

Pentagon admits \$25 billion price tag for Iran war is an underestimation

Andre Damon
14 May 2026

In congressional testimony Tuesday, Defense Secretary Pete Hegseth, Joint Chiefs Chairman Gen. Dan Caine and Pentagon Comptroller Jay Hurst told the House and Senate Appropriations Subcommittees on Defense that the running cost of the Iran war has grown to \$29 billion—and that this figure does not include damage to US military bases.

The figure, up from the \$25 billion Hurst disclosed two weeks earlier, was extracted from Pentagon officials only under direct questioning. The actual cost of the 74-day war, according to media reports and independent economists, is far higher.

The hearings took place as the US-Israeli war on Iran entered its third month with no settlement in sight. US President Donald Trump on Sunday rejected Iran's latest peace proposal as "totally unacceptable," telling reporters the April 8 ceasefire was "on massive life support." Iran's proposal had demanded the lifting of the US naval blockade of the Strait of Hormuz before any talks on Iran's nuclear program, terms the Trump administration refused. The Pentagon, per Tuesday's testimony, is preparing to resume the war at any moment.

When Hurst first disclosed the \$25 billion cost at an April 29 House Armed Services Committee hearing, media reports immediately contradicted it. CBS News, citing "U.S. officials familiar with internal assessments," reported on April 30 that the true cost was closer to \$50 billion—roughly double the official figure. The \$25 billion line item, CBS reported, omitted munitions replacement (including at least 24 MQ-9 Reaper drones at \$30 million each), damaged and destroyed equipment, military construction at bombed bases, deployment and sustainment costs, higher fuel costs and other agency expenses.

University of Michigan economist Justin Wolfers, writing in the *New York Times* last week, called the Pentagon's \$25 billion estimate "more of a headline than

a real number." His own analysis, Wolfers wrote, "suggests the Iran war will cost hundreds of billions of dollars, and very possibly trillions." His accounting included oil-price increases, inflation, higher interest rates, slower economic growth and a stock-market loss of roughly \$3 trillion in equity values.

Linda Bilmes, the Harvard Kennedy School lecturer who with Joseph Stiglitz authored the major study of the true cost of the Iraq war, has been more direct. In April she told *Fortune* that she was "certain we will spend one trillion dollars for the Iran war," with current expenditure running at roughly \$2 billion a day.

The actual scale of US military spending dwarfs the Pentagon's \$29 billion line item. On March 18 the Pentagon asked the White House to approve a supplemental request exceeding \$200 billion specifically for the Iran war and the related munitions-stockpile rebuild. As of Tuesday's hearings, that supplemental had still not been submitted to Congress. The administration's formal Fiscal Year 2027 Pentagon budget, submitted April 3, requests \$1.5 trillion—the largest peacetime defense budget in American history.

The most significant admission Tuesday was that the \$29 billion figure does not include damage to American bases. Pressed by Rep. Ed Case (Democrat-Hawaii) on whether the total incorporated military-construction costs to repair bombed-out facilities, Hurst said it did not. "We have a lot of unknowns there," Hurst testified. "We don't know what our future posture is going to be. We don't know how those bases would be reconstructed, and we don't know what percentage our allies and partners will pay for that reconstruction." Sen. Patty Murray (Democrat-Washington) called the \$29 billion figure "suspiciously low" given the scale of Iranian retaliatory strikes.

That scale has been documented by the US press in recent weeks. NBC News reported on April 25 that Iran "caused more extensive damage to U.S. military bases

than publicly known,” striking more than 100 targets at 11 US installations across seven countries. The *Washington Post’s* May 6 satellite-imagery investigation documented damage to 228 structures across the bombed bases, with more than half concentrated at the U.S. Navy Fifth Fleet headquarters in Bahrain. Al Udeid Air Base in Qatar—the central hub of U.S. Central Command operations—was also struck.

At least one fighter jet, more than a dozen MQ-9 Reaper drones, two MC-130 tankers and four helicopters were destroyed in the conflict; at least two air-defense systems sustained damage. Thirteen US service members were killed. The American Enterprise Institute has estimated that infrastructure repair alone will run to roughly \$5 billion.

Hegseth made clear Tuesday that the administration intends to resume the war at the moment of its choosing. Asked by Sen. Lisa Murkowski (Republican-Alaska) whether the Trump administration would seek a congressional authorization for the use of military force—the 60-day War Powers clock having expired April 28—Hegseth replied: “Should the President make the decision to recommence, we would have all the authorities necessary to do so.” Pressed on whether an Article I authorization would be useful, Hegseth said the president “has all the authorities he needs under Article 2 to execute.”

The hearings unfolded against the backdrop of a deepening crisis for the war. Sen. Chris Murphy (Democrat-Connecticut) pressed both Caine and Hegseth on the discrepancy between Trump’s public claims that 80 percent of Iran’s missile capacity had been destroyed and a leaked intelligence assessment showing only 30 percent destroyed.

“The president said that 80 percent of their missile capacity had been destroyed,” Murphy said. “This public report says it’s only 30 percent. Can you give us an answer as to what the real number is?”

“I would answer the same way as the chairman,” Hegseth replied. “Not talking to this committee about the damages, not validating leaked information that could be wrong or not wrong. Why would I validate?” Murphy: “Yours is not a classified setting. We don’t talk about those things. You like to talk about them on TV. We don’t talk about them here.”

A *New York Times* investigation published the same day by Adam Entous, Maggie Haberman and Jonathan Swan cited new classified assessments showing that Iran retains roughly 70 percent of its prewar missile stockpile and 70

percent of its mobile launchers, with 30 of the 33 missile sites along the Strait of Hormuz restored to operational status and approximately 90 percent of underground missile storage and launch facilities partially or fully operational. The Central Intelligence Agency last week assessed that Iran could withstand the US naval blockade for 90 to 120 days before facing severe economic hardship.

Hegseth presented the conflict as a strategic success regardless. “I don’t think enough has been stated about the blockade and the power of the blockade and the dilemma that our blockade creates for them,” he told the Senate. “They can’t move anything out of Iranian ports—and over, I think it’s 65 ships at this point have been turned around or disabled.” Asked moments later about wider strategic horizons, he volunteered: “Considering the increased capability that our country has, not to mention opportunities in Venezuela, so we have a range of options.”

Senate Democrats made clear their objections were that the administration’s conduct of the war had failed to secure US imperialism’s goal of dominating Iran. Sen. Dick Durbin (Democrat-Illinois) opened by reading off the war’s costs—\$25 billion, 14 US service members killed, a “tenuous ceasefire in place”—and complained that “Iran is no further from a nuclear weapon than before our invasion” and that “the global economy is held hostage to the standoff in the Strait of Hormuz.” Sen. Chris Coons (Democrat-Delaware) told Hegseth, “I share your goal of preventing Iran from ever having a usable nuclear weapon,” faulting the administration only for standing “on the verge of a strategic loss” after “a series of tactical successes.” Coons demanded a plan to reopen the Strait of Hormuz and called for renewed sanctions on Russian oil tankers to cut off Tehran’s financing.



To contact the WSWWS and the Socialist Equality Party visit:

[wsws.org/contact](https://www.wsws.org/contact)