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Biden wants \$886 billion defense budget with eyes on Ukraine and future wars

By Mike Stone



U.S. President Joe Biden speaks to the news media after attending a closed Senate Democratic Caucus lunch at the U.S. Capitol in Washington, D.C., U.S., March 2, 2023. REUTERS/Leah Millis



WASHINGTON, March 13 (Reuters) - President Joe Biden's biggest peacetime U.S. defense budget request of \$886 billion includes a 5.2% pay raise for troops and the largest allocation on record for research and development, with Russia's war on Ukraine spurring demand for more spending on munitions.

Biden's request earmarks \$842 billion for the Pentagon and \$44 billion for defense-related programs at the Federal Bureau of Investigation, Department of Energy and other agencies. The total amount of the 2024 budget proposal is \$28 billion more than last year's \$858 billion.

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Congress has signaled, as it often does, it will increase defense spending over Biden's request during the months-long budget process that this request kicks off. The Senate and House typically pass bills setting policy and spending levels for the Pentagon much later in the year.

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Congress and the administration both have an eye on a possibly prolonged war in Ukraine and potential future conflicts with Russia and China.

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"Our greatest measure of success, and the one we use around here most often, is to make sure the PRC (Peoples Republic of China) leadership wakes up every day, considers the risks of aggression, and concludes, 'today is not the day,'" Deputy U.S. Defense Secretary Kathleen Hicks said on Monday.

Relations between the United States and China have become highly contentious over issues ranging from trade to espionage as increasingly the two powers compete for influence in parts of the world far from their own borders.

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"This top line request serves as a useful starting point," U.S. Senator Jack Reed, Chairman of the Senate Armed Services Committee, said when the budget figures were unveiled on Thursday.

This budget will be the first to procure missiles and other munitions with multi-year contracts, something that is routine for planes and ships, as the Pentagon signals enduring demand to top munitions makers such as Raytheon Technologies Corp ([RTX.N](#)), Lockheed Martin Corp ([LMT.N](#)) and Aerojet Rocketdyne Holdings Inc ([AJRD.N](#)).


The Ukraine war has shown the U.S. military it needs to make bigger lots of certain types of munitions, helping to explain the multi-year contracts for weaponry that would potentially also be used in a military conflict with China.

ADVANCED MISSILES

The budget boosts procurement of sophisticated missiles such as the Joint Air-to-Surface Standoff Missile-Extended Range (JASSM-ER), and the Advanced Medium Range Air-to-Air Missile (AMRAAM). Those "are for the broader strategy - for a higher end fight. They're not ground munitions," like those being used in Ukraine, a senior U.S. defense official said. Thus far, funds to backfill the munitions sent to Ukraine, including the JAVELIN and Guided Multiple Launch Rocket System (GMLRS), were handled by \$35.7 billion in supplemental funds enacted in 2022. The Pentagon aid to Ukraine in the budget is the same as the prior year. If more funding is needed for Ukraine, the senior defense official said,

another supplemental request could be drawn up. The 2024 budget boasts a historically large research and development budget for the Pentagon - \$145 billion earmarked to develop new weaponry like hypersonic missiles, which are fired into the upper atmosphere and can evade even advanced radar systems. Russia has used these missiles in Ukraine.

Biden's budget request also speeds the Department of Defense's pace for buying the stealthy F-35 fighter jet to 83. The F-35 is the Pentagon's largest weapons program and will be the lynchpin of U.S. air power in the near future. The 2023 budget request asked for 61 F-35 jets made by Lockheed Martin and Congress increased that number to 77. Among the other top priorities for this budget are modernizing the U.S. nuclear "triad" of ballistic missile submarines, bombers and land-based missiles, shipbuilding and developing capabilities in space. The budget would benefit the biggest U.S. defense contractors including Lockheed, Raytheon, Northrop Grumman Corp ([NOC.N](#)) and General Dynamics Corp ([GD.N](#)). Some of that investment is funded by asking to retire equipment such as two of the Navy's older Littoral Combat Ships, 32 of the Air Force's non-combat ready F-22 Raptor jet fighters and 42 older A-10 Warthogs, which the U.S. withdrawal from Afghanistan last year has made less essential because they are vulnerable to more sophisticated enemies.



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Reporting by Mike Stone in Washington; Editing by Grant McCool



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