

A War We Can't Afford

Пише: Doug Bandow
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The U.S. government is broke. Nevertheless, Washington is currently fighting two wars: one is ebbing while the other is expanding. How to pay for the Afghan build up? Democrats say raise taxes. Republicans say no worries. The best policy would be to scale back America's international commitments.

The United States will spend more than \$700 billion on the military in 2010. The administration's initial defense-budget proposal, minus the Afghanistan and Iraq wars, was \$534 billion, almost as much as total military spending by the rest of the world. Even though the Iraq war is winding down, its costs will persist for years as the government cares for thousands of seriously injured veterans.

Afghanistan cost about \$51 billion in 2009 and had been expected to run \$65 billion in 2010. However, the president's build up is estimated to add another \$30 billion annually. And if this "surge" doesn't work—U.S. troop levels still lag well behind the minimum number indicated by Pentagon anti-insurgency doctrine—the administration will feel pressure to further increase force levels. Every extra thousand personnel deployed to Afghanistan costs about \$1 billion.

Although the president reportedly plans to emphasize deficit reduction in his upcoming budget, he continues to propose new programs even with \$10 trillion in red ink predicted over the next decade. The cost of the Afghan war will be yet another debit added to the national debt.

Some Democrats are demanding measures to pay for the war. For instance, Appropriations Committee Chairman Representative David Obey is advocating a special war tax to "share the burden." He, along with Rep. John P. Murtha and Rep. John B. Larson, have introduced the Share the Sacrifice Act of 2010. They complain that "the only people who've paid any price for our military involvement in Iraq and Afghanistan are our military families."

While Rep. Obey would impose a temporary surcharge on people earning as little \$30,000

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annually, Senate Armed Services Committee Chairman Carl Levin proposes adding a new, higher tax bracket to pay for the wars. However, the latter admits that a recession may not be a good time to hike taxes—a sentiment widely shared on Capitol Hill.

Senator Bernie Sanders, an avowed socialist, argues: “If you’re going to have a presence there [in Afghanistan], you just can’t pass the bill on, as we did in Iraq, to our kids and our grandchildren. I think that’s wrong. I think that’s immoral.” However, he has proposed no specific fiscal response.

Sen. Ben Nelson, the key swing vote for the \$2 trillion Senate health-care bill, proposes issuing war bonds—that is, more debt. Doing so, he contends, would “reduce our dependence on foreign creditors and support for our service members and America’s mission.” Of course, in fiscal terms there is no difference between civilian bonds and war bonds. And the proposal mimics the “Patriot Savings Bonds” promoted by the Bush administration in 2001.

Some Democrats want the administration to lead. Rep. Mike Honda opines: “If the president intends to go in over our objections, he should have to bear the burden of asking for a tax to pay for it.” The administration refuses to endorse either surtaxes or bonds, but plans on including the cost of the Afghan war, including the surge, in the 2010 budget. The Bush administration preferred to hide the cost of its conflicts by placing war spending in supplemental bills. Secretary of State Hillary Clinton explained: “The president is committed to making it fully accounted for.”

“Pay-as-you-go” proponents have a point. Although the Republican Party historically supported balanced budgets, President George W. Bush and the Republican congressional majority turned a surplus into a deficit while upping domestic outlays across the board, creating a big new health care program (the Medicare drug benefit), and initiating two wars. For the GOP to now rail against wasteful spending is a bit of shameless political theater all too typical for Washington.

However, the Democrats’ new-found concern for fiscal responsibility also looks suspect. Rep. Obey, who in 2007 proposed a similar levy for Iraq, complains that the money spent in Afghanistan “will cost us on education, on our efforts to build the entire economy.” Rep. Lynn Woolsey similarly objects that the war has “diverted funds from desperately needed domestic priorities.” Sen. Levin admits that he wants higher taxes in principle—the wealthy “have done incredibly well”—arguing that taxes should have been raised during the previous administration.

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In rebuttal, Senate Minority Leader Mitch McConnell lost no time in pointing out the obvious: “The Democrats are willing to bust the budget to pass a domestic program that the American people are against, but all of a sudden find it offensive to do something that is absolutely essential to the security of Americans here in the United States.” There’s little evidence that attempting to build an effective, pro-Western central government in Kabul, essentially where the mission is heading, has much to do with U.S. security, but Sen. McConnell’s broader point remains valid: Democrats were far less concerned about excessive borrowing when they were voting for hundreds of billions of dollars for social programs, bailouts and “stimulus” packages. For this reason Republican legislators have proposed to pay for the Afghan surge by freezing discretionary outlays, using unspent “stimulus” funds, and delaying debates over health-care reform and cap and trade. There likely is another objective lurking beneath the surface of the proposed tax hike. Just as Rep. Charles Rangel advocated reinstating conscription in an attempt raise the perceived public cost of the Iraq war, surcharge advocates may hope to highlight the cost of the Afghan war.

Frederick Kagan of the American Enterprise Institute complains that “Certain members of the progressive caucus see this as very attractive because it has the chance of increasing the unpopularity of the war.” Roberton Williams of the Urban Institute-Brookings Institute Tax Policy Center makes the same point: “Look at who’s pushing this. It’s people opposed to the war.”

While Republican politicians continue to raise the alarm over new domestic spending initiatives, they fall curiously silent when it comes to America’s oversized military budget and war costs.

Indeed, the conservative Heritage Foundation, long a proponent of reduced spending, put out a special handout entitled “THE WAR IN AFGHANISTAN: Costs in Context.” According to Heritage, \$95 billion in 2010 is “a small price to pay,” “a tiny fraction of federal spending,” “small relative to America’s past wars,” “far less than TARP, bailouts, and the stimulus,” and “smaller than the annual growth in entitlements.”

These are all true as far as they go, but spending on almost every federal program is small compared to the overall deficit. When Rep. Woolsey complained that war outlays had “exploded the lid off our national debt,” she could have made the same comment about a myriad of domestic programs as well.

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Moreover, Heritage's statements are not ones conservatives typically make regarding proposals for new domestic spending initiatives. And the military spending adds up: since 2001 Washington has spent nearly \$1 trillion on Afghanistan and Iraq. The Congressional Budget Office figures the cost over the next decade could run \$1.6 trillion. The interest on war-related debt adds another \$100 billion. And the Obama administration is hiking non-war related military outlays, merely slowing the rate of increase.

Washington is spending far too much. There is no easy way to pay for an expanded war in Afghanistan. Higher taxes at least impose the real cost on the present generation. More debt continues the dishonest fiction that the American people can get something for nothing.

But the solution is to cut expenditures. The fact that Washington is spending too much money on domestic programs is no excuse for unnecessary military expenditures. Defense outlays need to be evaluated critically on their own terms.

This is where congressional Democrats should mount their attack. Neither higher taxes nor new war bonds is the issue. The problem is the extension of the U.S. occupation of Iraq and expansion of conflict in Afghanistan. Even more dubious are military deployments protecting prosperous and populous allies throughout Asia and Europe. Americans no longer can afford to subsidize rich friends and remake poor dependents all around the globe.

The United States is attempting to run a quasi-empire on the cheap. How we do the paying is less important than what we are paying for. Much of today's "defense" spending has nothing to do with defending America. Washington should bring our foreign ends into conformity with our domestic means.

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