The Chart Page

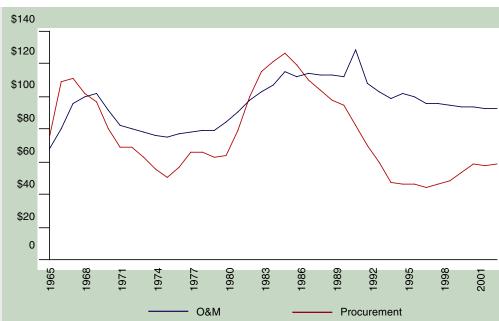
By Tamar A. Mehuron, Associate Editor

How Military Procurement Went South

Comparing Procurement and O&M Accounts

(Billions of 1999 Dollars)

Post-Vietnam defense procurement peaked at \$127 billion in 1985. Then, for the next 12 years, procurement spending fell steadily—and dramatically—bottoming out in 1997 at \$44.5 billion before turning up slightly this year. By contrast, spending on operations and maintenance has drifted down slightly since 1985. (The graph lines beyond 1998 are projections.)



Funny Numbers in the Out-years

(Billions of 1999 Dollars)

FYDP	1995	1996	1997	1998	1999	2000	2001	2002	2003	Avg.
1995–99	43.3	48.4	49.8	57.1	60.1					
1996–01		39.4	43.5	51.4	54.2	62.3	67.3			
1997–01			38.9	45.5	50.5	57.7	60.0			
1998–03				42.6	50.7	57.0	60.7	68.3	68.0	
1999–03					48.7	54.1	61.3	60.7	63.5	
Total Lost		\$9.0	\$10.9	\$14.5	\$11.4	\$8.2	\$6.0	\$7.6	\$4.5	\$9.0

The Clinton Administration's most recent budget plan calls for procurement to rise substantially from now through 2003—a claim regarded skeptically by many analysts. Earlier get-well plans have fizzled; DoD has projected grandiose numbers in the out-years but never comes close to meeting the targets.

Source: Department of Defense