

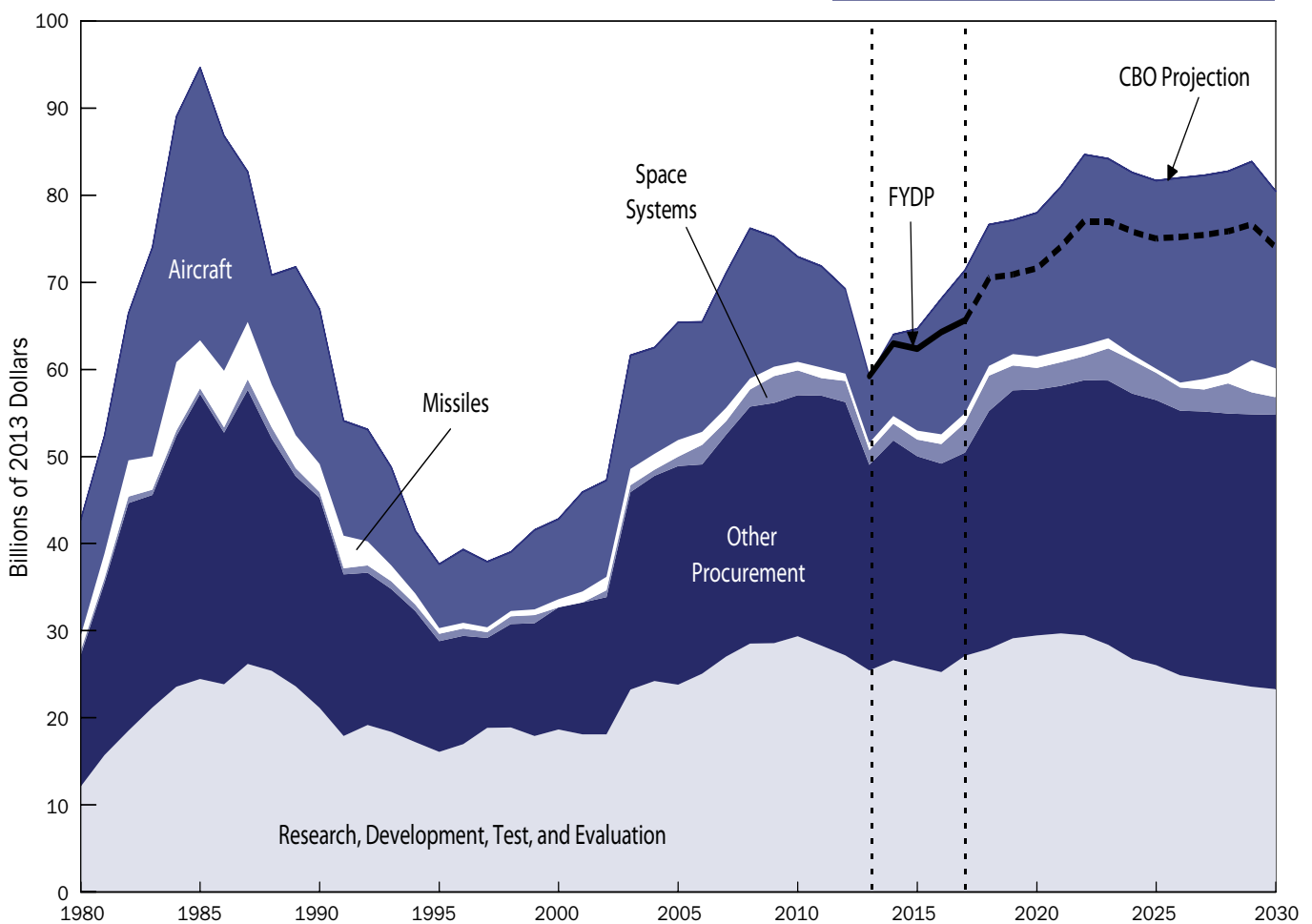
Up, Down, Up, Down, and ... Up?

Air Force spending on acquisition—investment in weapons, equipment, research, and development—reached a modern peak in 1985, when the outlay hit a towering \$95 billion in current dollars. Then came a long roller-coaster ride, with spending going down (to \$35 billion), back up (to \$75 billion), and back down (to \$60 billion). Now, assuming that sequestration can be avoided, USAF's plans are headed back up. DOD's Future Years Defense Program has put acquisition

on a trajectory to immediately reverse the recent declines, to hit about \$80 billion in the early 2020s, and then level off. The Congressional Budget Office thinks DOD estimates are too low. The CBO projects USAF acquisition spending will hit \$71 billion by 2017 and keep rising to \$85 billion in 2022. The increase will be needed to fund new aircraft programs such as the F-35 fighter, KC-46 tanker, and a new long-range strike aircraft.

Costs of the Air Force's Acquisition Plans

Data for years 1980-2012 are actual. The FYDP years—2013-2017—are those for which DOD plans and costs have been fully specified. The 2018-2030 extension of the FYDP (shown as a dotted line) is a CBO projection from DOD's own assumptions. As can be seen, CBO's own projection—using its own assumptions—exceeds that of DOD.



Source: "Long-Term Implications of the 2013 Future Years Defense Program," Congressional Budget Office, Washington, D.C., July 2012.