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## Middle East

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### Bush's 'priceless' war

By David Isenberg

WASHINGTON - Although the exact cost of the Iraq invasion to the American taxpayer is not known, recent figures suggest it is a lot more than has been publicly suggested and will grow considerably higher. Part of the problem in estimating costs is that the war is obviously not over; it just keeps going, and going, and going.

According to a report on the cost of the war in Iraq released last week by the Democratic staff of the House Budget Committee, the war and ongoing insurgency could cost the United States between US\$461 billion and \$646 billion by 2015, depending on the scope and duration of operations.

The difference between the low and high-end estimates depends on potential costs in 2006 and beyond. The lower figure is based on a US withdrawal of forces within four years, per Defense Secretary Donald Rumsfeld's prediction that all US troops could be withdrawn from Iraq by the end of 2008. The second estimate reduces US forces to 40,000 by 2010, per a previously released Congressional Budget Office model.

The Budget Committee report estimates are higher than previous estimates for several reasons: the war is lasting longer and is more intense, and the cost to keep US troops in the theater of operations is proving to be greater, than anyone anticipated.

Those estimates are also far higher than anyone had predicted earlier, including Lawrence Lindsey, President George W Bush's former chief economic adviser. In 2002 he predicted that the cost of a war with Iraq could range between \$100 billion and \$200 billion at best. The administration dismissed the figure, and Lindsey was soon fired.

The Congressional Budget Office estimates that the cost of military operations in Iraq and Afghanistan and the global "war on terrorism", after the newest supplement is exhausted, could total about \$350 billion over the next 10 years (excluding interest payments on the debt), assuming an eventual phase-down of US activities in Iraq and Afghanistan.

To date, Congress has appropriated \$154 billion for the military operations and reconstruction in Iraq. In the upcoming weeks this total will grow after Congress enacts the president's \$81.9 billion emergency supplemental appropriation to fund these operations through the rest of fiscal year 2005. This latest supplemental

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includes \$64 billion for Iraq and increases the total cost to the US to more than \$200 billion through 2005.

One obvious question when considering costs is why the government has to ask for supplemental appropriations in the first place. Why can't it be put in the annual budget request? According to Chris Preble, director of foreign-policy studies at the Cato Institute in Washington, DC, "There is one good argument for not using Iraq costs for not being in the annual military budget. That is the risk you build in tens or hundreds of billions of dollars that are not applied to Iraq, but applied to somewhere else. However, that concern is completely overwhelmed by the fact that funding for war by supplements really seems to be intended to conceal some of the costs, and to present costs to Congress to be a *fait accompli*. Congress can't vote against such things without being accused of undermining troops in the field."

According to Chris Hellman, military-policy analyst at the Center for Arms Control and Non-Proliferation in Washington, DC, "It seems to me you have to ask the fundamental question. I believe if the president went to Congress and said we are going to put it in the top line and we need to fund it, Congress would say 'yes'. So why does the president go the supplement route? To a certain extent it hides the deficit. At least temporarily it distorts the true nature of the deficit."

Another reason, according to Hellman, is that "supplement appropriations are slushy. There is a lack of oversight, which gives a federal agency a lot of discretion. You are talking about \$500 billion in total annual spending, of which 20% - the total of the supplement - is unaccounted for. No other agency has discretionary authority of 20% of its budget."

Then there are future costs that have hardly begun to be paid such as disability payments for those who are wounded in the "war on terror".

Larry Korb, a former assistant secretary of defense in the administration of president Ronald Reagan and a senior fellow the Center for American Progress, a liberal think-tank in Washington, DC, said, "You are going to have one in 10 die. That means a 90% survival rate. People forget about the VA [Department of Veterans Affairs] costs that have to be paid."

According to Hellman, "Nobody has made any effort to calculate those costs. One of the sad ironies of our technical proficiency is that our death-to-wounded ratio is completely reversed from previous wars. This could be a substantial burden to taxpayers for 40-50 years."

Then there is the reality that not all the money appropriated for the cost of war in Iraq or Afghanistan actually is spent on those wars. Korb said, "There are things in the supplement which should be in the regular budget, such as converting army brigades and the costs of military transformation, as well as regular operations and maintenance costs, plus odds and ends, like procurement of Black Hawk helicopters. Keeping these costs in the supplement allows the Pentagon to claim that their budget request comes in under last year's budget. But when you include the costs of items in the supplement they are over by about 10 billion."

Korb's claim is confirmed by the documentation provided by the

White House. For example, the fact sheet it released about the supplement notes that it "includes \$5.3 billion to begin implementing plans to restructure the army and Marine Corps into more flexible, self-sufficient modular units better able to deploy and fight the 'war on terror'."

Aside from the difficulty in tracking costs it is also unclear how well the money is being spent. Last month, Stuart Bowen Jr, special inspector general for Iraq reconstruction, released findings that the US occupation authority in Iraq was unable to keep track of the nearly \$9 billion it transferred to government ministries, which lacked financial controls, security, communications and adequate staff.

So how much might it cost by the time it is all over? It is impossible to predict with certainty. But Korb estimates that "before it is all over the costs will run to half a trillion dollars".

But in the end the debate over the costs obscures a more fundamental question. "I think at the end of the day, whether they account for costs normally or via supplement, it is incumbent to come to Congress and say whether costs are worth the benefits. The Bush administration can't be left off the hook for their assumption that the war would be reasonably quick and inexpensive," said Preble.

*David Isenberg, a senior analyst with the Washington-based British American Security Information Council (BASIC), has a wide background in arms control and national security issues. The views expressed are his own.*

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