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## BRIEFS

# Few Surprises in the FY 2011 Defense Budget Request

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Resources: Budget & Resources

The Obama administration today unveiled its defense budget request for FY 2011, which totals \$549 billion in discretionary funding for the peacetime costs of the Department of Defense (DoD) and \$4 billion in mandatory funding. In addition to the “base” budget, the administration also requests \$159 billion for Overseas Contingency Operations (OCO) and \$26 billion for national defense activities in the Department of energy and other agencies. altogether, the total national defense budget request is \$739 billion for FY 2011. The budget also includes a supplemental request for \$33 billion in additional funding for OCO for the remainder of FY 2010.

This request increases the base defense budget by 3.4 percent in nominal terms over the \$531 billion appropriated by Congress for FY 2010, or 1.8 percent in real terms using the DoD adjustment for inflation and 2.3 percent using the GDP Price Index for inflation<sup>1</sup> Including the supplemental request for additional war funding in FY 2010, the cost of the wars in Iraq and Afghanistan will actually decline slightly from \$163 billion in FY 2010 to \$159 billion in FY 2011. below is a summary of the budget request by account with comparisons to the previous levels of funding and the real annual rate of growth over the past ten years. Operations and Maintenance (O&M) and Procurement are the fastest growing accounts in the budget this year. research, development, testing, and evaluation (RDT&E) funding declines, although if historical trends hold true Congress will add roughly 5 percent to what the administration is requesting for this account.<sup>2</sup> The precipitous decline in military construction funding was expected with the winding down of the 2005 Base realignment and Closure (BRAC) process in this year’s budget.