

The “War On Terror” Is A \$6 Trillion Racket, Exceeding The Total Cost Of World War II

By [David DeGraw](#)

Global Research, July 06, 2011

[Amped Status Report](#) 6 July 2011

Region: [USA](#)

Theme: [Terrorism](#), [US NATO War Agenda](#)

When Obama launched his [re-election propaganda campaign](#) to trick the American public into thinking that he intends to end the Af-Pak War, he said that the “War on Terror” has cost \$1 trillion over the past decade. While that is a staggering amount of money, he was being [deceitful once again](#).

As you may have heard, a [newly released study](#) by the Eisenhower Research Project at Brown University revealed that the cost of the War on Terror is significantly greater than Obama has said. The little passing coverage the study received in the mainstream press cited \$3.7 trillion as the total cost, which was the *most conservative* estimate. The moderate estimate, which the mainstream media ignored, was \$4.4 trillion. In addition, interest payments on these costs will most likely exceed \$1 trillion, which brings the total cost up to at least \$5.4 trillion. The report also states that the following costs are not even included in this total:

“THESE TOTALS DO NOT INCLUDE: Medicare costs for injured veterans after age 65; Expenses for veterans paid for by state and local government budgets; Promised \$5.3 billion reconstruction aid for Afghanistan; Additional macroeconomic consequences of war spending including infrastructure and jobs.”

David Callahan, reporting for [The Policy Shop](#), summed up the report’s cost estimates:

“... the total direct and indirect costs of the wars in Iraq and Afghanistan may exceed **\$6 trillion**.... That figure comes from combining congressional appropriations for the wars over the past decade (\$1.3 trillion), additional spending by the Pentagon related to the wars (\$326 - \$652 billion), interest so far on Pentagon war appropriations, all of which was borrowed (\$185 billion), immediate medical costs for veterans (\$32 billion), war related foreign aid (\$74 billion), homeland security spending (\$401 billion), projected medical costs for veterans through 2051 (\$589 - \$934 billion), social costs to military families (\$295 - \$400 billion), projected Pentagon war spending and foreign aid as troops wind down in the two war zones (\$453 billion); and interest payments on all this spending through 2020 (\$1 trillion).”

Once you add up all these costs, and also consider the fact that these wars are not ending anytime soon, the War on Terror will easily cost us well over \$6 trillion. To put the War on Terror’s cost in context, according to the Congressional Budget Office, the total cost of World War II, adjusted for inflation, was [\\$4.1 trillion](#).

Another major deception is the reported annual military budget. The FY 2012 military budget is often cited as being [\\$690 billion](#). Again, that is a huge sum of money for one year. However, when you add up all the other military expenditures [not included](#) in this budget, you find that our true total annual budget “likely exceeds [\\$1.5 trillion](#).”

To put this cost in perspective, as the average American has little understanding of how much money this is, one trillion is equal to 1000 billion. If you took all the state budget deficits and combined them, which are leading to cuts in vital social programs that will negatively impact the lives of millions of Americans, you would need a small fraction of one trillion, [\\$140 billion](#) (roughly equivalent to the annual military interest payment), to balance every state budget and avoid cuts to *all* programs.

Hundreds Of Billions Of Dollars In Fraud And Waste

When you breakdown the spending on the War on Terror, you see hundreds of billions of dollars in shocking fraud and waste across the board. When it comes to fraud, a [Defense Department report](#) revealed:

“The military paid a total of \$285 billion to more than 100 contractors between 2007 and '09, even though those same companies were defrauding taxpayers in the same period... What's perhaps most shocking is that billions of dollars went to contractors who had been either suspended or debarred for misusing taxpayer funds. The Pentagon also spent \$270 billion on 91 contractors involved in civil fraud cases... Another \$682 million went to 30 contractors convicted of criminal fraud.”

There have also been several cases where billions of dollars have gone missing. To name one recent revelation, the Federal Reserve shipped between [\\$6.6 billion to \\$18.7 billion](#) to Iraq for reconstruction that was stolen. The reason there is such discrepancy in the amount stolen in this case is due to the fact that the New York Federal Reserve is [refusing to disclose](#) the total amount. This is just one of several cases where [billions of dollars in aid](#) to Iraq and Afghanistan have gone missing. Not to mention the obscene and exorbitant fees charged by many private military companies. Earlier this year, the Congressional Commission on Wartime Contracting revealed that “[tens of billions of dollars](#)” have been wasted on private military contractors in Iraq and Afghanistan – and the amount spent on private contracting has [dramatically increased](#) during the Obama Administration.

When it comes to shocking examples of waste, it costs the military in Afghanistan [\\$400 for a gallon gas](#), and the Marines alone use 800,000 gallons a day. Another report reveals that the military spends [\\$20.2 billion a year](#) on air conditioning. That's \$20.2 billion a year on AC. There are more absurdities in military spending than you can imagine. The list goes on and on.

Let's also not forget that the Pentagon's “own auditors admit the military cannot account for [25 percent of what it spends](#).” By these measures, the estimated overall total of \$1.5 trillion in annual military spending would mean that \$375 billion goes unaccounted for, *per year*.

War Is A Racket

For anyone who researches this, it is easy to see that the primary goal is not our safety, it is huge profits for military companies and global banking interests. As famed two-time

Congressional Medal of Honor Award winner Major General Butler said:

“War is a racket... easily the most profitable, surely the most vicious... It is the only one in which the profits are reckoned in dollars and the losses in lives....

It is conducted for the benefit of the very few, at the expense of the very many. Out of war a few people make huge fortunes....

I spent 33 years and four months in active military service and during that period I spent most of my time as a high class muscle man for Big Business, for Wall Street and the bankers.

In short, I was a racketeer, a gangster for capitalism.”

The global financial elite profit off of the war, while the American public bears the severe financial costs. In this regard, not to mention the loss of life and civil liberties, the War on Terror is a war *against* the American people. As President Eisenhower said, every dollar spent on war is a dollar not spent on education, food, health care, etc:

“Every gun that is made, every warship launched, every rocket fired signifies in the final sense, a theft from those who hunger and are not fed, those who are cold and are not clothed. This world in arms is not spending money alone. It is spending the sweat of its laborers, the genius of its scientists, the hopes of its children. This is not a way of life at all in any true sense. Under the clouds of war, it is humanity hanging on a cross of iron.”

Spiraling Toward World War III

When you research the geopolitical environment, as scary as it sounds, you will conclude that if we stay on our present course, we are headed for an escalation in wars. As we [spiral toward World War III](#), with collapsing economies, increasingly extreme weather conditions, limited resources and rising demand, the US military machine is on steroids, [creating enemies](#) and [arming brutal regimes](#) all over the world.

The pivotal US relationship with Pakistan is going from [bad to worse](#). Leading American adversaries such as Afghanistan, Pakistan, North Korea, Venezuela, Russia, Iraq, Syria and Iran have all been building strong alliances with China. Obama continues to support the US-NATO war with Libya and the Saudi Arabian led military crackdown on popular uprisings in many countries throughout the Middle East and Northern Africa. In this region, Yemen, Syria, Bahrain, Somalia and Ivory Coast, to name a few countries, are all flaring up in armed conflict. Not to mention Israel’s escalating conflicts with Palestine, Lebanon, Syria, Hamas, Hezbollah and Iran. The highly under-reported international drug war is also becoming [much more violent](#), with private military contractors once again reaping huge profits.

Mix all these increasing tensions with runaway military spending and war profiteering, and you have Eisenhower’s worst fears realized, a world dominated by out of control military companies.

~ To track how your hard-earned tax dollars are being wasted, follow our military spending news wire here:

```
div#rssincl-box-290344 *{
font-family: Verdana, Arial, sans-serif;
text-align:left;
margin:0;
padding:0;
line-height:110%;
clear:both;
}
```

```
div#rssincl-box-290344 {
width: 550px;
overflow-x:auto;
height:600px;
overflow-y:auto;
border:1px solid #808080;
}
```

```
div#rssincl-box-290344 div.rssincl-head {
padding:5px;
background-color: #000000;
}
```

```
div#rssincl-box-290344 div.rssincl-head p.rssincl-title,
div#rssincl-box-290344 div.rssincl-head p.rssincl-title a {
text-decoration:none;
font-family: Verdana, Arial, sans-serif;
font-size: 12px;
font-weight:bold;
color: #FFFFFF;
}
```

```
div#rssincl-box-290344 div.rssincl-content {}
```

```
div#rssincl-box-290344 div.rssincl-content table {border-collapse:collapse;}
```

```
div#rssincl-box-290344 div.rssincl-content table tr td {
width:550px;
vertical-align:top;
background-color: #FFFFFF;
}
```

```
div#rssincl-box-290344 div.rssincl-content table tr td.rssincl-righttd {
}
```

```
div#rssincl-box-290344 div.rssincl-content div.rssincl-entry {
padding:5px;
}
```

```
div#rssincl-box-290344 div.rssincl-content div.rssincl-entry p.rssincl-itemtitle {
margin-bottom:7px;
```

```
}
```

```
div#rssincl-box-290344 div.rssincl-content div.rssincl-entry p.rssincl-itemtitle a {  
font-family: Verdana, Arial, sans-serif;  
font-size: 13px;  
font-weight:bold;  
text-decoration:none;  
color: #0000FF;  
}
```

```
div#rssincl-box-290344 div.rssincl-content div.rssincl-entry p.rssincl-itemdate {  
font-family: Verdana, Arial, sans-serif;  
font-size: 11px;  
color: #808080;  
margin-bottom:7px;  
}
```

```
div#rssincl-box-290344 div.rssincl-content div.rssincl-entry div.rssincl-itemdesc,  
div#rssincl-box-290344 div.rssincl-content div.rssincl-entry div.rssincl-itemdesc *{  
font-family: Verdana, Arial, sans-serif;  
font-size: 13px;  
color: #000000;  
}
```

```
div#rssincl-box-290344 div.rssincl-content div.rssincl-last {  
background-color: #FFFFFF;  
}
```

```
div#rssincl-box-290344 div.rssincl-content div.rssincl-entry div.rssincl-itemdesc img {  
margin: 5px;  
}
```

```
div#rssincl-box-290344 div.rssincl-content div.rssincl-entry div.rssincl-clear {  
clear:both;  
}
```

```
strong { font-weight: bold; }
```

Military Spending Watch

[Eisenhower's worst fears came true. We invent enemies to buy the bombs](#)

The outgoing US defence secretary, Robert Gates, berated Europe's "failure of political will" in not maintaining defence spending. He said Nato had declined into a "two-tier alliance" between those willing to wage war and those "who specialise in 'soft' humanitarian, development, peacekeeping and talking tasks". Peace, he implied, is for wimps. Real men buy bombs, and drop them. This call was echoed by Nato's chief, Anders Fogh Rasmussen, who pointed out how unfair it was that US defence investment r...

[The Business of America Is War - Annual Military Spending Likely Exceeds \\$1.5 Trillion](#)

It's more accurate to take the Pentagon's basic budget and double it because as much as

40% of it is hidden. For FY 2012, the House approved \$690.1 billion, an 8.4% increase. If the entire [previous budget of] \$1,027.5 trillion increases by the same amount, it raises known FY 2012 defense-related spending to \$1,114 trillion. With supplemental and hidden add-ons, as well as Pentagon, intelligence, and other amounts, the grand total likely exceeds \$1.5 trillion, a figure rising most years while popular ...

[‘War on terror’ set to surpass cost of Second World War](#)

The wars that flowed from 9/11 will not only have been the longest in US history. At \$4 trillion and counting, their combined cost is approaching that of the Second World War, put at some \$4.1 trillion in today’s prices by the Congressional Budget Office. Unlike most of America’s previous conflicts moreover, Iraq and Afghanistan have been financed almost entirely by borrowed money that sooner or later must be repaid. What America achieved by such outlays is also more than questionable. Two brutal regi...

[U.S. cost of war at least \\$3.7 trillion and counting | Reuters](#)

When President Obama cited cost as a reason to bring troops home from Afghanistan, he referred to a \$1 trillion price tag for America’s wars. Staggering as it is, that figure grossly underestimates the total cost of wars in Iraq, Afghanistan and Pakistan to the U.S. Treasury and ignores more imposing costs yet to come, according to a study released. The final bill will run at least \$3.7 trillion and could reach as high as \$4.4 trillion, according to the research project “Costs of War” by Brown Univers...

[Air Conditioning Afghanistan Troops Costs \\$20 Billion Per Year; Cost of One Soldier is \\$1 Million a Year](#)

If people realized how much we were wasting in stupid wars that should never have been fought, there might be far more protests. Please consider the amount the U.S. military spends annually on air conditioning in Iraq and Afghanistan: \$20.2 billion, according to a former Pentagon official. That’s more than NASA’s budget. It’s more than BP has paid so far for damage during the Gulf oil spill. It’s what the G-8 has pledged to help foster new democracies in Egypt and Tunisia. “When you consider the cost ...

[Welfare for Dictators: Pentagon Billions Are Flowing to Middle East Dictators](#)

An investigation of Pentagon contracting practices in Abu Dhabi, Kuwait, and Bahrain has uncovered more than \$14 billion paid mostly in sole-source contracts to companies controlled by ruling families across the Persian Gulf. The revelation raises a fundamental question: are US taxpayer dollars enriching the ruling potentates of regimes just as the youthful protesters and the Arab Spring have brought a new push for democracy across the region? Take a look at Abu Dhabi. The wealthiest of the United Ara...

[Private Contractors Making a Killing off the Drug War](#)

As tens of thousands of corpses continue to pile up as a result of the US-led “War on Drugs” in Latin America, private contractors are benefiting from lucrative federal counter-narcotics contracts amounting to billions of dollars, without worry of oversight or accountability. US contractors in Latin America are paid by the Defense and State Departments to supply countries with services that include intelligence, surveillance, reconnaissance, training, and equipment. “It’s becoming increasingly clear...

[US Plans to Send \\$45M in Military Aid to Uganda and Burundi in Effort to Combat Somali Militants](#)

In news from Africa, the Pentagon is planning to send nearly \$45 million in military equipment, including four small drones, to Uganda and Burundi as part of the U.S. effort to battle Islamic militants in Somalia. The military package includes four small, shoulder-launched Raven drones, body armor, night-vision gear, communications and heavy construction equipment, generators and surveillance systems. The U.S. military is also sending aid to a number of other African nations including Mauritania, Djib...

[The \\$113 Billion Hole: Ten Things America Gave Up This Year To Pay For The War In Afghanistan](#)

- Provide 57.5 Million Children With Low-Income Health Care For 2011 - Provide 23 Million People With Low-Income Health Coverage In 2011 - Give 20.2 Million \$5,500 Pell Grants To Students In 2011 - Provide 14.35 million Military Veterans With VA Medical Care In 2011 - Give 14.7 million Children Head Start Funding In 2011 - Give 14.26 Million Scholarships To University Students In 2011 - Employ 1.93 million Firefighters In 2011 - Hire 1.75 Million Elementary School Teachers In 2011 - Hire 1.65 ...

[Meet Bush's War Profiteering Chief Bin Laden Hunter](#)

You've probably never heard of Marty Martin. He spent most of his life as an anonymous CIA operative. But he very recently came out of the closet as the man Bush put in charge of finding Osama bin Laden, and guess what? It turns out the man is an extremely shady and corrupt war profiteer. Martin, of course, never succeeded in catching bin Laden. In 2007, Martin joined International Oil Trading Company. In 2008, congressional investigators accused it of ripping off the Pentagon to the tune of hundreds ...

[US, Pakistan Clash Over Billions in Bills for War on Terror](#)

The U.S. and Pakistan are engaged in a billing dispute of sizable proportions, sparring behind closed doors over billions of dollars Washington pays Islamabad to fight al Qaeda and other militants along the Afghanistan border. Washington, increasingly dubious of what it sees as Islamabad's mixed record against militants, has been quietly rejecting more than 40% of the claims submitted by Pakistan as compensation for military gear, food, water, troop housing and other expenses, according to internal P...

[Stanley McChrystal: Lobby Shop Working With Former General](#)

As they say in Washington, old soldiers never die — they just fade into cushy, off-the-books sinecures on K Street. Stanley McChrystal, fired last summer after a damning Rolling Stone article, has added a lobbying component to his consulting shop, The McChrystal Group, proving again that for elite Washington, failure is not an option. McChrystal is not himself a registered lobbyist and the firm doesn't appear in the federal database. By not registering to lobby, McChrystal is not required to disclose...

['Historic' budget cuts bill actually increased 2011 spending by \\$3 billion: CBO](#)

Congressional Budget Office: "Total discretionary outlays in 2011 will be \$3.2 billion higher as a result of the legislation, CBO estimates—an increase of \$7.5 billion for defense programs, partially offset by a net reduction of \$4.4 billion in other spending." In other

words, the bill's increase in defense spending this year outweighed the cuts to discretionary programs – something the CBO warned may potentially be the case. Now it's the official projection. The finding is particularly embarrassing b...

[House panel authorizes nearly \\$700 billion in Defense spending](#)

The House Armed Services Committee approved a spending measure that clears the Pentagon and Energy Department to spend nearly \$700 billion next fiscal year. The panel approved a baseline Pentagon spending level of \$553 billion, matching the Obama administration's request. It also authorized the Energy Department to spend \$18 billion on nuclear weapons projects, and cleared the military to spend \$118 billion for the wars in Iraq and Afghanistan." Tags: military spen...

[Israel 'to invest \\$1 bn' in Iron Dome missile system](#)

Israel plans to invest \$1 billion in the development and production of batteries for its Iron Dome rocket interception system, a top Israeli defence official said in an interview published Monday. Defence Ministry director-general Major General Udi Shani told the daily Haaretz newspaper that five countries have already expressed interest in the system, which was successfully deployed during a rise in rocket fire from Gaza in early April. But Shani, in his first interview since his appointment in Jan...

[Bin Laden cost US taxpayers over \\$2 trillion](#)

Assuming that the September 11 2001 attacks would not have happened without bin Laden, and that the Afghanistan and Iraq wars would not have happened without September 11, the al-Qaeda leader directly cost American taxpayers more than \$2,000bn – and the indirect burden may be much higher. The contentious business of estimating the bill for September 11 has become a thriving cottage industry. The direct costs of the Afghan and Iraq operations are the easier part. The Congressional Research Service, C...

[Bin Laden's Goal: Bankrupt the US | Ezra Klein](#)

Bin Laden, according to counterterrorism expert Gartenstein-Ross, had a strategy that we never bothered to understand, and thus that we never bothered to defend against. What he really wanted to do – and, more to the point, what he thought he could do – was bankrupt the United States. After all, he'd done the bankrupt-a-superpower thing before. And though it didn't quite work out this time, it worked a lot better than most of us, in this exultant moment, are willing to admit. Superpowers fall because ...

[Like the Iraq and Afghanistan Wars? You'll LOVE This – a blank check to wage war against al-Qaeda or the Taliban anywhere](#)

If you like the wars in Iraq and Afghanistan then you'll love what Senator John McCain and Congressman "Buck" McKeon, the new Chairman of the House Armed Services Committee, are proposing: Congress should give the President and the Secretary of Defense a blank check to wage war against anyone he or she declares "associated" with al-Qaeda or the Taliban – anytime, anywhere, anyhow. Just what and who is an "associated force" of al Qaeda and the Taliban? Chairman McKeon's bill leaves that determinatio...

[GE's \\$3 Billion Pentagon Boondoggle](#)

Even by the freewheeling standards of military contracting, the F-136 jet engine was a boondoggle in the making: a piece of hardware that the Pentagon didn't need and didn't really want, built by a megacorporation that pays no income tax, with a pricetag in the billions. And now it's official history: After years of attempts to kill off General Electric's controversial "second engine" program for the F-35 Joint Strike Fighter, the military finally succeeded yesterday, potentially saving another \$2.9...

[The Obama-Gates Maneuver on Military Spending | Gareth Porter](#)

It is difficult to believe that open display of tension between Obama and Gates was not scripted. In the background of those moves is a larger political maneuver on which the two of them have been collaborating since last year in which they gave the Pentagon a huge increase in funding for the next decade and then started to take credit for small or nonexistent reductions from that increase. The original Obama-Gates base military spending plan - spending excluding the costs of the current wars - for F...

Ampede Status We are fighting to remain 100% independent, completely free from partisan influence. If you respect our work, please [donate to support our efforts here](#).

The original source of this article is [Amped Status Report](#)
Copyright © [David DeGraw](#), [Amped Status Report](#), 2011

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: [David DeGraw](#)

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long as the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca