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# Defense Report

AUSA



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## The DOD FY'77 Budget: Enough?

In a recent briefing, Deputy Secretary of Defense William P. Clements, Jr. said that he was "pleased with the budget" although not completely satisfied. Many do not share his pleasure.

Probably no one is satisfied with this budget. Liberals feel that any amount is too big; others, including those who understand the threat, recognize that it is too small, particularly in the area of "real growth."

Why too small? Since 1968, Soviet military forces have been experiencing a real growth rate of between two and three per cent a year (some say more). The United States military on the other hand has had a decline in growth of about the same size over the same period. Continuation of this trend would put the USSR clearly ahead of the U. S. militarily in 5-10 years.

In FY'76, DOD attempted to reverse this trend by programming about \$4.5 billion into the budget for real growth. Congress finally approved a budget which permitted about \$2 billion for this purpose. The trend was slowed, not reversed.

This year, DOD's budget proposal contains \$7.2 billion in real growth. If this is approved, the plan is to ask for \$4 billion for the same purpose in each of FY's 78 thru 81.

Conservative critics say these figures are too low. They point out that: (1) the current plan is about \$1 billion below the annual catch-up rate planned by former SECDEF, James R. Schlesinger, a fact admitted by DOD which plans to absorb that billion via unspecified improved management and belt-tightening; (2) the plan does not fully take into account the Navy's real immediate needs for increased shipbuilding; (3) Congress will surely cut the budget (if they follow last year's pattern, the real growth will be cut to about \$3.3 billion), and (4) \$2.8 billion of the growth comes from DOD's plans to cut personnel related costs in ways which may have a serious impact on both morale and training.

These critics, including the AUSA, agree that the \$7.2 billion planned for real growth this year is clearly a step in the right direction. However, it is too little, and it could well be too late.