

Preface

From Fiscal Year (FY) 1969 to FY 2005, the Office of the Secretary of Defense published the "Annual Defense Report" (ADR) to meet 10 USC section 113 requirements. Beginning in FY 2009, the Overview Book fulfilled this role, and it is published each year as part of the President's Annual Defense Budget.

The Overview is one part of an extensive set of materials that constitute the presentation and justification of the President's Budget for FY 2025. This document and all other publications for this and previous Department of Defense (DoD) budgets are available from the public website of the Under Secretary of Defense (Comptroller) http://comptroller.defense.gov.

The Press Release and Budget Briefing, often referred to as the "Budget Rollout," and the Program Acquisition Costs by Weapons System book, which includes summary details on major DoD acquisition programs (i.e., aircraft, ground forces programs, shipbuilding, space systems, etc.), are especially relevant.

Notable accomplishments and updates will be summarized in the forthcoming 2023 Annual Performance Report (APR). Unclassified versions of the Annual Performance Plan (APP) and APR will be posted at https://dam.defense.gov/Performance/ when available.

Other background information can be accessed at www.defense.gov.

The estimated cost of this report or study for the Department of Defense is approximately \$40,000 for the 2024 Fiscal Year. This includes \$11,000 in expenses and \$29,000 in DoD labor.

Generated on 2024Feb28 RefID: 4-811F48A

1. FY 2025 BUDGET SUMMARY

"...only one country on Earth can provide the kind of leadership that this moment demands. And only one country can consistently provide the powerful combination of innovation, ingenuity, and idealism—and of free minds, free enterprise, and free people. And that's the United States of America."

- Secretary of Defense Lloyd J. Austin III at the Reagan National Defense Forum, December 2023

2022 NATIONAL SECURITY STRATEGY AND NATIONAL DEFENSE STRATEGY

The President's National Security Strategy (NSS) and the Secretary of Defense's National Defense Strategy (NDS), both signed and released in 2022, fully informed the building of the Fiscal Year 2025 budget request, resulting in a submission that is comprehensively aligned with national strategic priorities.

President's National Security Strategy

Sections

- 2022 National Security Strategy and National Defense Strategy
- FY 2025 Budget Request Overview
- Resourcing the 2022 NDS
- Conclusion

The NSS remains unchanged from last year's budget. Key tenets for the military in the NSS include:

- By modernizing our military, pursuing advanced technologies, and investing in our defense workforce, we will have strengthened deterrence in an era of increasing geopolitical confrontation, and positioned America to defend our homeland, our allies, partners, and interests overseas, and our values across the globe.
- The United States will continue to defend democracy around the world. We will continue to invest in boosting American competitiveness globally. We will partner with any nation that believes the rules-based order must remain the foundation for global peace and prosperity. And we will continue to demonstrate how America's enduring leadership to address today's and tomorrow's challenges, with vision and clarity, is the best way to deliver for the American people.
- We are doing more to connect our partners and strategies across regions through initiatives like our security partnership with Australia and the United Kingdom (AUKUS) in support of the NSS.

National Defense Strategy – Defense Priorities

Like the NSS, the NDS issued in 2022 remains unchanged. It directs the Department to act urgently to sustain and strengthen U.S. military credibility and deterrence capability. The NDS identifies four top-level defense priorities the Department must pursue to strengthen deterrence:

 First, the Department will defend the Homeland, with the PRC as the Department's pacing challenge.



Overview - FY 2025 Defense Budget

- Second, the Department will deter strategic attacks against the United States, allies, and partners.
- Third, the Department will deter aggression and be prepared to prevail in conflict when necessary.
- Fourth, to ensure the Department's future military advantage, the Department will continue to build a resilient Joint Force and defense ecosystem.

Central Premise

Over a year into implementation, the 2022 NDS remains our North Star. The 2022 NDS advances a strategy focused on the People's Republic of China (PRC) and seeks to prevent the PRC's dominance of key regions, while protecting the U.S. homeland and reinforcing a stable and open international system. Consistent with the 2022 NSS, a vital objective of the NDS is to dissuade the PRC from considering aggression as a viable means of advancing goals that threaten vital U.S. national interests. Conflict with the PRC is neither inevitable nor desirable. The Department's priorities support broader whole-of-government efforts to develop terms of interaction with the PRC that are favorable to our interests and values, while managing strategic competition and enabling the pursuit of cooperation on shared challenges.

Even as we focus on the PRC as our pacing challenge, the NDS also accounts for the acute threat posed by Russia, demonstrated by our continued efforts to oppose Russian aggression in Europe and their unprovoked invasion of Ukraine. The Department's investments will continue robust deterrence of Russian aggression against vital U.S. national interests, including commitments to our treaties. We will work closely via the North Atlantic Treaty Organization (NATO) and with our allies and partners to develop critical enabling capabilities and deepen interoperability for a more credible combined Allied force. In service of the NDS strategic priorities, the Department will accept measured risk but remain vigilant in the face of other persistent threats, including those posed by North Korea, Iran, and violent extremist organizations.

Security Environment

The 2022 NDS provides the Department with a guiding framework that accounts for changes in the geopolitical landscape. In this complex and dynamic security environment, the Department will continue to maintain its distinctive advantages in military capabilities for the Total Force, enhance the ability to support and employ that force with allies and partners, and conduct military activities that advance U.S. national interests.

An increasing array of fast-evolving technologies and innovative applications of existing technology complicates the Department's ability to maintain an edge in combat credibility and deterrence. Newer capabilities such as counterspace weapons, hypersonic weapons, new and emerging payload and delivery systems, and lack of clarity for norms of behavior in space, cyber, and information domains continue to create a heightened potential for inadvertent escalation or shifts in perceived deterrence of U.S. military power. New applications of artificial intelligence, quantum science, autonomous weapons designs, biotechnology, and space technologies can change traditional, kinetic military conflict, and disrupt the U.S. supply chain and logistics operations vital to maintaining combat credibility. The Department likewise faces destabilizing and potentially catastrophic transboundary challenges, including climate change and pandemics, which have increasingly affected the Total Force.



Figure 1.3. Defense Outlays as a Percent of Gross Domestic Product, FY 1953 – FY 2029

1950 1955 1960 1965 1970 1975 1980 1985 1990 1995 2000 2005 2010 2015 2020 2025 2030 Historical data is calculated from GDP in OMB's FY 2024 PB Historical Table 10.1, Gross Domestic Product and Deflators Used in the Historical Tables. FYs 2023 – 2029 are calculated from GDP in OMB's Economic Assumptions for the 2025 Budget.

Defense outlays are relatively modest as a percent of Gross Domestic Product (GDP). During this time of great uncertainty, the United States can ill afford the cost of global instability. In order to remain as the steady friend of our allies and partners and a credible deterrent to aggression, the Department must have resources that meet today's challenges and give our warfighters the tools they require to prevail. We also must safeguard the precious resources of our nation, an effort that begins with a strategically focused and analytically sound budget request to the Congress.

RESOURCING THE 2022 NATIONAL DEFENSE STRATEGY

This overview document illustrates how the FY 2025 budget request aligns with, and continues to advance, the four 2022 NDS priorities through each of the NDS strategic approaches.

- Integrated Deterrence: Enabled by combat-credible forces backstopped by a safe, secure, and effective nuclear deterrent:
 - \$49.2 billion for Nuclear Enterprise Modernization including:
 - \$9.9 billion for the Columbia-class ballistic missile submarine
 - \$5.3 billion for the B-21 bomber
 - \$3.7 billion for the Sentinel/Ground Based Strategic Deterrent (GBSD)
 - \$0.8 billion for the Long-Range Standoff (LRSO) Weapon
 - \$28.4 billion for Missile Defeat and Defense to protect the United States homeland, territories, and allies
 - \$9.8 billion to develop and field a mix of multi-Service, multi-domain offensive Long-Range Fires within this Future Years Defense Program (FYDP)
 - \$61.2 billion for Air Power focused on F-22, F-35, and F-15EX fighters, the B-21 bomber, mobility aircraft, KC-46A tankers, and unmanned aircraft systems

2. INTEGRATED DETERRENCE

INTRODUCTION

Integrated Deterrence is the first of three ways the Department will address its goals identified in the 2022 National Defense Strategy. It is a holistic concept that involves the application of multiple deterrence logics—deterrence by denial, deterrence by resilience, deterrence by direct cost imposition, and deterrence through imposing costs on adversaries collectively with

Sections

- Introduction
- Deter Nuclear Employment and Strategic-Level Attacks
- Major Weapons Programs

allies and partners—while integrating across the instruments of national power by working with U.S. government interagency partners, as well as internationally, with allies and partners.

In protecting the Homeland, the Department continues to build resilience and combat credibility, thereby lowering the anticipated benefits of and raising the direct costs of using force. For example, the Department continues to maintain credible and effective deterrence of both large-scale and limited nuclear attacks from a range of adversaries and is improving U.S. forces' ability to operate during or after limited nuclear, chemical, and biological attacks. The Department continues modernizing nuclear forces, Nuclear Command, Control, and Communications (NC3), and cooperating with the Department of Energy's National Nuclear Security Administration efforts to modernize the nuclear weapon production enterprise.

To deter attacks by the People's Republic of China (PRC) on the United States, its forces, or those of U.S. allies and partners, the Department continues its efforts to enhance the capabilities and resilience of those systems that the PRC is most likely to target and seek interoperability, interchangeability, and enhanced readiness through combined exercises.

To deter attacks by Russia, the Department continues to build capability and credibility that reinforces our treaty commitments regardless of conventional or nuclear-armed attack. In the short run, the Department will improve resilience and focus on interoperability, intelligence sharing, and extended nuclear deterrence. The Department is also focused on enhancing denial capabilities and key enablers in North Atlantic Treaty Organization's (NATO) force planning, while NATO allies seek to bolster their conventional warfighting capabilities. For Ally and partner countries that border Russia, the Department continues supporting efforts to build response options.

The Department will continue to deter North Korean and Iranian attacks by increasing partner capability and resilience, particularly in air and missile defense. To deter North Korean attacks, the Department will continue close coordination and interoperability with our Republic of Korea Ally; nuclear deterrence; resilience initiatives; and the potential for direct cost imposition approaches that come from globally deployable Joint Forces. In the Middle East, the Department continues providing security assistance where needed.

"We must embrace integrated deterrence, which charges us to coordinate our efforts across all war-fighting domains, theaters, and the spectrum of conflict to create new and more complex dilemmas for our adversaries."

- Secretary of Defense Lloyd J. Austin III, Message to the Force, March 2, 2023

COLUMBIA Class Ballistic Missile Submarine (SSBN)

The COLUMBIA class SSBN is being developed to replace the OHIO-class SSBNs starting in October 2030. The Navy will sustain the OHIO class SSBNs to ensure a smooth transition for the sea-based leg of the triad with the COLUMBIA class SSBN. The COLUMBIA class program successfully completed Milestone B January 2017. In September 2020, the Defense Acquisition Executive (DAE) authorized the Navy to begin full ship construction for the first hull (SSBN 826), as well as advanced procurement and advanced construction efforts for the second hull (SSBN 827). In September 2023, the DAE



authorized full ship construction of the second hull (SSBN 827) to begin in FY 2024. The FY 2025 budget request of \$9.9 billion reflects a \$3.7 billion increase, which is attributed to increases for the Submarine Industrial Base and in advance procurement costs for the FY 2026 submarine.

Trident II (D5) Submarine-Launched Ballistic Missile (SLBM) Life Extension (D5LE)/ (D5LE2)

The D5LE2 investment will maintain and modernize the most survivable leg of the triad. The D5LE, initially deployed in 2017, will remain in service through the service life of the OHIO Class (early 2040s), and is planned for initial deployment on the COLUMBIA Class and the United Kingdom's DREADNAUGHT Class SSBNs. The D5LE2 will replace D5LE on the COLUMBIA-class starting in FY 2039 on COLUMBIA Hull 9. The D5LE2 will leverage the D5LE2 solid rocket motor design and couple it with updated avionics electronics and guidance systems.

B-21 Raider Strategic Bomber

B-21 Raider low-rate initial production began in FY 2024. When fielded, it will be an affordable, long range, penetrating aircraft that incorporates proven, mature technologies. This bomber represents a key component to the joint portfolio of conventional and nuclear deep-strike capabilities.

F-35A Dual-Capable Aircraft (DCA)

The F-35A DCA will replace Allied legacy 4th generation fighter aircraft, including the Air Force's F-15E, for the NATO nuclear deterrence mission. Selected U.S. and Allied F-35As in the U.S. European Command Theater achieved operational nuclear certification in early FY 2024.

Missile Defeat & Defense



The Department will continue to support the 2022 Missile Defense Review that calls for integrated missile defense, flexibility, and adaptability, to address new threats, tighter interoperability, and dominance in space. The FY 2025 budget request supports prior budget requests to develop and field a diversified set of missile defeat and defense (MDD) capabilities to counter the advancing threat.

The FY 2025 budget builds on previous enhancements to U.S. MDD capabilities to defend