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Defense Strategy

Overview of the US strategy process
and what to expect for the
US National Defense Strategy in 2022

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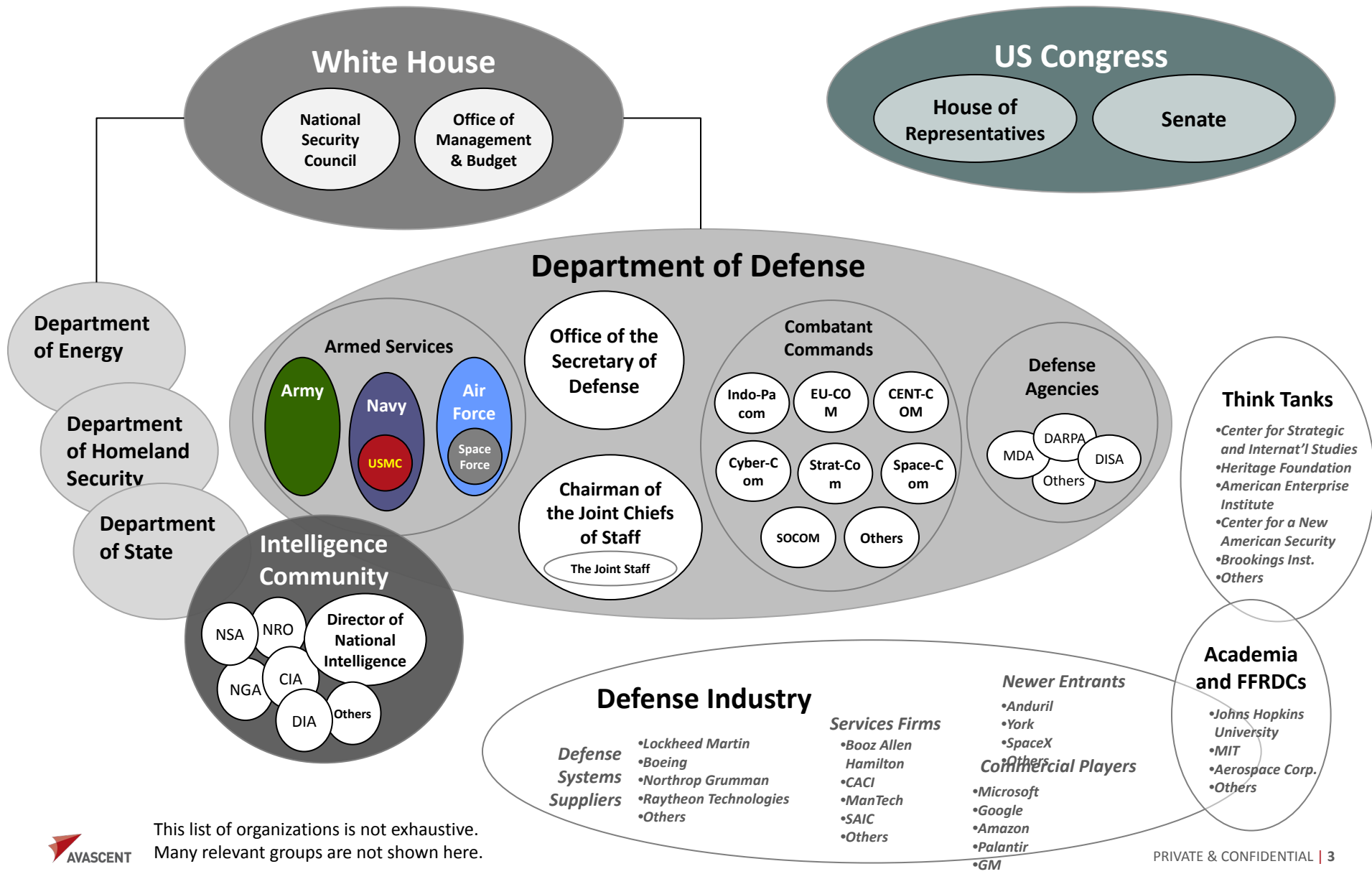
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Executive Summary

- The US process for linking strategy to defense plans and resources involves a **complex array of organizations**
- The process begins with a **National Security Strategy** that is set by the White House every four years
 - The White House will soon publish a strategy that emphasizes both military and non-military threats to US security, including climate change, pandemics and economic risks
- The Department of Defense (DoD) then develops a **National Defense Strategy** to guide budget choices
 - DoD will soon publish a new NDS that continues to emphasize China as the primary focus of US defense planning
- Every year, DoD conducts the **Planning, Programming, Budgeting & Execution (PPBE)** process to develop budget plans over a 5-year period
 - The first year of that 5-year plan represents the President's Budget Request to Congress
- The US national security planning process is seen as having **several major problems:**
 - It is too slow to accommodate changes in major events or technology
 - It fails to align strategy to available budgets
 - It is too focused on military forces rather than other forms of national power

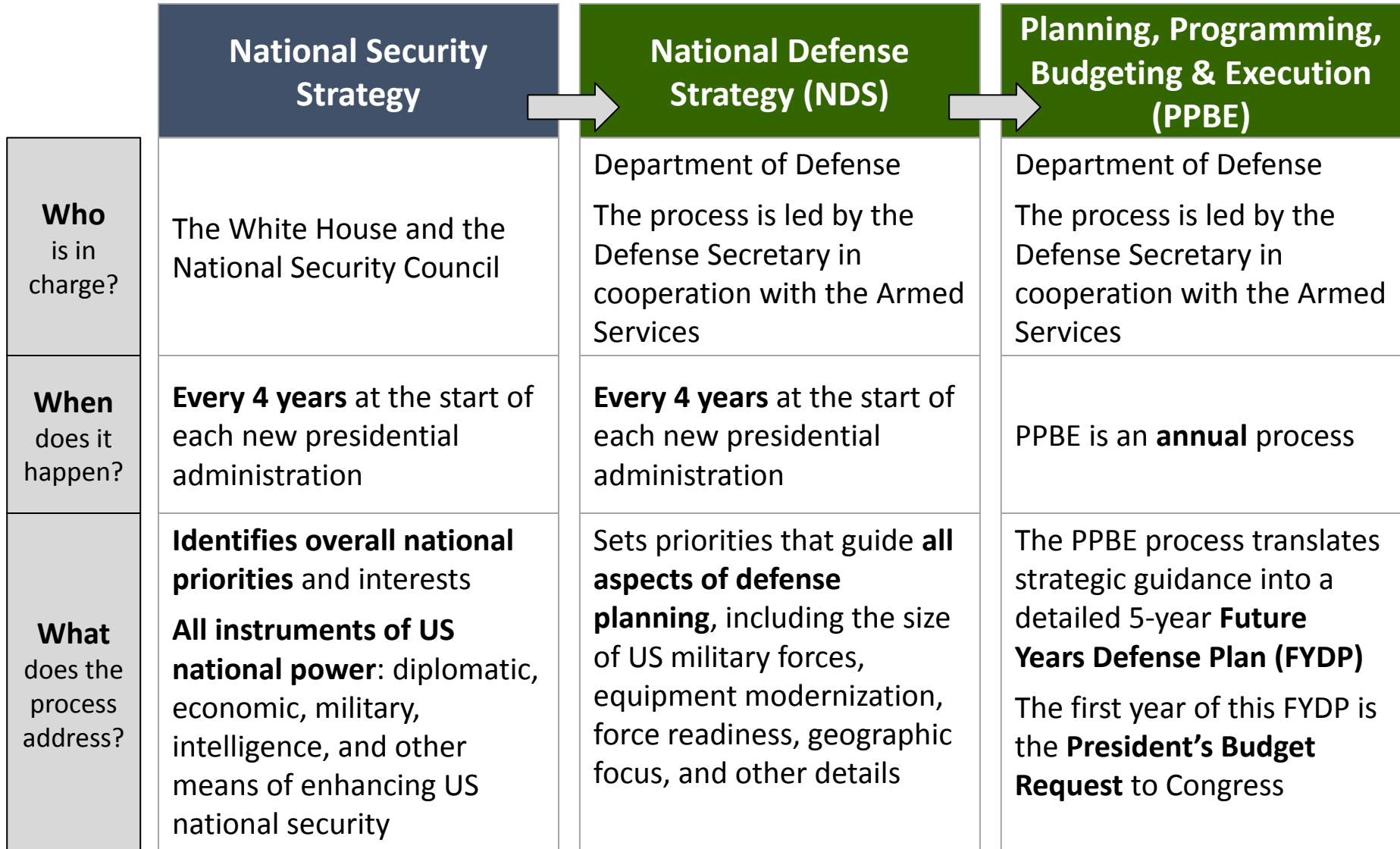
The US national security establishment is a vast and complex collection of groups



This list of organizations is not exhaustive. Many relevant groups are not shown here.



US defense planning is intended to flow from a high-level strategy that is set at the start of each new presidential administration



PPBE process unfolds over more than a year, and involves give-and-take among various groups inside the Department of Defense

The Planning, Programming, Budgeting & Execution (PPBE) Process

October November December January February March April May June July August September October November December January February

Planning

The Office of the Secretary of Defense (OSD) develops “planning guidance” to provide direction to the Armed Services as they develop their budget plans

Programming & Budgeting

The Armed Services each develops a detailed “Program Objective Memorandum (POM),” which specifies spending plans for personnel, acquisition projects and other areas over the 5-year FYDP

Program/Budget Review

OSD reviews the Services’ POM submissions for adherence to the planning guidance. OSD makes changes on the basis of budget adjustments by OMB

President’s Budget Request

DoD delivers the proposed budget to the White House’s Office of Management & Budget (OMB), which submits the overall Federal budget to the US Congress for review

Key Points to Remember

- There is tension between OSD and the Armed Services
- OSD makes trades among all aspects of US military capability and forces
- Armed Services aim to maximize their individual interests
- The Chairman of the Joint Chiefs of Staff provides military advice to OSD on “Joint” priorities

The Biden Administration is nearly ready to issue both a new National Security Strategy and a National Defense Strategy

National Security Strategy

- The new National Security Strategy will highlight other sources of national risk besides military threats
 - Climate change
 - Economic insecurity
 - Pandemic response
 - Cyber threats
- The Biden Administration will emphasize greater balance among diplomatic, economic, military and other forms of power

National Defense Strategy (NDS)

- The new NDS will be similar to the defense strategy published in 2018
- The NDS will focus on Great Power competition, and downplay threats like terrorism and insurgency
- The NDS will cite China as the “pacing threat” driving US decisions on military force planning and defense modernization
- The NDS will point to Russia as an “acute threat” but China will remain the primary focus for DoD

The US process for defense strategy, planning and budgeting has been criticized in several areas

Limited “Whole of Government” Approach

- The US strategy process has been criticized for focusing too much on military forces, and too little on diplomatic, economic, scientific and other instruments of national power



The Biden Administration will aim to focus more on non-military tools in its 2022 National Security Strategy

Mismatch Between Strategy and Resources

- The National Defense Strategy rarely sets priorities that account for the size of the available budget
- Defense equipment, R&D, military forces, personnel, and overhead costs are always more expensive than the strategy assumes



DoD continues to search for internal cost savings, but this problem continues to persist

DoD Process is Too Slow to Accommodate Change

- The PPBE process plans the budget that will be executed 2 years into the future
- This long-term planning process can leave DoD unable to shift funding quickly to areas of need or opportunity



Congress has sponsored a panel to study possible PPBE reforms. The panel will issue its report in September 2023

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The US national security establishment commonly uses a long list of acronyms when discussing strategy, defense policy, resource planning, and related issues

- DoD: Department of Defense
- FYDP: Future Years Defense Plan
- JCS: Joint Chiefs of Staff
- NDS: National Defense Strategy
- NSS: National Security Strategy
- OMB: Office of Management and Budget
- OSD: Office of the Secretary of Defense
- PBR: President's Budget Request
- POM: Program Objective Memorandum
- PPBE: Planning, Programming, Budgeting and Execution System
- R&D: Research & Development