

The Real U.S. National Security Budget

The Figure No One Wants You to See

By [Chris Hellman](#)

What if you went to a restaurant and found it rather pricey? Still, you ordered your meal and, when done, picked up the check only to discover that it was almost twice the menu price.

Welcome to the world of the *real* U.S. national security budget. Normally, in media accounts, you hear about the Pentagon budget and the war-fighting supplementary funds passed by Congress for our conflicts in Iraq and Afghanistan. That already gets you into a startling price range -- close to \$700 billion for 2012 -- but that's barely more than half of it. If Americans were ever presented with the real bill for the total U.S. national security budget, it would actually add up to more than \$1.2 trillion a year.

Take that in for a moment. It's true; you won't find *that* figure in your daily newspaper or on your nightly newscast, but it's no misprint. It may even be an underestimate. In any case, it's the real thing when it comes to your tax dollars. The simplest way to grasp just how Americans could pay such a staggering amount annually for "security" is to go through what we know about the U.S. national security budget, step by step, and add it all up.

So, here we go. Buckle your seat belt: it's going to be a bumpy ride.

Fortunately for us, on February 14th the Obama administration officially [released](#) its Fiscal Year (FY) 2012 budget request. Of course, it hasn't been passed by Congress -- even the 2011 budget hasn't made it through that august body yet -- but at least we have the most recent figures available for our calculations.

For 2012, the White House has requested \$558 billion for the Pentagon's annual "base" budget, plus an additional \$118 billion to fund military operations in Iraq and Afghanistan. At \$676 billion, that's already nothing to sneeze at, but it's just the barest of beginnings when it comes to what American taxpayers will actually spend on national security. Think of it as the gigantic tip of a humongous iceberg.

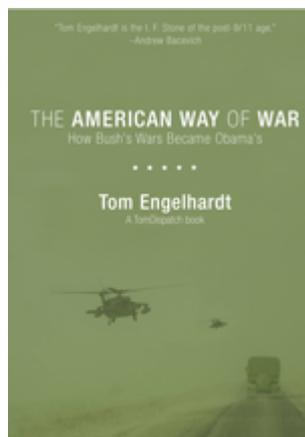
To get closer to a real figure, it's necessary to start peeking at other parts of the federal budget where so many other pots of security spending are squirreled away.

Missing from the Pentagon's budget request, for example, is an additional \$19.3 billion for nuclear-weapons-related activities like making sure our current stockpile of warheads will work as expected and cleaning up the waste created by seven decades of developing and producing them. That money, however, officially falls in the province of the Department of Energy. And then, don't forget an additional \$7.8 billion that the Pentagon lumps into a "miscellaneous" category -- a kind of department of chump change -- that is included in neither its base budget nor those war-fighting funds.

So, even though we're barely started, we've already hit a total official FY 2012 Pentagon budget request of:

\$703.1 billion dollars.

Not usually included in national security spending are hundreds of billions of dollars that American taxpayers are asked to spend to pay for past wars, and to support our current and future national security strategy.



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For starters, that \$117.8 billion war-funding request for the Department of Defense doesn't include certain actual "war-related fighting" costs. Take, for instance, the counterterrorism activities of the State Department and the U.S. Agency for International Development. For the first time, just as with the Pentagon budget, the FY 2012 request divides what's called "International Affairs" in two: that is, into an annual "base" budget as well as funding for "Overseas Contingency Operations" related to Iraq and Afghanistan. (In the Bush years, these used to be called the Global War on Terror.) The State Department's contribution? \$8.7 billion. That brings the grand but very partial total so far to:

\$711.8 billion.

The White House has also requested \$71.6 billion for a post-2001 category called "homeland security" -- of which \$18.1 billion is funded through the Department of Defense. The remaining \$53.5 billion goes through various other federal accounts, including the Department of Homeland Security (\$37 billion), the Department of Health and Human Services (\$4.6 billion), and the Department of Justice (\$4.6 billion). All of it is, however, national security funding which brings our total to:

\$765.3 billion.

The U.S. intelligence budget was technically classified prior to 2007, although at roughly \$40 billion annually, it was considered one of the worst-kept secrets in Washington. Since then, as a result of recommendations by the 9/11 Commission, Congress has required that the government reveal the total amount spent on intelligence work related to the National Intelligence Program (NIP).

This work done by federal agencies like the CIA and the National Security Agency consists of keeping an eye on and trying to understand what other nations are doing and thinking, as well as a broad range of "covert operations" such as those being conducted in Pakistan. In this area, we won't have figures until FY 2012 ends. The latest NIP funding figure we do have is \$53.1 billion for FY 2010. There's little question that the FY 2012 figure will be higher, but let's be safe and stick with what we know. (Keep in mind that the government spends plenty more on "intelligence." Additional funds for the Military Intelligence Program (MIP), however, are already included in the Pentagon's 2012 base budget and war-fighting supplemental, though we don't know what they are. The FY 2010 funding for MIP, again the latest figure available, was \$27 billion.) In any case, add that \$53.1 billion and we're at:

\$818.4 billion.

Veterans programs are an important part of the national security budget with the projected funding figure for 2012 being **\$129.3 billion**. Of this, \$59 billion is for veterans' hospital and medical care, \$70.3 billion for disability pensions and education programs. This category of national security funding has been growing rapidly in recent years because of the soaring medical-care needs of veterans of the Iraq and Afghan wars. According to an analysis by the Congressional Budget Office, by 2020 total funding for health-care services for veterans will have risen another 45%-75%. In the meantime, for 2012 we've reached:

\$947.7 billion.

If you include the part of the foreign affairs budget not directly related to U.S. military operations in Iraq and Afghanistan, as well as other counterterrorism operations, you have an additional \$18 billion in direct security spending. Of this, **\$6.6 billion is for military aid to foreign countries**, while almost \$2 billion goes for "international peacekeeping" operations. A further \$709 million has been designated for countering the proliferation of weapons of mass destruction, combating terrorism, and clearing landmines planted in regional conflicts around the globe. This leaves us at:

\$965.7 billion.

As with all federal retirees, U.S. military retirees and former civilian **Department of Defense employees receive pension benefits from the government**. The 2012 figure is \$48.5 billion for military personnel, \$20 billion for those civilian employees, which means we've now hit:

\$1,034.2 billion. (Yes, that's \$1.03 trillion!)

When the federal government lacks sufficient funds to pay all of its obligations, **it borrows**. Each year, it must pay the **interest on this debt** which, for **FY 2012, is projected at \$474.1 billion**. The National Priorities Project calculates that 39% of that, or \$185 billion, comes from borrowing related to past Pentagon spending.

Add it all together and the grand total for the known national security budget of the United States is:

\$1,219.2 billion. (That's more than \$1.2 trillion.)

A country with a gross domestic product of \$1.2 trillion would have the 15th largest economy in the world, **ranking** between Canada and Indonesia, and ahead of Australia, Taiwan, the Netherlands, and Saudi Arabia. Still, don't for a second think that **\$1.2 trillion is the actual grand total for what the U.S. government spends on national security**. Former Secretary of Defense Donald Rumsfeld once famously **spoke of** the world's "known unknowns." Explaining the phrase this way: "That is to say there are things that we now know we don't know." It's a concept that couldn't apply better to the budget he once oversaw. When it comes to U.S. national security spending, there are some relevant numbers we know are out there, even if we simply can't calculate them.

To take one example, **how much of NASA's proposed \$18.7 billion budget falls under national security spending?** We know that the agency works closely with the Pentagon. NASA satellite launches often occur from the Air Force's facilities at Vandenberg Air Force Base in California and Cape Canaveral Air Force Station in Florida. The Air Force has its

own satellite launch capability, but how much of that comes as a result of NASA technology and support? In dollars terms, we just don't know.

Other "known unknowns" would include portions of the State Department budget. One assumes that at least some of its diplomatic initiatives promote our security interests. Similarly, we have no figure for the pensions of non-Pentagon federal retirees who worked on security issues for the Department of Homeland Security, the State Department, or the Departments of Justice and Treasury. Nor do we have figures for the interest on moneys borrowed to fund veterans' benefits, among other national security-related matters. The bill for such known unknowns could easily run into the tens of billions of dollars annually, putting the full national security budget over the \$1.3 trillion mark or even higher.

There's a simple principle here. American taxpayers should know just what they are paying for. In a restaurant, a customer would be outraged to receive a check almost twice as high as the menu promised. We have no idea whether the same would be true in the world of national security spending, because Americans are never told what national security actually means at the cash register.

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[Note on Sources: The press release from the Office of The Director of National Intelligence disclosing the Fiscal Year 2010 \$53 billion intelligence budget consists of 138 words and no details, other than that the office will disclose no details. It can be found by [clicking here](#) (.pdf file). An October 2010 analysis by the Congressional Budget Office entitled "Potential Costs of Veterans' Health Care" projects rapid cost growth for Veterans Administration services over the next decade as a result of spiraling health care costs. To read the full report, [click here](#) (.pdf file). To see all the federal agencies that contribute to homeland security funding, [click here](#) (.pdf file)]