

The Chart Page

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The Squeeze on Investment

USAF's Budget: The 10-Year Record

Year	Total	Investment	Current Ops	Ratio
1989	119,898	58,231	60,667	48.6 / 51.4
1990	114,502	53,998	60,504	47.2 / 52.8
1991	106,514	43,278	63,236	40.6 / 59.4
1992	95,081	42,218	52,863	44.4 / 55.6
1993	88,793	39,695	49,098	44.7 / 55.3
1994	81,734	33,981	47,753	41.6 / 58.4
1995	79,625	31,014	48,611	38.9 / 61.1
1996	76,841	30,527	46,314	39.7 / 60.3
1997	74,345	31,304	43,041	42.1 / 57.9
1998	75,015	30,975	44,040	41.3 / 58.7

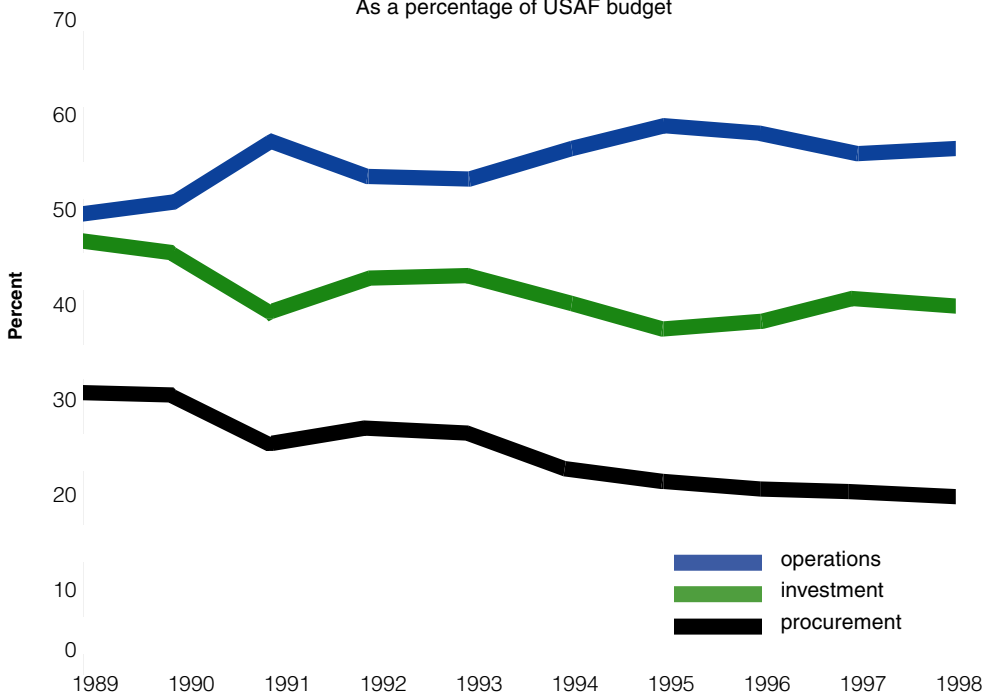
The proportion of the Air Force budget devoted to long-term investment in the future of the service has lagged over the past decade, as figures for Fiscal Years 1989 through 1998 show.

Investment comprises all funding for procurement, RDT&E (research, development, test, and evaluation), and military construction. The funding of everything else—principally operations and maintenance and military personnel—constitutes spending on current operations.

Investment funding, in absolute terms, has dropped by 47.6 percent. Air Force investment peaked at \$58.2 billion in Fiscal 1989, viewed as the final year of the Reagan build-up, but since that time has drifted downward, hitting a new low in Fiscal 1996 of \$30.5 billion, of which a little more than \$20 billion went to procurement. Despite a slight uptick in 1997 to \$31.3 billion (42 percent of the budget), the graph suggests that the gap between investment and operations is again growing.

Investment vs. Operations

As a percentage of USAF budget



Source: USAF