



## Episode 923: The U.S. Military Budget: Throwing Money Out the Window

Guest: William Hartung

**WOODS:** It seems that no matter what happens, no matter what happens, no matter who it is, no matter what the promises are, we get a bigger military budget. Now in this case, Donald Trump promised that he was going to increase the military budget, and I think most people who knew anything about the subject were just shaking their heads in utter disbelief. What possible reason would you have for doing this, given when you compare the U.S. budget to that of the entire rest of the world put together and secondly, the nature of whatever threat the U.S. is facing today does not seem to require more nuclear submarines or whatever the heck else they're going to try to bill us for? So when you hear, "We've got to increase the military budget to keep America safe," what's your visceral response to that?

**HARTUNG:** Well, I mean, based on what we need, I kind of scratch my head, because as you said, they're spending almost record levels, \$600 billion a year, which is bigger than the next eight countries combined, and six of those countries are our allies. So there's no lack of money there, and the kind of things that they have to deal with, like terrorist attacks, suicide bombers, and so forth, they're not thinking about what they would need to deal with that. So ballistic missile submarines, overpriced fighter planes, huge aircraft carriers that are having cost overruns are not going to do them a lot of good in dealing with what admittedly is a very challenging problem, but they're not going to get very far if they spend on things that are completely unrelated to that.

**WOODS:** You note in your article – and I'm linking to this article, by the way, at [TomWoods.com/923](http://TomWoods.com/923). You've got it here, a reference to a study at the Watson Institute at Brown University that released a paper, and saying that, since 2001, the United States has racked up in the wars in Iraq, Afghanistan, Pakistan, and Syria, not to mention the Department of Homeland Security, we're talking about \$4.79 trillion in current and future costs. And it's interesting at a time like this to recall – you remember the cost estimates we got for the Iraq War back in 2002 and '03? Remember those?

**HARTUNG:** Yeah, I mean, the \$4.79 billion is mindboggling –

**WOODS:** Trillion, trillion.

**HARTUNG:** [laughing] Trillion, sorry. Good thing I have you here to help me.

**WOODS:** [laughing] If only it were just that.

**HARTUNG:** They said 50 billion and it ended up just Iraq being 16 times that. And then you had Afghanistan, you had Homeland Security. They stuffed some money both in this war budget that they have separately and also into the Pentagon budget. And then, of course, there's the cost of taking care of our vets, and that cost goes on for the lifetime of these folks. So that alone is another trillion dollars thrown into that 4.79 trillion. And you know, we're arguing about thing like, How are we going to cut a trillion dollars over the next ten years to balance the budget? We're cutting very small programs by these standards, like the National Endowment for the Arts and Center for Public Broadcasting, legal services, home heating, Meals on Wheels – there's about eight target programs – Planned Parenthood. So their initial eight on their hit list come in at about one half of 1% of the Pentagon's yearly budget and then an infinitesimal amount of those, you know, that 4.79 trillion. So there's a huge mismatch here. They're looking in the wrong place if they want to save money.

**WOODS:** Can you break down – because in the article you break down where this staggering figure comes from. Of course we would expect some of it comes from direct war spending, but oddly enough, that's only 1.7 trillion of the 4.7. What else has the money been spent on?

**HARTUNG:** Well, as I said, the 1.7 trillion, when they started these wars they said, Okay, they're unpredictable; we don't know what we're going to spend; let's set up a separate account to pay for that. And they call that the Overseas Contingency Operations Account, because it sounds, well, kind of neutral. It doesn't sound like it's killing people, which of course it is. And then the Pentagon's regular budget went up substantially because of the kind of war fear that was being spread, the fear of terrorism and so forth. That atmosphere of war allowed the Pentagon to up its regular budget. And then Homeland Security grew dramatically to one of the top federal agencies during this whole period. You've got Veterans Affairs; that budget has tripled because you've generated 2 million new vets from the Iraq and Afghan wars. And then as I mentioned, taking care of those vets could be a trillion dollars all by itself over their lifetimes, so that's half, again, direct spending on the war.

So there's a lot of elements that go into it, and of course we've increased our debt, which has increased the interest on the debt related to this military spending. And I think when people think about war, they don't think about this. You know, the Bush administration kind of eased us into this war with Iraq on the idea that it would be, by Pentagon standards, relatively cheap. You know, only \$50 billion, which to most people is a lot of money. And there were even statements by some administration officials that said, Oh, the war will pay for itself.

**WOODS:** Oh yeah.

**HARTUNG:** And of course we paid for it.

**WOODS:** In terms of the increase in the military budget that Trump requested, this is just a stunning figure you've got here. He's requesting a \$54 billion increase in military spending for 2018. Now, we're so jaded by big figures that we don't even know how to evaluate that, so you give us this comparison: just that increase, just that 54 billion, is roughly equal to the entire annual military budget of France, larger than the defense budgets of the U.K., Germany, and Japan, and only 12 billion less

than the entire Russian military budget of 2015. That's a substantial sum. Now, how does this military spending of today compare historically with other periods in American history?

**HARTUNG:** Well, it's larger than the peak of the Reagan build-up, which is one of the biggest build-ups in our history – and then of course World War II. It's kind of in the ballpark with what we spent during the Korean War. So these are times when there were hundreds of thousands, sometimes millions of troops spread overseas to fight conflicts. These current wars, although quite expensive, there's 7,000 troops in Iraq and Syria, probably another 7,000 or so private contractors. Bush had 160,000 troops and a comparable number of contractors. So as you said, it never goes down. Even when the troops overseas go down, the war-fighting troops, somehow they find ways to keep spending all this money.

**WOODS:** You wrote a book on Lockheed Martin. It's called *Profits of War: Lockheed Martin and the Making of the Military Industrial Complex*. I can't help sharing a personal story relating to my 13-year-old, who just finished eighth grade. And this was – let's see, this was a few months ago. For some reason, heaven knows what, somebody from Lockheed Martin – we live in Florida, and I've driven by a big complex that says Lockheed Martin on it. Somebody from there was coming to her school, and the students were told they could ask the representative whatever they wanted. And I was not going to have my 13-year-old asking, "How fast do your planes go?" or whatever, which of course she – in a million years it wouldn't have dawned on her to ask something like that. She said, "Dad, what's a good, juicy question I can ask this guy?"

So we had fun sitting around plotting something, and this is what we came up with – I wanted her to be respectful, and this is the question that she asked. She said, "Should Americans be concerned that a lot of people from Lockheed Martin wind up in government where they advocate military spending and foreign policy that appear to benefit Lockheed Martin [laughing]?" He wasn't totally ready for that question, but let me ask you that question, because I don't know that many of the details of Lockheed Martin, but obviously you do. Is that a reasonable question for her to have asked?

**HARTUNG:** Yes, and it's brilliant to think that – I'm sure that the Lockheed Martin rep thought that they were going to come in, get a bunch of softball questions –

**WOODS:** [laughing] Right, right.

**HARTUNG:** – kind of wow the kids with all of the stuff they were doing, so this had to be a wonderful moment. And yeah, it's absolutely right. I mean, the golden era for Lockheed Martin was in the Bush years when they had people go into government, Deputy National Security Advisor, Head of Military Space Operations at the Pentagon, helping the DOE run the nuclear warhead program. They had eight people go in right at the top and then many more lower levels.

And in the Trump years, some other companies are getting better inside track. Secretary of Defense Mattis came straight off the board of General Dynamics, which makes tanks and will make the new ballistic missile submarine at \$8 billion a pop. There's a guy from Boeing's missile defense division who's going to be Mattis' deputy at

the Pentagon. Head of Homeland Security, a former general, had a defense consulting firm before he came into the government – and many more.

There's a guy named Lee Fang who's a very good writer at *The Intercept* who found about 16 examples of corporate folks who came into government just in the Trump transition. And he hasn't actually appointed that many people. They've been arguing about who fits their standards to even go into government, and they've been blocking some of Mattis' potential appointments and so forth. So 16 out of a very small number that have actually been appointed is a huge number.

**WOODS:** Yeah, yeah, now that is. But at the same time, I think there are some people who feel like it just seems too crude. It can't be that what's really going on here is that there's a company or a group of companies that are simply lining their pockets, that they don't have the best interest of the U.S. at heart, but that war is a profitable thing and they are ready to cash in on it. I think there are a lot of people who can't grasp – But is that how you would characterize it, or is it more complicated than that?

**HARTUNG:** I think that's the bottom line. Yeah, I think there are some in the industry who want to meet the nation's defense needs and so forth, but that question of what we need is so distorted, primarily by the lobbying of these companies. So we don't need more nuclear overkill. I mean, we've got 4,000 to 4,500 nuclear warheads, and even if you think that's the best way to go, to have nuclear weapons to deter other countries from attacking the United States – Some Air Force strategists did their own assessment. They said, well, maybe 300 would do the job, so we have 15 times what we need, and yet the corporations are lobbying to spend a trillion dollars over the next three decades for new submarines, new bombers, new ballistic missiles based on the ground, a new missile defense system, new kinds of warheads at the Department of Energy. So right there, we're not talking about defense needs; we are talking about primarily lining the pockets of the contractors.

And of course there is some distorted thinking. There's a lot of Cold War thinking that's still embedded in the Pentagon that's kind of this nuclear priesthood that says, Well, if we build X, then they might do Y, and therefore we have to build X, and if they have thousands, we need more than that. And all of that is kind of nonsense, except for the fact that it of course drives this nuclear arms race, which is not just expensive, but puts us at risk that one of these things is going to be used at one point, even if by accident.

**WOODS:** One of the themes in your article and that's repeated toward the end involves contrasting how much the U.S. government is spending on the military with what it has to show for this spending. Now, do you mean in terms of the hardware that it's getting or the results that it's getting?

**HARTUNG:** I'm thinking of the results primarily. I mean, it's true the hardware often doesn't work. The F-35, for example, which is the most expensive program ever undertaken by the Pentagon, they're starting to ramp these up and put them into full production, and yet they can't reliably communicate with troops on the ground. They're not very good against other fighter planes. They can carry relatively few bombs compared to existing planes. They're not really that great at supporting troops on the ground. So all the things that this plane has been asked to do has been done

better by planes that already exist, and yet we're throwing all this money at it, so there is that issue of performance.

But then you look at the wars we've fought. I mean, the Iraq War, with all the money that was poured into that, and we ended up with a sectarian government that's so alienated its own people that when ISIS came in, they put up minimal fight in many communities because they thought, What could be worse than what we already have? Our leaders are being jailed, we're being attacked by government-supported militias, and so forth. And so we created a climate where ISIS could succeed, and so this initial idea that we're going to move into Iraq, we'll get rid of a dictator, we'll put in a democracy that's pro-U.S., and oh, by the way, it might help U.S. oil companies – none of that came to be. So no matter how you define U.S. security, no matter how hawkish you are, it's very difficult to make the case that intervention in Iraq made sense.

And then of course in Afghanistan, we've been there for the longest period in U.S. history and the Taliban is as strong as ever. So using force to solve these complicated problems has not gotten the job done.

**WOODS:** Well, meanwhile, over in Europe, I'm interested – because you are the director of the Arms and Security Project at the Center for International Policy, and I'm curious to know your opinion on NATO, if NATO has outlived its usefulness or if, as we're told, it's now quite useful in the battle against terrorism? I don't know what to believe. The battle against terrorism, just everything I hear about it is all propaganda, so as soon as I hear that, my skeptical antenna go up.

**HARTUNG:** Yeah, well, it's interesting. Donald Trump said – well, he said two things: they're not spending enough, and he also said, Well, until I brought it up, they weren't even fighting terrorism. But of course they've kind of followed the U.S. lead in sending troops to Iraq and Afghanistan, which has taken up a substantial chunk of the budgets of the NATO allies. Now, sure, I mean, if Russia's messing around in the Baltics and they're doing what they did in Ukraine and so forth, there's got to be some way to address that. But these countries are already collectively outspending Russia, and some of Russia's tactics, it's not tanks at the border; it's infiltrating a few people, it's propaganda, it's cyberwar. So they need a new strategy for dealing with that kind of warfare, and the kind of things they've been buying don't really meet that standard.

So I think if NATO was restricted to the defense of Europe and then they give some thought to, okay, which country does which function, how do we deal with this new era of warfare, that would make sense. But what they're doing is they're kind of buying into this idea of NATO as a global interventionary force, and I think that's a huge mistake.

**WOODS:** What has been your opinion about the expansion of NATO, more and more countries entering it? Could that be taken as a provocation to the Russians? I mean, Montenegro, for heaven's sake, and the Baltic states? I mean, these are – if it's really true that an attack on one NATO country is an attack on all, and this, therefore, obligates the U.S. to go to war with a nuclear power over Latvia, I wish the Latvians the best of luck, but this seems like an irresponsible guarantee.

**HARTUNG:** Yeah, I was writing – well, I don't want to show my age – but back in the '90s, when I was at least younger than I am now, about the initial NATO expansion being a mistake, because at the end of the Cold War, Secretary of State Baker had let the Russians know that, well, if Germany unifies and East and West come into one country that's allied with NATO, that'll be it. We're not going to expand NATO up to your borders. And then of course that's exactly what they did. And Russia has its own perspective on these things, which goes back many years. I mean, given what happened to them in World War II and the huge losses they had – some call them paranoid; some just say they have a long historical memory. But anyway, the idea of an opposing alliance rolling right up to their borders caused great consternation, especially since it was in contravention to a pledge that had been made to them that that was not going to happen.

And then of course there was the re-arming of all of those countries – Poland, Hungary, Czech Republic – a lot of it with U.S. arms, a lot of it driven by U.S. companies. There was a group called the Committee to Expand NATO that was run by a Lockheed Martin vice president, a guy named Bruce Jackson. And they were over there selling their wares and pitching their stuff even before those initial countries joined NATO. So yeah, I think that idea of expanding NATO is viewed in Russia as being encircled. You know, it may be viewed on our part as some sort of prudent defense strategy, but I think part of defense strategy is you've got to think how other countries are going to react, and I think a lot of Russia's hawkishness now stems back to that idea of expanding NATO and how they perceived it.

**WOODS:** Can you just tell me about the Center for International Policy and what your goals are?

**HARTUNG:** Yeah. We're an independent think-tank, and unlike a lot of think-tanks in Washington – well, the majority of them – we don't take defense contractor money, we don't take U.S. government money. And so we're trying to create kind of an independent take on a lot of these things, and we're for a more peaceful world, a more economically sustainable world, a world where human rights are prevalent instead of being ignored, as the current administration loudly has proclaimed that it will do. I mean, Trump goes on a trip and he's cozy as could be in the dictatorship in Saudi Arabia, and then he goes to visit our democratic allies and he's like a fish out of water and he's confronting them. So his priorities are almost exactly the opposite of what they should be. So anyway, we have very ambitious goals, but our feeling is, if there's not an independent voice making some of these points, we're never going to get there.

**WOODS:** How can people find out more about what you guys do?

**HARTUNG:** Well, we're at [CIPOnline.org](http://CIPOnline.org). Also, if you just Google either my name, William Hartung, or "Center for International Policy," our website is the first thing that will pop up.

**WOODS:** What you're talking about does run pretty counter to what we might call the bipartisan foreign policy consensus. Of course there's some change in emphasis. As you say, there's no doubt that Trump is looking to dial up some of the conflicts that we

saw under Obama, but still, by and large they have the same assumptions, the same commitments. How does a think-tank like yours crack through that?

**HARTUNG:** Well, we just try to do a lot of media, and a show like yours of course is very helpful in that. I've had pieces in *The New York Times*. I write in a lot of the D.C.-focused publications. We do have some allies on the Hill who are willing to speak out – not a majority, but sometimes a determined minority can make a significant dent in holding off a bad policy. At the moment, there's an initiative to block the latest arms deal to Saudi Arabia, which would give them bombs for a war they're doing in Yemen where they're killing thousands of civilians. And Senator Chris Murphy, Al Franken, Rand Paul have been leading that effort. Not clear if we can win in a Republican Senate, but the bigger vote, the better in terms of sending a message to the Saudis that not everybody here is happy with what they're doing, or that there's a lot of opposition, which is growing. So yeah, it's a challenge.

And of course we're networked, so we work with many other organizations that are pulling in the same direction. And on some issues, there's kind of a left-right convergence. There's a lot of libertarian groups that think the Pentagon's spending too much money, think we should stop doing these foreign interventions. They're against mass surveillance on personal freedom grounds and so forth. So on certain issues, I'm horrified at their agendas specifically on domestic things, but there are areas where we overlap and so we can have this kind of coalition of convenience to fight. And therefore, you've even got some Republicans, particularly in the House, who are questioning the Pentagon, What do you need all this money for, and for that matter, why should we give money to an institution that can't even audit its own books and tell us where the money's going?

**WOODS:** Well, I would love to live in a world where we could just sit down and hash out our domestic differences without having to worry about, what the heck are these sociopaths doing all over the world. And I know this sounds really cheesy, but I have five daughters and ever since I had kids, just even when I – I know how cheesy this sounds, but I would take the garbage out to the curb and it would be quiet at night, and I would sit and imagine what it would be like to hear an air raid siren and be worried about what's going to happen to my kids, and that is a real experience of a lot of people around the world. And I'm lucky that I live in the heart of the hegemon, but other people aren't so lucky.

And so to me, foreign policy is the most important thing when it comes to morality – and just everything, everything down the – And not only that, not only is it grotesquely immoral what they're doing; as you say, they have zero to show for it. I mean, at least if they could say, Well, we got the bad guys, you'd say, Well, I don't like how you did it, but at least you have something to show for yourselves. They have nothing except fat pockets and a lot more power and influence. So that's why I am so happy to work with anybody who feels the way I feel about this.

And frankly, I go way beyond a lot of the people I work with on this, even people on the left. I wrote a book with Murray Polner, who's on the left, called *We Who Dared to Say No to War*, but I'm the guy who, when I'm on that airplane and they're telling me I've got to clap for the troops, I just don't do it. I'm sure some of these are decent people who've been misled, but you know, you shouldn't have gone and fought in the

Iraq War. You just shouldn't have. You should have refused to do it. So I'm not going to stand up; I'm not going to applaud. I don't care if you get the 10% discount at the ice cream store. I just don't go for any of this superstition about the military. I think that in itself is perpetuating the problem. It's a superstitious, religious reverence we're taught to have for this institution. We did not have this. When I was growing up in the '80s, yeah, the military was fine, but it wasn't like there's a military demonstration before every Super Bowl. It hadn't gone completely berserk. I guess 9/11 must have done that.

**HARTUNG:** I think so. And there's no question there's a lot of courageous people in the military, but they've been sent on the wrong missions, you know? And there's plenty of other heroic people who deserve plaudits. I mean, there's teachers, there's nurses, there's people that are dealing with domestic issues. There's the citizens who tried to intervene when there was an attack on a Muslim on the West Coast. And you know, people lost their lives doing that. There's plenty of other areas where courage has been shown, so I think we should applaud some of that as well, because some of those things, which the Trump administration is actually cutting money for, save people's lives.

**WOODS:** All right, tell us one more time what the website is.

**HARTUNG:** It's CIPOnline.org, or just Google "Center for International Policy."

**WOODS:** Okay, and I'm going to link to that also at TomWoods.com/923. Well, Bill, thanks for your time today and good luck in all your important work.

**HARTUNG:** Thanks for having me. I really appreciate it.