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Costs of Major U.S. Wars and Recent U.S. Overseas Military Operations

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Summary

The direct costs of U.S. military operations have varied greatly, with a high of some \$4.7 trillion (in constant FY2002 dollars) for the incremental costs of World War II, to a few million per operation for U.S. peacekeeping efforts in Cambodia, Angola, and the Western Sahara. The incremental military costs of the war in Vietnam to the United States was \$572 billion in FY2002 dollars, and the Persian Gulf War incremental costs totaled some \$80 billion in FY2002 dollars, most of which was covered by allied contributions. For the decade after the war, from FY1991 through FY2000, the DOD has incurred some \$9.2 billion in incremental costs (in FY2002 dollars) performing peacekeeping and related security missions in Southwest Asia, i.e., in and around Iraq. For the same period, the incremental costs of DOD peacekeeping and related operations in the Balkans was \$17 billion in constant FY2002 dollars. The total of U.S. military costs for peacekeeping and related security efforts over that decade was \$29.6 billion in FY2002 dollars.

Costs of U.S. overseas military operations, ranging from small humanitarian assistance exercises to global conflicts, are measured by determining the “incremental” costs of the actions to the Department of Defense, i.e., the expenses over and above the ongoing costs of normal military operational tempo, training, pay, investments, etc. **Table 1** on the next page provides estimated costs of major U.S. conflicts in the 20th century. **Table 2** shows the incremental costs to DOD of smaller operations within the past decade.¹ **Tables 3 and 4** show an annual breakdown of the incremental costs of U.S. peace and security commitments from FY1991 through FY2000, including ongoing and completed operations. **Table 3** provides those figures in current year dollars; **Table 4** shows them converted into FY2002 dollars.

¹ For synopses of smaller operations, see CRS Report RL30184, *Military Interventions by U.S. Forces from Vietnam to Bosnia: Background, Outcomes, and “Lessons Learned” for Kosovo*, by Nina M. Serafino. This also provides cites to other CRS products on these operations.

Table 1. Costs of Major U.S. Wars

World War I*	
Current Year \$	\$ 33 billion
Constant FY2002 \$	\$ 577 billion
World War II	
Current Year \$	\$ 360 billion
Constant FY2002 \$	\$ 4,710 billion
Korea	
Current Year \$	\$ 50 billion
Constant FY2002 \$	\$ 400 billion
Vietnam	
Current Year \$	\$ 111 billion
Constant FY2002 \$	\$ 572 billion
Persian Gulf War (1991)**	
Current Year \$	\$ 61 billion
Constant FY2002 \$	\$ 80 billion

Sources and Notes: World War I, World War II, and Korea current year costs from the *Statistical Abstract of the United States, 1994*; outlay deflators and all other data from the Office of the Secretary of Defense (Comptroller). Because the FY2002 figures for World Wars I and II and for the Korean War were updated from the FY1967 dollar figures cited in the *Statistical Abstract*, and not from the original multi-year data, these figures are not precise computations, but illustrative of the magnitudes of costs. A similar distortion is present in the Persian Gulf War constant FY2002 figure on this page, which was adjusted as if all costs were attributable to FY1991, although in fact they were multi-year costs.

* These figures include the amount of war loans to allies, which totaled between \$9.4 and \$9.5 billion in current year dollars, or 28%-29% of the total cost.

* Most Persian Gulf War costs were offset by allied contributions or were absorbed by DOD. Net costs to U.S. taxpayers totaled \$4.7 billion in current year dollars, or 7.7% of the total cost. Source: *Department of Defense Annual Report to Congress*, Jan. 1993.

**Table 2. Incremental Costs of Recent
U.S. Military Operations**

Grenada (FY1983)	
Current Year \$.....	\$ 76 million
Constant FY2002 \$.....	\$ 129 million
Lebanon (FY1983)	
Current Year \$	\$ 63 million
Constant FY2002 \$	\$ 107 million
Persian Gulf Tanker Escort (FY1987/88)	
Current Year \$	\$ 152 million
Constant FY2002 \$	\$ 228 million
Panama (FY1990)	
Current Year \$	\$ 163 million
Constant FY2002 \$	\$ 221 million
Somalia (FY1992/95)^a	
Current Year \$	\$ 1,522 million
Constant FY2002 \$	\$ 1,863 million
Rwanda (FY1994/95)^a	
Current Year \$	\$ 145 million
Constant FY2002 \$	\$ 173 million
Haiti Democracy Restoration (FY1994/96)^a	
Current Year \$	\$ 790 million
Constant FY2002 \$	\$ 938 million

Source: Current year costs and budget authority deflators used in compiling this table from the Office of the Secretary of Defense (Comptroller). There is some distortion in the Persian Gulf Escort figure, as costs were updated into FY2002 dollars as if all were attributable to FY1988.

Table 3. Current Year \$ Costs of U.S. Peace and Security Commitments: FY1991-FY2000*

(DOD Incremental Costs in millions of dollars)

Operation	FY1991	FY1992	FY1993	FY1994	FY1995	FY1996	FY1997	FY1998	FY1999	FY2000	TOTAL
AREAS OF ONGOING OPERATIONS											
Southwest Asia/Iraq ^a	346.5	106.4	838.5	424.8	864.3	665.2	793.1	1,638.8	1,239.8	1,138.9	8,056.3
Bosnia-related Initial Balkans Operations ^b	--	5.8	138.8	292.0	347.4	288.3	195.0	169.9	155.4	101.3	1,693.9
Bosnia NATO Forces ^c	--	--	--	--	--	2,231.7	2,087.5	1,792.8	1,382.5	1,381.8	8,876.3
Kosovo ^d	--	--	--	--	--	--	--	--	3,005.4	1,803.1	4,808.5
Korea Readiness ^e	--	--	--	69.7	90.9	--	--	--	--	--	160.6
Subtotal of Ongoing Operations											23,595.6
COMPLETED OPERATIONS											
Haiti											
Embargo/Interdiction/Sanctions Enforcement/Safe Harbor ^f	--	9.3	2.8	65.8	--	--	--	--	--	--	77.9
Democracy Restoration ^g	--	--	--	198.2	505.3	86.9	--	--	--	--	790.4
Total Haiti	--	9.3	2.8	264.0	505.3	86.9	--	--	--	--	868.3
Somalia^h	--	1.6	943.1	528.0	49.4	--	--	--	--	--	1,522.1
Rwanda	--	--	1.0	106.7	36.5	--	--	--	--	--	144.2
Angola	--	0.5	0.1	2.6	--	--	--	--	--	--	3.2
Cambodia	--	0.5	0.5	5.0	--	--	--	--	--	--	6.0
Western Sahara	--	0.9	0.3	0.1	--	--	--	--	--	--	1.3
East Timor (Operation Stabilize)	--	--	--	--	--	--	--	--	1.5	56.8	58.3
Subtotal of Completed Operations											2,603.4
TOTALS	346.5	125.0	1,925.1	1,692.9	1,893.8	3,272.1	3,075.6	3,601.5	5,784.6	4,481.8	26,199.0

Sources: Incremental costs in budget authority from the Office of the Secretary of Defense (Comptroller).

Notes: Some totals do not add due to rounding. ".1" denotes amounts that are insignificant. For footnotes for this and the following table, see the last page. For costs subsequent to FY2000, see CRS Issue Brief IB94040, Peacekeeping: Issues of U.S. Military Involvement, by Nina M. Serafino.

* This chart consists of the DOD incremental costs involved in U.S. support for and participation in peacekeeping and in related humanitarian and security operations, including U.S. unilateral operations, NATO operations, U.N. operations, and ad hoc coalition operations. U.N. reimbursements are not deducted from assistance to U.N. operations. Opinion as to which of them constitute "peacekeeping" or "peace operations" differ.

Footnotes: See last page.

Table 4. Constant FY2002 \$ Costs of U.S. Peace and Security Commitments: FY1991- FY2000*

(DOD Incremental Costs in millions of dollars)

Operation	FY1991	FY1992	FY1993	FY1994	FY1995	FY1996	FY1997	FY1998	FY1999	FY2000	TOTAL
AREAS OF ONGOING OPERATIONS											
Southwest Asia/Iraq ^a	449.9	135.2	1,035.3	513.0	1,023.1	770.8	899.3	1,817.1	1,345.0	1,205.7	9,194.4
Bosnia-related Initial Balkans Operations ^b	-	7.4	171.4	352.7	411.2	2,585.9	2,367.1	1,987.8	1,499.8	1,462.8	10,846.1
Bosnia NATO Forces ^c	-	-	-	334.1	221.1	188.4	168.6	107.2	1,019.4	947.0	1,019.4
Kosovo ^d	-	-	-	-	-	-	-	-	3,260.1	1,908.9	5,169.0
Korea Readiness ^e	-	-	-	84.2	107.6	-	-	-	-	-	191.8
Subtotal of Ongoing Operations											26,420.7
COMPLETED OPERATIONS											
Haiti											
Embargo/Interdiction/Sanctions Enforcement/Safe Harbor ^f	-	11.8	3.5	79.5	-	-	-	-	-	-	94.8
Democracy Restoration ^g	-	-	-	239.4	598.1	100.7	-	-	-	-	938.2
Total Haiti	-	11.8	3.5	318.8	598.1	100.7	-	-	-	-	1,032.9
Somalia ^h	-	2.0	1,164.5	637.7	58.5	-	-	-	-	-	1,862.7
Rwanda	-	-	1.2	128.9	43.2	-	-	-	-	-	173.3
Angola	-	0.6	0.1	3.1	-	-	-	-	-	-	3.9
Cambodia	-	0.6	0.6	6.0	-	-	-	-	-	-	7.3
Western Sahara	-	1.1	0.4	0.1	-	-	-	-	-	-	1.6
East Timor (Operation Stabilize)	-	-	-	-	-	-	-	-	1.6	60.1	61.8
Subtotal of Completed Operations											3,143.5
GRAND TOTALS	449.9	158.7	2,377.0	2,044.5	2,241.7	3,791.6	3,487.5	3,993.3	6,275.3	4,744.7	29,564.2

Sources: Compiled from current year cost data and FY2002 budget authority deflators issued by the Office of the Under Secretary of Defense (Comptroller).

Notes: Some totals do not add due to rounding. ".1" denotes amounts that are insignificant. For footnotes for this and the preceding table, see next page.

* This chart consists of the DOD incremental costs involved in U.S. support for and participation in peacekeeping and in related humanitarian and security operations, including U.S. unilateral operations, NATO operations, U.N. operations, and ad hoc coalition operations. U.N. reimbursements are not deducted from assistance to U.N. operations. Opinion as to which of them constitute "peacekeeping" or "peace operations" differ.

Footnotes: See last page.

Footnotes to Tables 3 and 4

^a Includes post-Desert Storm operations: Southern Watch (FY1991-present) and Northern Watch (FY1996-present) air enforcement of the two no-fly zones; FY1991-FY1993 assistance to the U.N. Iraq-Kuwait Observer Mission (UNIKOM) monitoring the border between those two nations; the Provide Comfort operation providing humanitarian assistance to Kurds (FY1996-FY1999); the FY1995 Vigilant Warrior operation; the November 1998 Desert Thunder Southwest Asia force buildup, and the December 1998 Desert Fox air strikes; as well as a variety of other ground and training operations.

^b Initial Balkans Operations include: U.S. assistance to three early U.N. operations, i.e., Task Force Able Sentry assisting two successive operations monitoring the Serbia-Macedonia border, and assistance to the U.N. Mission in Croatia (UNCRO); the ad hoc coalition Deny Flight and successor air enforcement of the no-fly zones, the current one of which is Deliberate Forge; the ad hoc coalition Sharp Guard and successor Adriatic Sea sanctions monitoring and enforcement mission), Provide Promise humanitarian assistance operation from FY1992-FY1996.

^c Bosnia NATO operations are the Implementation Force (IFOR) (FY1996), and its successor, the current Stabilization Force (SFOR).

^d Kosovo operations include the FY1999 pre-air war observer mission, Balkan Calm; the FY1999 Eagle Air air verification mission, the FY1999 Noble Anvil air war, the FY1999 Sustain Hope refugee assistance mission, and the FY1999-present NATO Kosovo Force (KFOR).

^e The United States troops in South Korea are there under both bilateral U.S.-Republic of Korea agreements and a token U.N. aegis. The U.S. general who commands U.S. troops there is technically also head of the U.N. command, although relatively few troops from nations other than South Korea are involved. Because Korea Readiness has long been considered an ongoing peacetime function of U.S. troops, DOD only counts above-normal levels of activities as incremental costs.

^f Includes FY1992 Operation Safe Harbor sea rescue of refugees from Haiti after the overthrow of President Aristide, and the FY1993-FY1994 embargo and sanctions enforcement. Does not include sea rescue and migrant processing of Haitians in FY1994-FY1995.

^g Costs of Democracy Restoration include the Sept. 1994 U.S. intervention in Haiti and the subsequent stabilization mission, Uphold Democracy (FY1994-FY1995), and subsequent support for the U.N. Mission in Haiti (UNMIH) after the U.S. transferred control of the mission on March 31, 1995. Of the FY1995 funds for Democracy Restoration, \$56.5 million (\$66.9 million in FY2002 \$) was for U.S. support to UNMIH, as is all the FY1996 figure.

^h Includes the incremental costs of the 1992 U.S.-led UNITAF multilateral force and of subsequent assistance to U.N. operations. Contributions from other countries offset the UNITAF costs to the United States of the UNITAF operation, but have not been subtracted here.