

# Russia's a 'Threat,' but China's Still the Focus of New National Defense Strategy, 2023 Pentagon Budget



Deputy Secretary of Defense Dr. Kathleen H. Hicks and Vice Chairman of the Joint Chiefs of Staff U.S. Navy Adm. Christopher W. Grady deliver opening remarks on the President's Fiscal Year 2023 Defense Budget, the Pentagon, Washington, D.C., March 28. *DOD / Air Force Staff Sgt. Brittany A. Chase*

ARLINGTON, Va. – More money for science and technology research, dealing with climate change, modernizing the nuclear triad and deterring Russia in Europe and China in the Indo-Pacific region are among the priorities outlined in President Joe Biden's fiscal 2023 defense budget request.

The \$813 billion national defense budget request released March 28 includes \$773 billion for the Defense Department and more than \$40 billion for defense-related activities at other agencies.

The request reflects the updated National Defense Strategy, which continues to focus on the pacing challenge of China, Defense Secretary Lloyd Austin III said in a statement accompanying the 2023 budget rollout. "It will help us prepare for other future challenges, as well, including those by climate change ... North Korea, Iran and violent extremist organizations."

While Russia's "brutal and unprovoked" invasion of Ukraine illustrates how Moscow "poses an acute threat to the world

order,” the 2022 NDS sees the People’s Republic of China “as our most consequential strategic competitor and the pacing challenge for the department,” Deputy Defense Secretary Kathleen Hicks told a March 28 livestreamed Pentagon press briefing on the budget request.

The same day, a classified version of the new strategy was delivered to Congress and a two-page unclassified fact sheet was released. It stated mutually beneficial alliances and partnerships are “critical to achieving our objectives, as the unified response to Russia’s further invasion of Ukraine has demonstrated.”

### **Additional Investments**

The focus on China “required additional investments for both the Navy and the Air Force,” said Undersecretary of Defense Michael McCord, the department’s chief financial officer. While the U.S. Navy and Air Force are slated to receive more than \$230 billion each in the 2023 funding request, the Biden administration is seeking only \$173 billion for the Army.

The budget request is devoting \$134.7 billion to joint force readiness: Allocating \$29.4 billion to the Army, \$47.4 billion to the Navy, \$4.1 billion for the Marine Corps, \$35.5 billion for the Air Force, \$3 billion for Space Force and \$9.7 billion for Special Operations Command.

The proposed budget seeks \$6.1 billion for the Pacific Deterrence Initiative, including \$892 million for the defense of Guam including improved missile defense, command, and control capabilities, radar capacity and new construction. The Indo-Pacific Command funding adds \$133 million for other base defense enhancements throughout the region. U.S. European Command would get \$4.2 billion for the European Deterrence Initiative, including \$300 million in security assistance for Ukraine.

To meet new technology challenges, the Pentagon is seeking

\$130.1 billion for research, development, testing and evaluation – an all-time high, more than 9.5% above RTD&E funding in the enacted 2022 defense legislation – that includes artificial intelligence, machine learning and 5G wireless networks and investments in chemical production, bio-manufacturing and rare earth element supply chains.

Investments in the industrial base and supply chain include \$1.3 billion to improve critical naval infrastructure through the Shipyard Infrastructure Optimization Program; \$3.3 billion for microelectronics; \$48 million for casting and forging; \$43 million for batteries and energy storage, including establishing safety and testing capacity for future weapon systems; \$605 million for kinetic capabilities, such as expanding the industrial base for hypersonic missiles and directed energy weapons.

Other plans include \$543 million to strengthen the submarine industrial base through expanding sub-tier suppliers, and \$207 million to train the submarine workforce.

The budget invests over \$11 billion to continue modernization of cyber network defense capabilities for a more resilient Defense Department information network and defense industrial base.

For the first time, the budget is committing \$3.1 billion exclusively to dealing with climate change, including \$2 billion for installation resiliency and adaptation and \$247 million for operational energy and buying power.

“We have to be resilient to cyber threats, we have to be resilient to climate change,” said Hicks.

The 2023 budget request seeks \$34.4 billion to modernize the nuclear triad, including \$6.3 billion to fully fund the Columbia-class ballistic missile submarine, the Navy’s top platform priority; \$5 billion for the B-21 Raider, the Air Force’s long range strike bomber, and \$3.6 billion for the

next generation intercontinental ballistic missile system, the Ground Based Strategic Deterrent; and \$1 billion for the Long-Range Stand-Off missile.

The 2023 request includes a 4.6% pay raise for civilian and military personnel, the largest pay raise for all Defense Department workers in 20 years.

### **Inflation Effects**

The \$773 billion 2023 budget request is a 4.1% increase, \$30.7 billion, over the fiscal 2022 budget passed by Congress in December and \$58 billion, or 8%, higher than the Biden administration's initial \$715 billion fiscal 2022 request. However, taking inflation into account, McCord conceded the \$773 2023 request actually represents about 1.5% in real growth spending over the \$742 billion enacted in the fiscal 2022 budget.

Republican lawmakers say the increased budget request does not account for record high inflation. Sen. Jim Inhofe (R-Oklahoma) and Rep. Mike Rogers (R-Alabama), the ranking members of the Senate and House Armed Services Committees, announced March 29 they have requested information on the effects of inflation on the Defense Department budget from Pentagon leadership and the military services.

Inhofe and Rogers noted that current inflation is "effectively a 5% to 8% cut to the department's buying power, which could amount to between \$20-\$30 billion in unfunded costs in fiscal year 2022 alone, not to mention lost buying power in fiscal year 2021 and potential lost buying power in fiscal year 2023."