aid	7.9	6.8	7.3
Military Retirement Pay	35.1	36.0	36.8
Veterans' Benefits	51.0	57.1	62.0

* Primarily for military operations in Afghanistan and Iraq. The \$65.6 billion figure is the requested budget. Actual outlays spent in Fiscal Year 2004 will be slightly different.

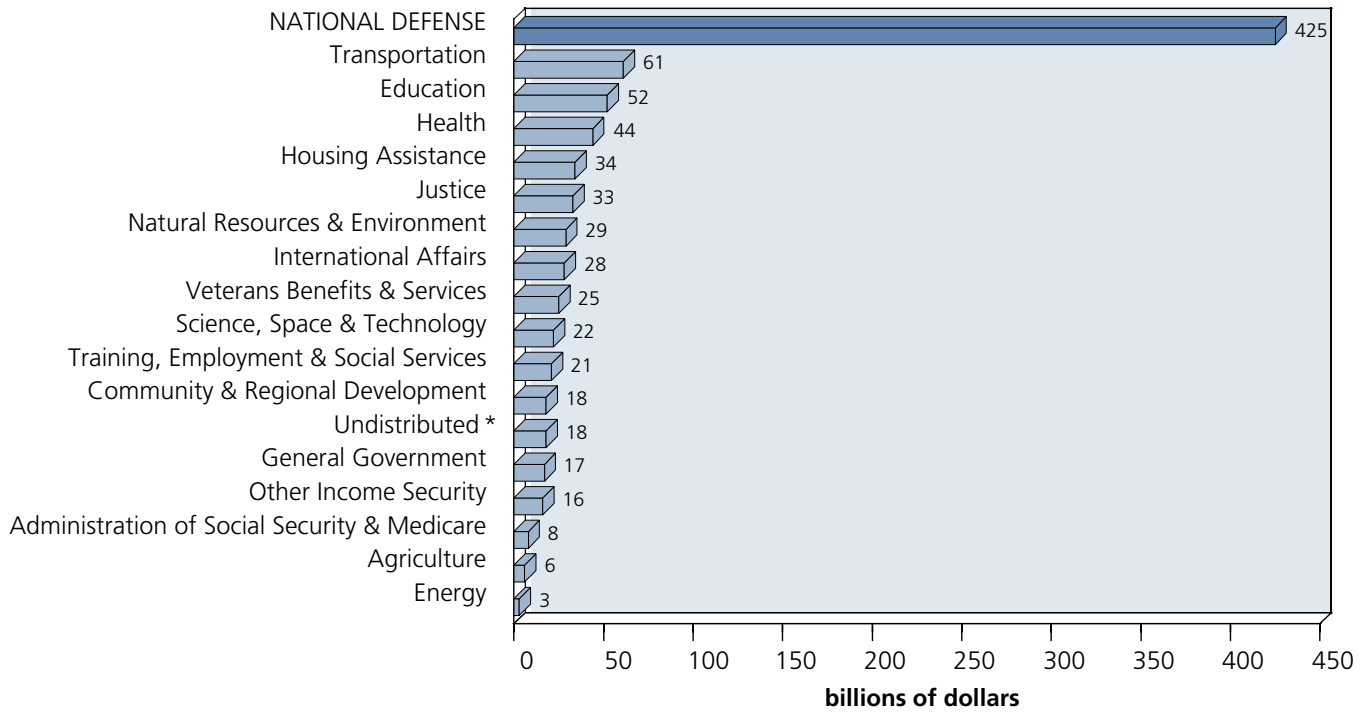
Sources: Table 3.2, Budget of the United States Government, *Fiscal Year 2004, Historical Tables*, Office of Management and Budget. Table 25-2, Budget of the United States Government, Fiscal Year 2004, Analytical Perspectives, Office of Management and Budget. Table 6, Mid-Session Review, Fiscal Year 2004, July 15, 2003, Office of Management and Budget. FY2004 Supplemental Appropriations Request for Iraq and Afghanistan, letter, Sept. 17, 2003, Office of Management and Budget.

ing the environment and enforcing the law. (Mandatory spending includes payments to individuals, such as Social Security, Medicare, food stamps and federal pensions, and also interest payments on the national debt.) **Figure 6** on the next page shows estimated discretionary spending in 2003.

Military spending also dwarfs spending in other areas of national security and foreign policy. The entire spending for the Department of State and other foreign affairs agencies amounted to a mere \$8 billion in 2003, less than 2 percent of the military total. Economic development aid, which Bush has acknowledged

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FIGURE 6: U.S. DISCRETIONARY SPENDING, FISCAL YEAR 2003



* Supplemental nondefense discretionary spending, estimated by OMB in its mid-section review, but not broken down by category.

Sources: Tables 8.7 and 3.2, *Budget of the United States Government, Fiscal Year 2004, Historical Tables*, Office of Management and Budget. Table S-2, *Budget of the United States Government, Fiscal Year 2004*, Office of Management and Budget. Table 6, *Mid-Session Review, Fiscal Year 2004*, July 15, 2003, Office of Management and Budget.

FIGURE 7: TEN LARGEST U.S. WEAPON PROGRAMS

Weapon	Type	Total Cost (billions of constant 2003 dollars)	Quantity	Cost per Item (millions of constant 2003 dollars)
Ballistic Missile Defense	Missile Defense	744?	–	–
F-35 Joint Strike Fighter	Fighter-Bomber	163.6	2,457	67
SSN-774 Virginia class	Attack Submarine	74.1	30	2,470
F-22 Raptor	Fighter-Bomber	73.3	278	264
DDG-51 Arleigh Burke class	Guided Missile Destroyer	68.8	62	1,110
C-17 Globemaster III	Transport Plane	65.1	180	362
F/A-18E/F Super Hornet	Fighter-Bomber	50.0	552	91
V-22 Osprey	Tilt-Rotor Transport Aircraft	46.6	458	102
Trident II	Nuclear Missile	42.5	568	75
RAH-66 Comanche	Helicopter	34.6	650	53

Sources: *Selected Acquisition Report*, Department of Defense, Dec. 31, 2002. *The Full Costs of Ballistic Missile Defense*, Economists Allied for Arms Reduction and Center for Arms Control and Non-Proliferation, January 2003.

FIGURE 8: TEN LARGEST U.S. MILITARY CONTRACTORS, FISCAL YEAR 2002

Company	DoD Contract Value, Fiscal Year 2002 billions of dollars	Campaign Contributions, 1996-2004* millions of dollars
1. Lockheed Martin Corporation	17.0	8.7
2. Boeing Company	16.6	1.1
3. Northrop Grumman Corporation	8.7	4.8
4. Raytheon Company	7.0	4.0
5. General Dynamics Corporation	7.0	5.1
6. United Technologies Corporation	3.6	2.2
7. Science Applications International Corp.	2.1	2.3
8. TRW Inc.	2.0	2.0
9. Health Net, Inc.	1.7	–
10. L-3 Communications Holdings, Inc.	1.7	0.05
Total of All DoD Contractors	170.8	

* 2004 figures as of November 2003. Millions more will likely be spent in 2004. Figures are probably underreported as companies contribute under different names.

Sources: *100 Companies Receiving the Largest Dollar Volume of Prime Contract Awards – Fiscal Year 2002*, Directorate for Information Operations and Reports - Washington Headquarters Services, Department of Defense. Center for Responsive Politics, www.opensecrets.org.

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is a useful tool in countering terrorism, totaled less than \$9 billion. The discretionary budget for all homeland security programs excluding the Defense Department was only \$32 billion.

Figures 7 and 8: Weapon Costs

Figure 7 shows the most expensive weapon programs currently underway, all of which had their origins in the Cold War. The rationales for several of them, particularly the Air Force’s Raptor fighter, the Navy’s Virginia-class

submarine, and the Army’s Comanche helicopter, have become questionable in light of the types of operations undertaken since Sept. 11, 2001. The priority accorded to such leftover programs needs to be reviewed more closely given their cost — over \$1.3 trillion for the top 10 alone. Some of their funding may need to be switched to other tools of national security that more directly address the threat posed by small groups of terrorists. Reallocating resources will remain difficult, however, as long as the large contributions to politicians from weapon manufacturers such as those shown in Figure 8 continue. ■

OFFICIAL INTERNET SITES FOR BASIC MILITARY INFORMATION

The main Defense Department public website:

Department of Defense
www.defenselink.mil

Secretary of Defense’s Annual Report to the President and the Congress, 2002:

www.defenselink.mil/execsec/adr2002/index.htm

Defense Department and weapon spending information:

Office of the Under Secretary of Defense (Comptroller)
www.dod.mil/comptroller/budgetindex.html

Federal spending information:

Office of Management and Budget
www.whitehouse.gov/omb/budget/fy2004

Data on military personnel and defense contracts:

Directorate for Information Operations and Reports - Washington Headquarters Services
web1.whs.osd.mil/diorhome.htm

Military services’ equipment websites:

www.army.mil/fact_files_site/index.html
www.chinfo.navy.mil/navpalib/factfile/ffiletop.html
www.hqmc.usmc.mil/factfile.nsf/AVE?openview&count=3000
www.af.mil/factsheets

The Bush administration’s National Security Strategy:

www.whitehouse.gov/nsc/nss.html

The Bush administration’s military plan, known as the Quadrennial Defense Review:

www.defenselink.mil/pubs/qdr2001.pdf



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