

Costs of Iraq, Afghanistan wars could rise to \$6 trillion

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Over a decade of US wars of aggression in Afghanistan and Iraq will in the end cost as much as \$6 trillion, the equivalent of \$75,000 for every American household.

These wars have left the United States heavily indebted and will have a profound impact on the federal government's fiscal and budgetary crises over a protracted period. These are the conclusions of a new report issued by Harvard University's Kennedy School of Government.

Drafted by Linda Bilmes, the Daniel Patrick Moynihan Senior Lecturer in Public Policy at Harvard and a leading expert on financial, budget and veterans issues, the report attributes the largest share of the trillions of dollars in continuing costs to care and compensation for hundreds of thousands of troops left physically and psychologically damaged by the two wars.

"The Iraq and Afghanistan conflicts, taken together, will be the most expensive wars in US history—totaling somewhere between \$4 trillion and \$6 trillion," Bilmes writes. "This includes long-term medical care and disability compensation for service members, veterans and families, military replenishment and social and economic costs. The largest portion of that bill is yet to be paid."

Another major share of the long-term costs of the wars comes from paying off trillions of dollars in debt incurred as the US government failed to include their cost in annual budgets and simultaneously implemented sweeping tax cuts for the rich.

In addition, huge expenditures are being made to replace military equipment used in the two wars. The report also cites improvements in military pay and benefits made in 2004 to counter declining recruitment rates as casualties rose in the Iraq war.

Bilmes warns, "The legacy of decisions taken during the Iraq and Afghanistan wars will dominate future federal budgets for decades to come."

Among the most staggering findings of the report is that some 1.56 million US troops—56 percent of all Afghanistan and Iraq veterans—are receiving medical treatment at Veterans Administration facilities and will be granted benefits for the rest of their lives. According to figures cited in the report, fully "one out of every two veterans from Iraq and Afghanistan has already applied for permanent disability benefits."

The report stresses that the official figure of 50,000 American troops "wounded in action" vastly underestimates the real human costs of the two US wars.

It notes that, "One-third of returning veterans are being diagnosed with mental health issues—suffering from anxiety, depression, and/or post-traumatic stress disorder (PTSD)." In addition, over a quarter of a million troops have suffered traumatic brain injuries (TBI), which, in many cases, are combined with PTSD, posing greater problems in treatment and recovery.

Constituting a particularly grim facet of this mental health crisis is the doubling of the suicide rate for US Army personnel, "with many who attempted suicide suffering serious injuries."

Overall, the Veterans Administration's budget has more than doubled over the past decade, from \$61.4 billion in 2001 to \$140.3 billion in 2013. As a share of the total US budget it has grown from 2.5 percent to 3.5 percent over the same period.

Soaring medical costs for veterans is attributable to several factors. Among them is that, thanks to advancements in medical technology and rapid treatment, soldiers in Iraq and Afghanistan have survived wounds that would have cost their lives in earlier conflicts.

While the US government has already spent \$134 billion on medical care and disability benefits for Iraq and Afghanistan veterans, the report estimates that this figure will climb by an additional \$836 billion over the coming decades. It notes that the largest expenditures on health

care for World War II veterans took place in the 1980s, roughly four decades after the war, and that spending on medical care and disability payments for Vietnam War veterans is still rising.

The most common medical problems suffered by troops returning from the two wars, according to the report, “include: diseases of the musculoskeletal system (principally joint and back disorders); mental health disorders; central nervous system and endocrine system disorders; as well as respiratory, digestive, skin, and hearing disorders.” Fully 29 percent of these troops have been diagnosed with PTSD.

Among the most severely wounded are 6,476 soldiers and Marines who have suffered “severe penetrating brain injury,” and another 1,715 who have had one or more limbs amputated. Over 30,000 veterans are listed as suffering 100 percent service-related disabilities, while another 145,000 are listed as 70 to 90 percent disabled.

The worst of these casualties have taken place under the Obama administration as a result of the so-called surge that the Democratic president ordered in Afghanistan. “Walter Reed is treating hundreds of recent amputees and severe casualties—the hospital received 100 amputees for treatment during 2010; 170 amputees in 2011; and 107 amputees in 2012,” the report states. “The Marines have suffered an especially high toll.”

As the report points out, massive direct spending on the two imperialist interventions continues. Over 60,000 US troops remain in Afghanistan. It is estimated that the cost of deploying one American soldier for one year in this war amounts to \$1 million. These troops continue suffering casualties—including in so-called “green on blue” attacks by Afghan security forces on their ostensible allies. As they are brought home, they will further drive up the costs of medical care and disability compensation.

Moreover, Obama’s claims that the “tide of war is receding” notwithstanding, an “Enduring Strategic Partnership Agreement” signed by the US president and America’s puppet in Kabul, Hamid Karzai, envisions US military operations continuing in Afghanistan for at least another decade after the formal withdrawal deadline at the end of 2014.

And, as the report points out, “The US is maintaining a vast diplomatic presence in Iraq, including at least 10,000 private contractors providing support in security, IT, logistics, engineering and other occupations; as well as logistics support and payments for leased facilities in Kuwait.”

Finally, there was the way in which the US government financed the wars, which was based on just as much of a lie as the phony pretexts of terrorism and “weapons of mass destruction” used to launch them.

The Bush administration claimed at its outset that the Iraq war would finance itself out of Iraqi oil revenues. When Bush’s National Economic Council director Lawrence Lindsey told the *Wall Street Journal* that the war would cost between \$100 billion and \$200 billion, he came under intense fire from others in the administration who claimed that this was a gross overestimation, and he was forced to resign.

Washington ended up borrowing some \$2 trillion to finance the two wars, the bulk of it from foreign lenders. This accounts for roughly 20 percent of the total amount added to the US national debt between 2001 and 2012. According to the report, the US “has already paid \$260 billion in interest on the war debt,” and future interest payments will amount to trillions of dollars.

“It is important to note that this borrowing has not been used to invest in the capital stock of the country,” the report notes. “For example, investing in education, infrastructure and knowledge (R&D) benefits the nation, so this is debt for a helpful purpose. By contrast, the war debt has been especially unhelpful.”

Vast resources literally went up in smoke in Iraq and Afghanistan, while tens of billions of dollars were squandered on supposed aid and reconstruction programs that were riddled with corruption, incompetence and inefficiency, doing little or nothing to improve conditions for the populations of those countries.

In its conclusion, the report seeks to dispel illusions that ending full-scale wars in Iraq and Afghanistan will produce any kind of “peace dividend” that could help ameliorate conditions of poverty, unemployment and declining living standards for working people in the US itself.

“Instead, the legacy of decisions made during the Iraq and Afghanistan conflicts will impose significant long-term costs on the federal government,” it warns. “In short, there will be no peace dividend, and the legacy of Iraq and Afghanistan wars will be costs that persist for decades.”



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