

The Institute for Policy Studies



"An institute for the rest of us." I.F. Stone

Unconventional
Wisdom... since 19

[Support the work of the
Institute](#)

[Home](#)

[About IPS](#)

[Staff](#)

[Support IPS](#)

[Internships](#)

[Publications](#)

Projects

[Action Agenda
for Electoral
Reform](#)

[Bring Pinochet
to Justice](#)

[Break the Chain
Campaign](#)

[Democracy
Action Project](#)

[Drug Policy](#)

[Economic
Conversion](#)

[Ecotourism and
Sustainable
Development](#)

[Foreign Policy
In Focus](#)

[Global Economy](#)

[Letelier-Moffitt
Human Rights
Awards](#)

[New
Internationalism
— U.N. and the
Middle East](#)

[Nuclear Policy](#)

Paying the Price: The Mounting Costs of the Iraq War

A Study by the Institute for Policy Studies and Foreign Policy In Focus

Key Findings

Full report with citations available at: <http://www.ips-dc.org/iraq/costsofwar/costsofwar.pdf>

[Print-ready "Just the numbers" factsheet](#) ([Free Adobe Acrobat reader](#) needed to view full report and factsheet)

["Just the numbers" factsheet as a web page/html](#)

Key Findings

([I. Costs to the United States](#) / [II. Costs to Iraq](#) / [III. Costs to the World](#))

I. Costs to the United States

A. Human Costs

U.S. Military Deaths: Between the start of war on March 19, 2003 and June 16, 2004, 952 coalition forces were killed, including 836 U.S. military. Of the total, 693 were killed after President Bush declared the end of combat operations on May 1, 2003. Over 5,134 U.S. troops have been wounded since the war began, including 4,593 since May 1, 2003.

Contractor Deaths: Estimates range from 50 to 90 civilian contractors, missionaries, and civilian worker deaths. Of these, 36 were identified as Americans.

Journalist Deaths: Thirty international media workers have been killed in Iraq, including 21 since President Bush declared the end of combat operations. Eight of the dead worked for U.S. companies.

B. Security Costs



Please support the
Institute for Policy
Studies through
clickandpledge.com

Or donate via your
Paypal account:

[Make a Donation](#)

[Paths to the 21st Century](#)

[Peace and Security](#)

[Progressive Challenge](#)

[Social Action and Leadership School](#)

[Sustainable Energy and Economy Network](#)

IPS
733 15th St NW
Suite 1020
Washington
DC
20005

(202) 234-9382
(202) 387-7915
fax

[webmaster:
scott@ips-
dc.org](mailto:scott@ips-dc.org)

Graphics adapted from work by Naul Ojeda. Click [here](#) to see more of his work.

dfwti

Terrorist Recruitment and Action: According to the London-based International Institute for Strategic Studies, al Qaeda's membership is now at 18,000, with 1,000 active in Iraq. A former CIA analyst and State Department official has documented 390 deaths and 1,892 injuries due to terrorist attacks in 2003. In addition, there were 98 suicide attacks around the world in 2003, more than any year in contemporary history.

Low U.S. Credibility: Polls reveal that the war has damaged the U.S. government's standing and credibility in the world. Surveys in eight European and Arab countries demonstrated broad public agreement that the war has hurt, rather than helped, the war on terrorism. At home, 54 percent of Americans polled by the Annenberg Election Survey felt that the "the situation in Iraq was not worth going to war over."

Military Mistakes: A number of former military officials have criticized the war, including retired Marine General Anthony Zinni, former commander of the U.S. Central Command, who has charged that by manufacturing a false rationale for war, abandoning traditional allies, propping up and trusting Iraqi exiles, and failing to plan for post-war Iraq, the Bush Administration made the United States less secure.

Low Troop Morale and Lack of Equipment: A March 2004 army survey found 52 percent of soldiers reporting low morale, and three-fourths reporting they were poorly led by their officers. Lack of equipment has been an ongoing problem. The Army did not fully equip soldiers with bullet-proof vests until June 2004, forcing many families to purchase them out of their own pockets.

Loss of First Responders: National Guard troops make up almost one-third of the U.S. Army troops now in Iraq. Their deployment puts a particularly heavy burden on their home communities because many are "first responders," including police, firefighters, and emergency medical personnel. For example, 44 percent of the country's police forces have lost officers to Iraq. In some states, the absence of so many Guard troops has raised concerns about the ability to handle natural disasters.

Use of Private Contractors: An estimated 20,000 private contractors are carrying out work in Iraq traditionally done by the military, despite the fact that they often lack sufficient training and are not accountable to the same guidelines and reviews as military personnel.

C. Economic Costs

The Bill So Far: Congress has already approved of \$126.1 billion for Iraq and an additional \$25 billion is heading towards Congressional approval, for a total of \$151.1 billion through this year. Congressional leaders have promised an additional supplemental appropriation after the election.

Long-term Impact on U.S. Economy: Economist Doug Henwood has estimated that the war bill will add up to an average of at least \$3,415 for every

U.S. household. Another economist, James Galbraith of the University of Texas, predicts that while war spending may boost the economy initially, over the long term it is likely to bring a decade of economic troubles, including an expanded trade deficit and high inflation.

Oil Prices: Gas prices topped \$2 a gallon in May 2004, a development that most analysts attribute at least in part to the deteriorating situation in Iraq. According to a mid-May CBS survey, 85 percent of Americans said they had been affected measurably by higher gas prices. According to one estimate, if crude oil prices stay around \$40 a barrel for a year, U.S. gross domestic product will decline by more than \$50 billion.

Economic Impact on Military Families: Since the beginning of the wars in Iraq and Afghanistan, 364,000 reserve troops and National Guard soldiers have been called for military service, serving tours of duty that often last 20 months. Studies show that between 30 and 40 percent of reservists and National Guard members earn a lower salary when they leave civilian employment for military deployment. Army Emergency Relief has reported that requests from military families for food stamps and subsidized meals increased "several hundred percent" between 2002 and 2003.

D. Social Costs

U.S. Budget and Social Programs: The Bush administration's combination of massive spending on the war and tax cuts for the wealthy means less money for social spending. The \$151.1 billion expenditure for the war through this year could have paid for: close to 23 million housing vouchers; health care for over 27 million uninsured Americans; salaries for nearly 3 million elementary school teachers; 678,200 new fire engines; over 20 million Head Start slots for children; or health care coverage for 82 million children. Instead, the administration's FY 2005 budget request proposes deep cuts in critical domestic programs and virtually freezes funding for domestic discretionary programs other than homeland security. Federal spending cuts will deepen the budget crises for local and state governments, which are expected to suffer a \$6 billion shortfall in 2005.

Social Costs to the Military: Thus far, the Army has extended the tours of duty of 20,000 soldiers. These extensions have been particularly difficult for reservists, many of whom never expected to face such long separations from their jobs and families. According to military policy, reservists are not supposed to be on assignment for more than 12 months every 5-6 years. To date, the average tour of duty for all soldiers in Iraq has been 320 days. A recent Army survey revealed that more than half of soldiers said they would not re-enlist.

Costs to Veteran Health Care: About 64 percent of the more than 5,000 U.S. soldiers injured in Iraq received wounds that prevented them from returning to duty. One trend has been an increase in amputees, the result of improved body armor that protects vital organs but not extremities. As in previous wars, many soldiers are likely to have received ailments that will not be detected for years

to come. The Veterans Administration healthcare system is not prepared for the swelling number of claims. In May, the House of Representatives approved funding for FY 2005 that is \$2.6 billion less than needed, according to veterans' groups.

Mental Health Costs: A December 2003 Army report was sharply critical of the military's handling of mental health issues. It found that more than 15 percent of soldiers in Iraq screened positive for traumatic stress, 7.3 percent for anxiety, and 6.9 percent for depression. The suicide rate among soldiers increased from an eight-year average of 11.9 per 100,000 to 15.6 per 100,000 in 2003. Almost half of soldiers surveyed reported not knowing how to obtain mental health services.

II. Costs to Iraq

A. Human Costs

Iraqi Deaths and Injuries: As of June 16, 2004, between 9,436 and 11,317 Iraqi civilians have been killed as a result of the U.S. invasion and ensuing occupation, while an estimated 40,000 Iraqis have been injured. During "major combat" operations, between 4,895 and 6,370 Iraqi soldiers and insurgents were killed.

Effects of Depleted Uranium: The health impacts of the use of depleted uranium weaponry in Iraq are yet to be known. The Pentagon estimates that U.S. and British forces used 1,100 to 2,200 tons of weaponry made from the toxic and radioactive metal during the March 2003 bombing campaign. Many scientists blame the far smaller amount of DU weapons used in the Persian Gulf War for illnesses among U.S. soldiers, as well as a sevenfold increase in child birth defects in Basra in Southern Iraq.

B. Security Costs

Rise in Crime: Murder, rape, and kidnapping have skyrocketed since March 2003, forcing Iraqi children to stay home from school and women to stay off the streets at night. Violent deaths rose from an average of 14 per month in 2002 to 357 per month in 2003.

Psychological Impact: Living under occupation without the most basic security has devastated the Iraqi population. A poll by the U.S. Coalition Provisional Authority in May 2004 found that 80 percent of Iraqis say they have "no confidence" in either the U.S. civilian authorities or in the coalition forces, and 55 percent would feel safer if U.S. and other foreign troops left the country immediately.

C. The Economic Costs

Unemployment: Iraqi joblessness doubled from 30 percent before the war to 60 percent in the summer of 2003. While the Bush administration now claims

that unemployment has dropped, only 1 percent of Iraq's workforce of 7 million is involved in reconstruction projects.

Corporate War Profiteering: Most of Iraq's reconstruction has been contracted out to U.S. companies, rather than experienced Iraqi firms. Top contractor Halliburton is being investigated for charging \$160 million for meals that were never served to troops and \$61 million in cost overruns on fuel deliveries. Halliburton employees also took \$6 million in kickbacks from subcontractors, while other employees have reported extensive waste, including the abandonment of \$85,000 trucks because they had flat tires.

Iraq's Oil Economy: Anti-occupation violence has prevented Iraq from capitalizing on its oil assets. There have been an estimated 130 attacks on Iraq's oil infrastructure. In 2003, Iraq's oil production dropped to 1.33 million barrels per day, down from 2.04 million in 2002.

Health Infrastructure: After more than a decade of crippling sanctions, Iraq's health facilities were further damaged during the war and post-invasion looting. Iraq's hospitals continue to suffer from lack of supplies and an overwhelming number of patients.

Education: UNICEF estimates that more than 200 schools were destroyed in the conflict and thousands more were looted in the chaos following the fall of Saddam Hussein. Largely because of security concerns, school attendance in April 2004 was well below pre-war levels.

Environment: The U.S.-led attack damaged water and sewage systems and the country's fragile desert ecosystem. It also resulted in oil well fires that spewed smoke across the country and left unexposed ordnance that continues to endanger the Iraqi people and environment. Mines and unexploded ordnance cause an estimated 20 casualties per month.

Human Rights Costs: Even with Saddam Hussein overthrown, Iraqis continue to face human rights violations from occupying forces. In addition to the widely publicized humiliation and abuse of prisoners, the U.S. military is investigating the deaths of 34 detainees as a result of interrogation techniques.

Sovereignty Costs: Despite the proclaimed "transfer of sovereignty" to Iraq, the country will continue to be occupied by U.S. and coalition troops and have severely limited political and economic independence. The interim government will not have the authority to reverse the nearly 100 orders by CPA head Paul Bremer that, among other things, allow for the privatization of Iraq's state-owned enterprises and prohibit preferences for domestic firms in reconstruction.

III. Costs to the World

Human Costs: While Americans make up the vast majority of military and contractor personnel in Iraq, other U.S.-allied "coalition" troops have suffered

116 war casualties in Iraq. In addition, the focus on Iraq has diverted international resources and attention away from humanitarian crises such as in Sudan.

International Law: The unilateral U.S. decision to go to war in Iraq violated the United Nations Charter, setting a dangerous precedent for other countries to seize any opportunity to respond militarily to claimed threats, whether real or contrived, that must be "pre-empted." The U.S. military has also violated the Geneva Convention, making it more likely that in the future, other nations will ignore these protections in their treatment of civilian populations and detainees.

The United Nations: At every turn, the Bush administration has attacked the legitimacy and credibility of the UN, undermining the institution's capacity to act in the future as the centerpiece of global disarmament and conflict resolution. The recent efforts of the Bush administration to gain UN acceptance of an Iraqi government that was not elected but rather installed by occupying forces undermines the entire notion of national sovereignty as the basis for the UN Charter.

Coalitions: Faced with opposition in the UN Security Council, the U.S. government attempted to create the illusion of multilateral support for the war by pressuring other governments to join a so-called "Coalition of the Willing." This not only circumvented UN authority, but also undermined democracy in many coalition countries, where public opposition to the war was as high as 90 percent.

Global Economy: The \$151.1 billion spent by the U.S. government on the war could have cut world hunger in half and covered HIV/AIDS medicine, childhood immunization and clean water and sanitation needs of the developing world for more than two years. As a factor in the oil price hike, the war has created concerns of a return to the "stagflation" of the 1970s. Already, the world's major airlines are expecting an increase in costs of \$1 billion or more per month.

Global Security: The U.S.-led war and occupation have galvanized international terrorist organizations, placing people not only in Iraq but around the world at greater risk of attack. The State Department's annual report on international terrorism reported that in 2003 there was the highest level of terror-related incidents deemed "significant" than at any time since the U.S. began issuing these figures.

Global Environment: U.S.-fired depleted uranium weapons have contributed to pollution of Iraq's land and water, with inevitable spillover effects in other countries. The heavily polluted Tigris River, for example, flows through Iraq, Iran and Kuwait.

Human Rights: The Justice Department memo assuring the White House that torture was legal stands in stark violation of the International Convention Against Torture (of which the United States is a signatory). This, combined

with the widely publicized mistreatment of Iraqi prisoners by U.S. intelligence officials, gave new license for torture and mistreatment by governments around the world.