

News from U.S. Rep. John Spratt (D-SC)

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Spratt Releases New Report on War Costs

Administration's \$25 Billion Request for Iraq and Afghanistan Operations Will Cover Only a Fraction of Fiscal Year 2005 Costs

WASHINGTON — U.S. Rep. John Spratt (D-SC) issued the following statement in connection with the release today of a new report by the House Budget Committee Democratic staff (attached). Last week, the Administration announced that it intends to request an additional \$25 billion for fiscal year 2005 operations in Iraq and Afghanistan and enhanced security operations in the United States.

“The Administration’s \$25 billion request for fiscal year 2005 to finance military operations in Iraq and Afghanistan will fall short of what is required by \$40 to \$55 billion, according to a new report by the House Budget Committee Democratic staff. At first glance, the Administration’s request is a step forward, better than the President’s February budget, which contained no funds for these operations. But a closer look reveals that the requested amount will cover just a fraction of what is needed for fiscal year 2005. According to the report, the cost of the Iraq operation will be \$65 billion to \$80 billion for fiscal year 2005. The size of the request will require the Administration to submit another supplemental request before March of next year.

”In addition, the request will do nothing to fill the shortfall expected by the end of this fiscal year. Just a few weeks ago, General Richard Myers, Chairman of the Joint Chiefs of Staff, told the House Armed Services Committee that the Defense Department could face a shortfall totaling \$4 billion by the end of September. This is a substantial shortage, which the Bush Administration does not address at all. The Administration’s request is not expected to include any additional funds for this fiscal year, and the Department of Defense has limited flexibility to transfer amounts of this scale into the accounts that will need to be replenished. As a result, it is unclear how the Defense Department is going to make up the expected shortfall without reducing funds for programs that affect either current operations or the readiness of our non-deployed forces.

“When the two previous supplemental appropriations are added to this one, the total cost of the war in Iraq is approaching \$150 billion. This is consistent with predictions — such as the one made by former White House adviser Larry Lindsey — that were

rejected by Administration officials as being far out of range. Unfortunately, the Administration's current request still does not provide a true picture of what the costs associated with military operations in Iraq and Afghanistan will be."

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