

## February 28, 2008 - War Costs will Exceed \$3 Trillion, Nobel Laureate Suggests

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War Costs Will Exceed \$3 Trillion, Nobel Laureate Suggests

Congressional panel to hold hearing today

By Kevin Hall, McClatchy Tribune News Service

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WASHINGTON — When U.S. troops invaded Iraq in March 2003, the Bush administration predicted that the war would be self-financing and rebuilding the nation would cost less than \$2 billion.

Coming up on the five-year anniversary of the invasion, a new estimate from a Nobel laureate puts the cost of the wars in Iraq and Afghanistan at more than \$3 trillion.

That estimate from Noble Prize-winning economist Joseph Stiglitz also serves as the title of his new book, "The Three Trillion Dollar War," which hits store shelves tomorrow.

The book, co-authored with Harvard University professor Linda Bilmes, builds on previous research published in January 2006. The two argued then and now that the cost to America of the wars in Iraq and Afghanistan is wildly underestimated.

When other factors are added — such as interest on debt, future borrowing for war expenses, continued military presence in Iraq and lifetime health-care and counseling for veterans — they think the wars' costs range from \$5 trillion to \$7 trillion.

"I think we really have learned that the long-term costs of taking care of the wounded and injured in this war and the long-term costs of rebuilding the military to its previous strength is going to far eclipse the cost of waging this war," Bilmes said in an interview.

The book and its estimates are the subject of a hearing today by the Joint Economic Committee of Congress.

The White House doesn't care for the estimates by Stiglitz, a former chief economist of the World Bank who is now a professor at Columbia University.

"People like Joe Stiglitz lack the courage to consider the cost of doing nothing and the cost of failure. One can't even begin to put a price tag on the cost to this nation of the attacks of 9/11," said White House spokesman Tony Fratto, conceding that the costs of the war on terrorism are high while questioning the premise of Stiglitz's research.

"It is also an investment in the future safety and security of Americans and our vital national interests. \$3 trillion? What price does Joe Stiglitz put on attacks on the homeland that have already been prevented? Or doesn't his slide rule work that way?"

Rep. John Murtha, D-Pa., a decorated Marine Corps colonel and Vietnam veteran, welcomed the effort by Stiglitz and Bilmes to quantify the ways in which the wars will cost taxpayers.

"It's astounding that here we are about to mark the fifth anniversary of the invasion of Iraq, and this administration still refuses to acknowledge the long-term costs of the war in Iraq," he said.

By any estimate, the Bush administration's predictions in March 2003 of a self-financing war have proved wildly inaccurate. Stiglitz cites operational spending to date of \$646 billion for the wars in Iraq and Afghanistan, and, working off estimates from the nonpartisan Congressional Budget Office, presumes that spending on these wars over the next decade probably will amount to an additional \$913 billion.

Pentagon officials had no immediate comment on Stiglitz's estimates.

Stiglitz and Bilmes first estimated war costs of \$1 trillion in January 2006. Their research proved controversial and sparked debate about the costs of replacing equipment used by the armed forces and National Guard units. In the new book, they offer a figure of \$404 billion for replacing equipment, planes and tanks and bringing military hardware back from Iraq and Afghanistan.