

The Military Budget and the Costs of War: The Coming Trump Storm

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Introduction

Donald Trump's recent decision to launch a cruise missile strike at a Syrian air base in response to a chemical weapons attack that [killed](#) at least 70 people is the latest sign that his administration is rapidly departing from his campaign pledges to pursue a policy of military restraint in the Middle East. One question raised by the bombing is how it will impact upon the prospects for getting his proposed military buildup through a deeply divided Congress.

Trump and Defense: Rhetoric Versus Reality

The Rhetoric

Donald Trump sold his candidacy to the American people in part on being, on general and underspecified principle, tougher than his predecessor: "I'm gonna build a military that's gonna be much stronger than it is right now. It's gonna be so strong, nobody's gonna mess with us. But you know what? We can do it for a lot less," Trump said on NBC's "Meet the Press" last October. In this, he is not unusual: American politicians of both parties traditionally have been concerned to demonstrate their toughness and intent to "protect Americans" by raising military spending. At various points Trump has said he can build a stronger military for less money than we're spending now, and he has [tweeted at contractors](#) about [overpriced systems like Lockheed Martin's F-35](#), which at [\\$1.5 trillion](#) to purchase, maintain, and operate over its lifetime is the most expensive weapons program ever undertaken by the Pentagon; he has also talked about the need to do a ["full audit"](#) of the Pentagon. So Trump is positioning himself as tough on defense, but also as a businessman who will get a good deal from contractors.

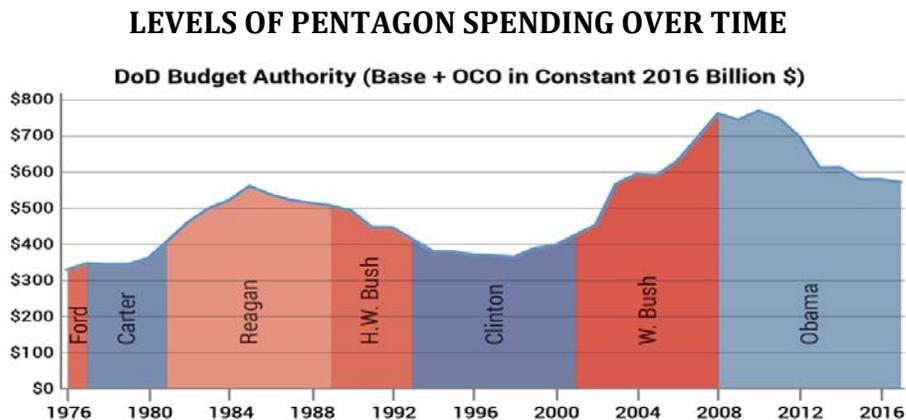
The Reality (1): What Trump's Plans Are Likely to Cost

Trump's alleged toughness towards contractors is belied by the fact that he has proposed a [huge, costly buildup](#) – [\\$52 billion](#) in additional Department of Defense spending

in the 2018 budget according to White House skeleton budget released on March 16. To put this in perspective, the \$52 billion buildup alone is [almost as large](#) as the military budget of the United Kingdom, and larger than those of Germany, France, or Japan. Those costs will come in Trump’s promised ramping up the Navy from 272 to 350 ships, adding tens of thousands of soldiers and Marines, accelerating an already hugely costly nuclear weapons buildup, and building a Reaganesque Star Wars missile defense system that goes far beyond anything being currently contemplated. Add to this domestic security spending on things like his cherished wall, at an estimated cost of up to [\\$25 billion](#), and we are looking at what might be the largest buildup in Pentagon and related spending since World War II. In short, Lockheed Martin and its cohorts will do just fine under Trump.

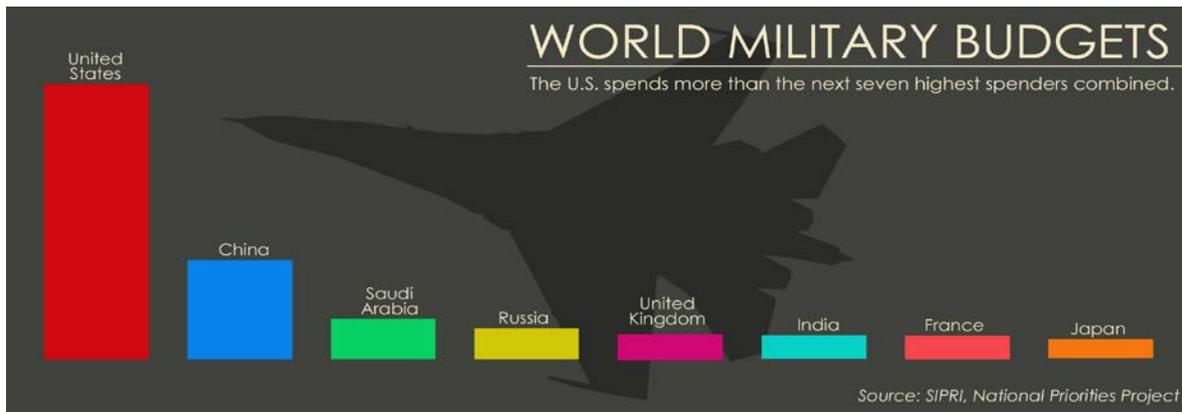
It’s important to note that Trump’s defense plan, such as it is, is borrowed almost entirely from the Heritage Foundation, which receives [its funding](#) from weapons contractors and right-wing foundations and individuals. Todd Harrison of the Center for Strategic and International Studies suggests that the Heritage/Trump plan could cost up to [\\$1 trillion more](#) over the next decade than the Pentagon’s current plans, which are partially constrained by budget caps on its regular budget that are scheduled to last until 2021. It is important to note that the war budget, known in Pentagonese as the Overseas Contingency Operations account, or OCO, is not capped, and that the Pentagon has used it as a [slush fund](#), pouring in tens of billions of dollars that have nothing to do with fighting wars, basically as a maneuver for evading the caps on its regular budget.

Trump’s buildup would come on top of a Pentagon budget (regular and war spending combined) that is hovering around \$600 billion, which is [higher than the spending levels at the Reagan buildup peak](#), and as much as the [next 8 countries in the world combined](#), according to the most recent statistics from the Stockholm International Peace Research Institute (SIPRI). To give some additional perspective, SIPRI figures put U.S. military spending at nearly three times what China spends, and *nine* times what Russia spends. So the U.S. military is far from “depleted,” as Trump has repeatedly claimed.



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U.S. MILITARY SPENDING VS. OTHER NATIONS



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Last but not least, Trump’s preliminary budget proposal would make substantial cuts in non-military programs, including deep cuts in social safety net programs like Medicaid and key cabinet agencies like the State, Commerce, and Transportation departments. As an opening salvo, Trump budget director and former South Carolina congressman Mick Mulvaney has assembled a [“hit list”](#) of agencies to be eliminated, including the Corporation for Public Broadcasting, the National Endowments for the Arts and Humanities, Legal Services, AmeriCorps, and the Export Import Bank.

Trump’s proposed domestic cuts will not only cause widespread suffering, but they will undermine security as well. As President Eisenhower noted over 50 years ago, the foundation of a [strong and safe America](#) should be a vibrant economy and a healthy, well-educated, and politically engaged citizenry. Trump’s domestic budget plans would undermine all these pillars of a secure society.

The Reality (2): Trump’s Actions Since Taking Office

Trump’s plans, if implemented, would exacerbate a longstanding problem with U.S. defense policy, which is its basis in the argument that more spending automatically makes us safer, almost regardless of how the funds are actually spent. And Trump would continue to pursue military-first policies that not only don’t address our most urgent security challenges, but in most cases make them worse. This includes giving military commanders freer rein to conduct air strikes and other military activity without clearance from above, something which appears to account for a recent uptick in both military action and civilian deaths in Syria and Iraq.

In addition to these human costs, Trump’s plan repeats the mistake of past administrations of spending on items that are of little relevance to current security challenges. The elements of the Trump buildup, from purchasing the overpriced, underperforming and unnecessary F-35 combat aircraft to continuing the Pentagon’s plan

to spend [\\$1 trillion](#) on nuclear-armed bombers, submarines and missiles over the next three decades, are more appropriate to traditional state-to-state warfare, not to an effective campaign against terrorism. As former Central Command head Gen. Anthony Zinni and many other military leaders have [noted](#), there is no military solution to the problem of terrorism. Nuclear weapons, aircraft carriers, and more troops will have little effect on terrorism, a form of asymmetric warfare that can be carried out by small, well-organized groups for a fraction of the cost of launching a major military operation.

Trump's Embrace of the Military Industrial Complex

As Gordon Adams and other analysts have noted, the Trump administration's heavy reliance on generals to fill top policy posts is likely to lead to a further [militarization of U.S. foreign policy](#), and a concomitant tendency to attempt to impose military solutions on problems whose roots are economic, political and cultural. Trump's military appointees include Gen. Mattis as defense secretary, Gen. John Kelly as head of Homeland Security, and Lt. General H.R. McMaster as National Security Advisor. Adams suggests that Donald Trump is constructing a virtual military government.

Trump has also not shied away from [appointing arms company executives](#) and lobbyists to top posts, a classic example of [the "revolving door" between weapons contractors and the U.S. government](#). Examples include Mattis, who served on the board of General Dynamics before entering the Trump administration; Secretary of the Air Force nominee and former New Mexico congresswoman, Heather Wilson, who lobbied for Lockheed Martin's nuclear weapons unit after leaving Congress; and National Security chief of staff Lt. General Keith Kellogg, who has worked for a series of defense contractors including Cubic and CACI. This approach is rife with potential for conflicts of interest, as officials are in a position to make decisions that can benefit their former employers to the tune of billions of dollars.

Pleading Poverty: Disguising the True Costs of Defense

Advocates of higher Pentagon spending frequently use the argument that Pentagon spending is a relatively small share of the U.S. Gross Domestic Product (GDP), and that therefore we can afford to spend more – much more. This is a [highly misleading argument](#). In absolute dollar terms, the Pentagon budget is at historic highs, [higher than the peak year of the Reagan buildup](#), adjusted for inflation. And the level of Pentagon spending should ideally be determined by what is needed to defend the United States, not on some arbitrary figure based on how wealthy the United States is. Similar GDP arguments rarely work where lobbyists are less powerful and profits less likely, as when setting the budgets for education or housing supports.

In any event, the reason that Pentagon spending as a share of GDP, which is running at about [3.6 per cent](#), seems “low” is because the U.S. has far and away the world’s largest economy. It has nothing to do with whether the Pentagon has sufficient resources.

Another trick is to claim that the Pentagon has suffered deep “cuts” because spending is not growing as fast as the Pentagon would like it to. For example, due to budget caps – even with the safety valve provided by using the war budget as a slush fund to evade the caps – the Pentagon has spent several hundred billion dollars less in the past few years than the levels proposed by Robert Gates in his [budget proposal for Fiscal Year \(FY\) 2012](#). The major increases proposed by Gates were unrealistic, unnecessary, and unsustainable. But that hasn’t stopped everyone from the Heritage Foundation to the person who was likely to have become Hillary Clinton’s defense secretary, [Michelle Flournoy](#), from using Gates’s FY2012 plan as a benchmark for measuring what an adequate level of Pentagon spending should be. The truth is that lobbying successes and the general war climate/militarization of the last 15 years has left Pentagon spending to level off at historically high levels, and is on tap for large increases beyond already ample levels. The fact that the Pentagon’s appetite for more tax dollars hasn’t been fully sated doesn’t mean there has been a “cut” in Pentagon spending. This is a bait and switch tactic meant to mislead the public, the media, and the Congress. And so far it has been working.

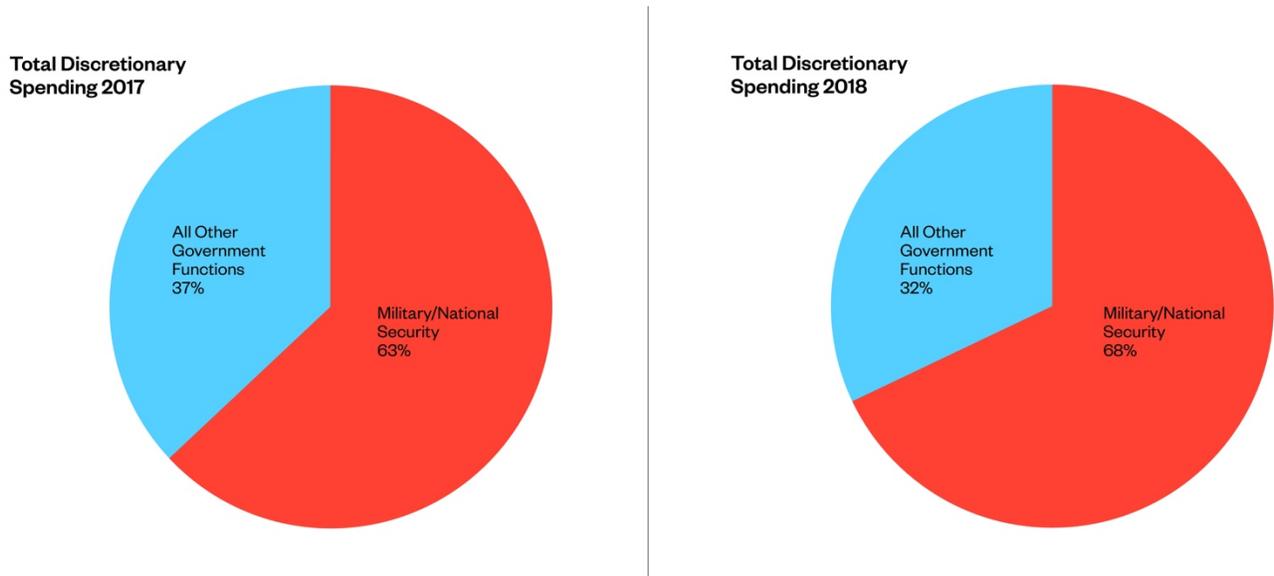
Yet another tactic for downplaying the costs of defense is to compare it to the cost of entitlement programs like Social Security and Medicare. But Social Security and Medicare meet clear needs, are funded by their own revenue streams (the payroll tax), and have grown in cost as the number of people in need has grown. They are not comparable to Pentagon spending. The determination of what amount of funding is adequate is determined on a completely different set of criteria.

The more relevant tradeoff comparison for Pentagon spending is the discretionary budget – items that Congress can change from one year to the next without a major change in the law (as would be required to cut Medicare or Social Security). This part of the budget, which encompasses most of what the government actually does beyond social and health insurance for the elderly and health insurance for the poor, includes spending on environmental protection, transportation, agriculture, energy, education, scientific research, infrastructure investments, job training, and more. The Pentagon receives [over half](#) of all discretionary spending, a figure that severely constrains the ability of the country to invest in basic domestic needs, many of which are as or more important to our safety and security than spending on the military.

Even this figure fails to capture the degree to which the federal discretionary budget has been focused on war. President Obama’s last budget put \$734 billion, or fully 63 percent of that total budget, towards the Pentagon, Homeland Security, the Energy Department’s nuclear weapons program, military aid to other countries in the State Department budget, and the Department of Veterans Affairs (to care for the large standing

army of veterans that previous war and war preparation have created). President Trump’s proposed increases to all of these agencies, and chopping of many others addressing domestic needs, will put that figure at \$787.5 billion, an even more lopsided 68 percent. A focus on just the Pentagon budget misses how much the US budget is tilted towards a preference for war preparation over other routes to security and well-being.

MILITARY/NATIONAL SECURITY BUDGET AS PERCENTAGE OF DISCRETIONARY BUDGET, 2017 vs. 2018*



***Note: Total discretionary budget = \$1.16 trillion in 2017 and \$1.15 trillion in 2018.**

Source: Office of Management and Budget. “America First: A Budget Blueprint to Make America Great Again,” 2017.

It is important to note that decisions made today carry long-term consequences beyond the human and financial toll of the wars that this military spending enables. As Linda Bilmes has [calculated](#), the costs of caring for Iraq and Afghanistan veterans in medical and disability payments will total nearly one trillion dollars by 2053. The costs of all of America’s wars continue to accumulate over decades. For example, there are still several dozen [dependents of Spanish American War](#) veterans and several thousand World War I dependents who are receiving benefits from the VA.

Pork Barrel Politics and America’s Covert Defense Industrial Policy

The Pentagon and presidents of both parties have routinely used the jobs argument as an argument of last resort to promote spending on systems that are often ill suited to our defense needs. For example, Lockheed Martin has [falsely claimed](#) that its F-35 fighter jet produces 125,000 jobs in 46 states as a way to fend off proposals to scale back the program due to the fact that it is unworkable, unnecessary, and unaffordable. Although the

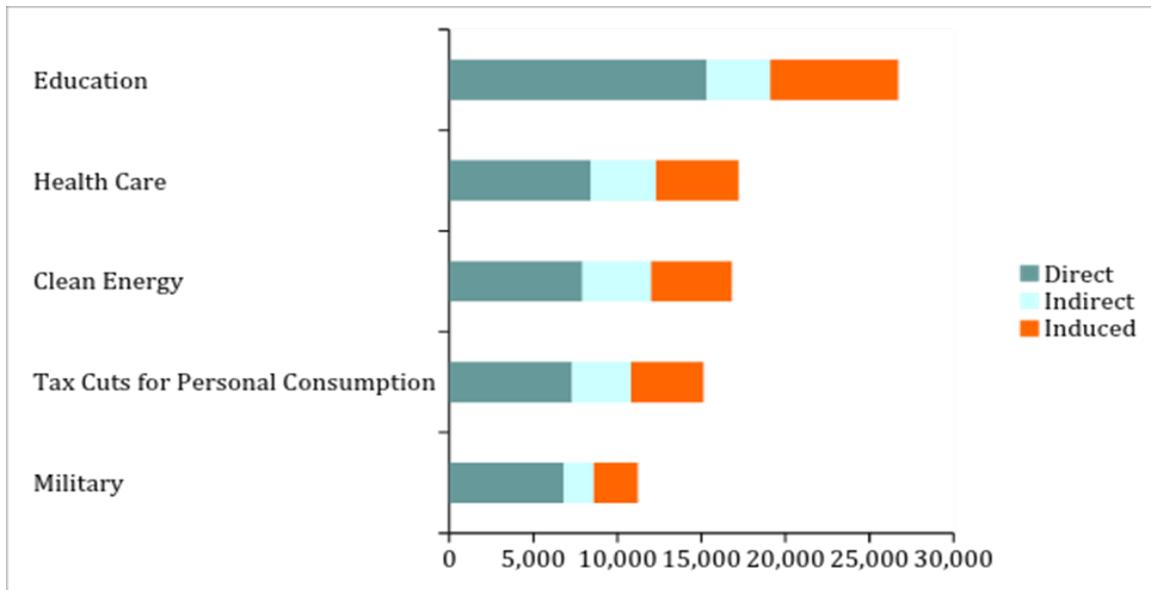
numbers are exaggerated, the principle holds – convincing members of Congress that cutting specific weapons systems will cost jobs in their districts has been an effective way to protect big-ticket programs from budgetary discipline.

Because he has styled himself to be the “jobs president,” Donald Trump is likely to accelerate the use of Pentagon spending as a covert industrial policy by, among other things, upping spending on programs like the M-1 tank, which supports jobs in the key swing states of Ohio and Michigan.

Using military spending as a job creator is short-sighted, and causes long-term economic damage. A study by economists at the University of Massachusetts has [demonstrated](#) that virtually any other form of government spending, from health care to infrastructure to alternative energy development, produces one and one-half times as many jobs per billions dollars spent as spending on weapons.

EMPLOYMENT EFFECTS OF VARIOUS TYPES OF FEDERAL SPENDING

Total Jobs Created Per \$1 Billion of Spending



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In addition, directing the bulk of federal R&D funding to military projects undercuts civilian innovation and starves spending on critical functions like curing or preventing disease. This has real long-term consequences, and is one of the reasons that the United States lags behind other industrial nations in health and education in the midst of accelerating inequality.

The Myth of the Free Rider – Allies and the United Nations

Donald Trump routinely asserts that the United States is being treated “terribly unfairly” because it pays large sums to NATO and the United Nations. In the case of NATO, it is true that European allies can afford to spend more on their own defense, but they would probably be better served by spending less, in a coordinated fashion, on a smaller number of relevant items than wasting money on the nuclear weapons (like the Trident submarine program in the U.K.) and traditional military forces at the center of current NATO spending.

Trump’s claims also ignore the fact that allies like Japan and Korea spend significant sums to help pay for the cost of U.S. bases in their countries. And countries like Saudi Arabia, which Trump claims get protection from the United States and pay nothing in return, spend tens of billions of dollars on U.S.-produced weaponry.

As for the United Nations, its expenditures on humanitarian aid and refugee assistance serve the security of the globe, and its peacekeeping operations, while far from successful in all instances, are in many cases a cost effective way of keeping conflicts from re-igniting. So the U.S. investment in the UN, which is a tiny fraction of what we spend on the Pentagon, serves U.S. security interests as well as global needs. Moreover, the U.S. wields more than its share of power in the organization by virtue of being one of five permanent Security Council members with veto power, and the U.S. pays 22 percent of the UN’s operating costs, a figure which closely matches the U.S. GDP as a share of the world’s total GDP. Trump’s proposal to cut the State Department budget by 28% and UN-related programs by even more will undermine U.S. global leadership while increasing the chances of unnecessary conflict and suffering.

The Enormous Costs of a “Cover the Globe” Military Strategy

The root cause of overspending on defense is the presumption that the United States should have the capability to intervene virtually anywhere in the world on short notice. This policy has been a [disaster for U.S. security](#), as evidenced by the consequences of U.S. interventions in Iraq, Afghanistan, and Libya. Even absent war, it is estimated that the far flung U.S. military basing system overseas – estimated at thousands of unique locations – sets the federal budget back by [\\$170 billion per year](#). While President Trump’s impulses seemed to be non-interventionist during the election season, his advisors and his giant increase to the military budget for next year belie that promise.

A policy of just moderate restraint, which has been advocated by libertarians like the Cato Institute and realists like Barry Posen, could save the United States [\\$1 trillion](#) from current projections over the next ten years. This approach would sharply reduce the United States’ overseas military presence by closing foreign bases and cutting back on global naval deployments; reduce the size of the Army and Marines; get rid of two of the

three legs of the nuclear triad; and avoid nation building and wars of occupation. Absent a shift in strategy, it will be extremely difficult to rein in Pentagon spending. That strategic shift is unlikely without a public demand for accountability for [military waste, fraud, and profiteering](#), and, more importantly, a recognition that decades of assuming that more Pentagon spending means more safety must be challenged if we and the rest of the world are to be truly secure in our homes, our health, and our livelihoods.

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