

The Arithmetic of Empire: War as Profit Accumulation

America's Military Costs vs. Post-War Profits

War is not just fought on battlefields—it is financed through public wealth and paid for by the working class, while profits concentrate in private hands.

This balance sheet exposes war as an economic system: social loss, human cost, and capital accumulation.

Sankha S. Biswas

THE BALANCE SHEET OF WAR

America's Military Costs, Human Losses & Private Profits — 1950 to 2024

\$21T+

Total war costs since WWII

70+

Military conflicts &
interventions

~50%

Pentagon budget to contractors

102K+

US service members lost

PART I

The Cost of War

What America has spent — and owes — on military conflict since 1950

The Numbers That Define American War

\$21T+

Total war costs since WWII (2024 inflation-adjusted)

\$2.3T

Afghanistan war total (2001–2021)

\$8T+

Post-9/11 wars alone (Afghanistan + Iraq + homeland)

\$843B

Vietnam War cost (2024 USD)

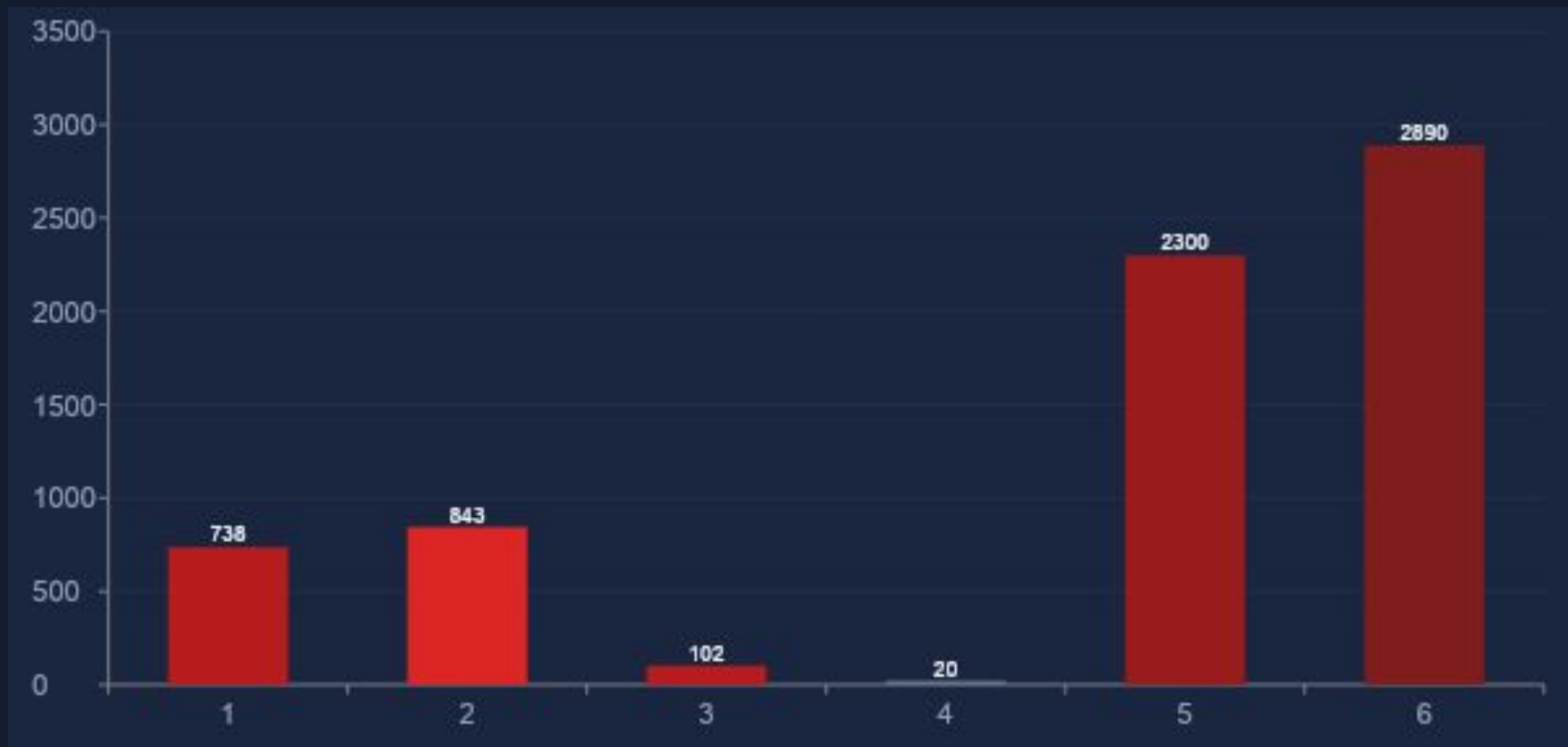
\$2.89T

Iraq & Syria wars combined (2003–2023)

\$738B

Korean War cost (2024 USD)

Major US War Costs — Inflation-Adjusted (2024 USD, \$Billions)



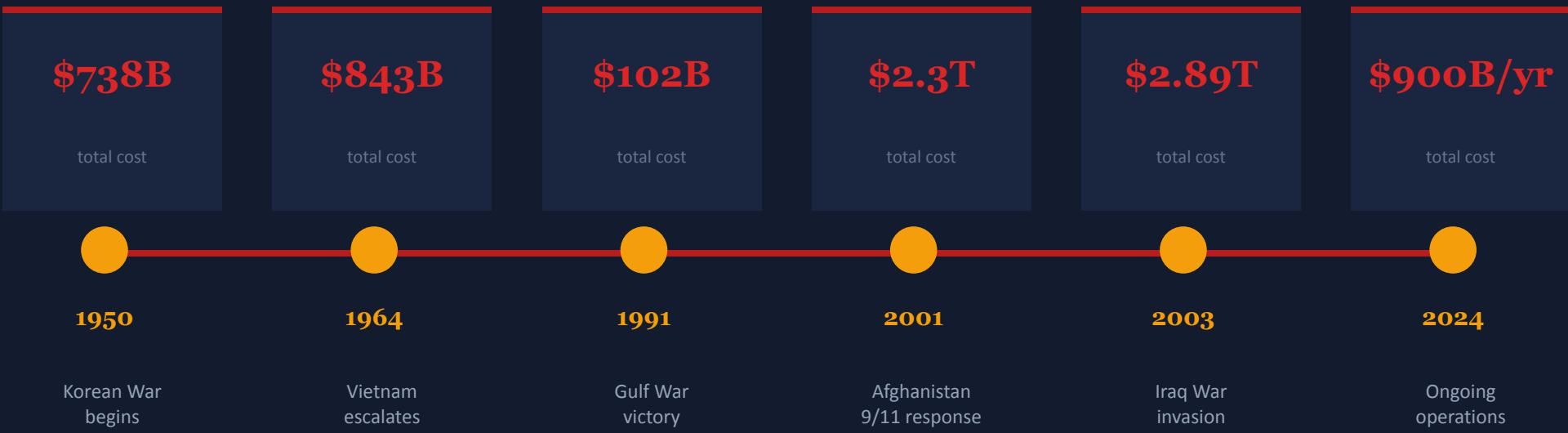
Source: Brown University Costs of War Project - Congressional Research Service

Conflict-by-Conflict Balance Sheet

Conflict	Years	Military Cost (2024 USD)	Contractor Revenue	Outcome
Korean War	1950–53	\$738B	~\$10B	Stalemate
Vietnam War	1964–75	\$843B	~\$30B	Strategic Loss
Gulf War	1990–91	\$102B	~\$15B	Coalition Victory
Somalia	1992–94	\$7B	~\$2B	Withdrawal
Balkans/Kosovo	1994–99	\$20B	~\$8B	Partial Success
Afghanistan	2001–21	\$2,300B	\$500B+	Taliban Returned
Iraq + Syria	2003–23	\$2,890B	\$138B+ direct	Region Destabilized
Libya	2011	\$1.1B	~\$500M	Failed State
Yemen ops	2015–pres	\$12B	~\$3B	Ongoing

All figures inflation-adjusted to 2024 USD. Contractor revenues are partial estimates. Sources: Brown Univ. Costs of War - ICIJ Windfalls of War

70 Years of War Spending — A Timeline



Total 70-year military expenditure: \$8.9T+ (direct) · \$21T+ (full burden including veterans & interest)

The Structural Asymmetry: Public Loss, Private Gain

NATION'S LEDGER — LOSSES

Direct war spending **-\$8.9T**

Veteran care & disability **-\$2.5T**

War debt interest **-\$1.0T**

Reconstruction aid **-\$0.5T**

TOTAL FINANCIAL LOSS **-\$12.9T**

CORPORATIONS — GAINS

Lockheed Martin (cumul.) **+\$950B**

Boeing Defense **+\$620B**

Raytheon / RTX **+\$580B**

General Dynamics **+\$520B**

Northrop Grumman **+\$480B**

Halliburton / KBR **+\$140B**

REVENUE TOTAL **+\$4.4T+**

PART II

Who Profits?

The defense contractor economy — how private firms monetize American war

The Contractor Economy at a Glance

\$14T

Total Pentagon spending
2001–2021

~50%

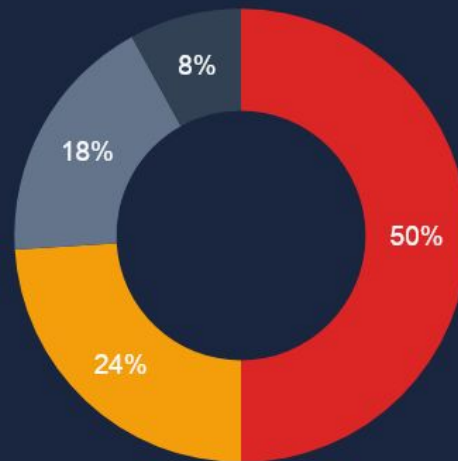
Share flowing to
private contractors

\$2.4T

Private firm contracts
2020–2024 (5 yrs)

\$138B+

Contractor earnings
in Iraq alone



■ Private Contractors
■ Military Personnel
■ Ops & Maintenance
■ R&D & Other

Top Post-War Profiteers — Iraq & Afghanistan

Halliburton / KBR

\$30B+

Logistics, fuel, base ops

Parsons Corp.

\$1.3B+

Construction, engineering

Lockheed Martin

Billions/yr

Weapons, aircraft, systems

Blackwater/Academi

\$1B+

Private security forces

Bechtel Group

\$2.4B+

Infrastructure rebuild

DynCorp Intl.

\$2B+

Security, police training

Raytheon (RTX)

Billions/yr


Missiles, air defense systems

Fluor / Wash. Group

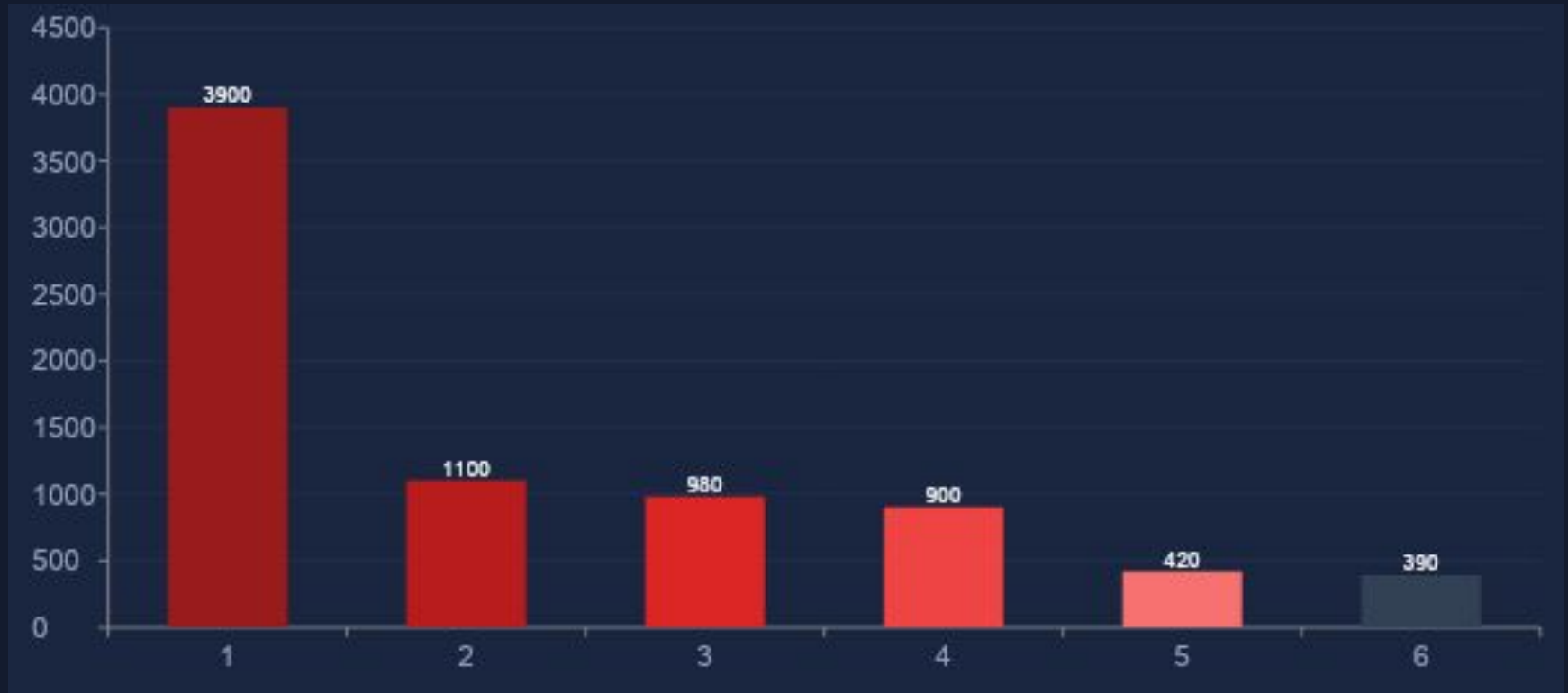
\$1.5B+

Water, infrastructure rebuild

Case Study: Halliburton & the Revolving Door

- 
- 1992** Dick Cheney (Sec. of Defense) privatizes military logistics. Halliburton wins the study contract.
 - 1995** Cheney becomes CEO of Halliburton. Company revenues triple under his 5-year tenure.
 - 2000** Cheney steps down as Halliburton CEO to become Bush's Vice-Presidential candidate.
 - 2001** Afghanistan War begins. KBR subsidiary receives first major logistics contracts.
 - 2003** Iraq War begins. KBR wins sole-source, no-bid LOGCAP contract worth tens of billions.
 - 2008** Total collected: \$30B+ in US government contracts from Iraq & Afghanistan combined.

Defense Contractor Stock Performance vs. S&P 500 (2001–2023)



Every dollar invested in top defense firms at 9/11 outperformed the market by 3–10x. War was, for shareholders, an extraordinary wealth event.

Source: Bloomberg / Yahoo Finance stock data · Hartung, Quincy Institute for Responsible Statecraft (2021)

Top Defense Contractor Revenue — 2023 Alone

RTX (Raytheon)

\$68.9B

63% govt

Tomahawk, Stinger, AMRAAM

Northrop Grumman

\$39.3B

~85% govt

B-21 Raider, cyber systems

Lockheed Martin

\$67.6B

~73% US govt

F-35, Javelin, Patriot

Boeing Defense

\$24.9B

defense segment

Apache, B-52 upgrade

General Dynamics

\$42.3B

~75% govt

Abrams tanks, submarines

Halliburton

\$20.3B

logistics+energy

LOGCAP, Iraq reconstruction

Waste, Fraud & Abuse in Wartime Contracting

\$31–60B

Estimated waste, fraud & abuse in Iraq + Afghanistan
— (Congressional Commission on Wartime Contracting, 2011)

\$8.8B

Seized Iraqi oil revenues lost by the Coalition
Provisional Authority — one audit estimate

\$45/case

What Halliburton charged taxpayers for a case of soda
— exposed by congressional investigators

\$2.7B

Contracts to Int'l Oil Trading Company for fuel
— later found to have fraudulent billing

\$100/load

Per laundry load charged by KBR
— documented in wartime contracting reports

\$60M/yr

Annual lobbying spend by defense industry
to influence Congress on military budgets

The Lobbying Machine: How War Stays Profitable



Key finding: 70+ US companies won \$8B in post-war contracts — all were donors to the presidential campaign that launched those wars. (ICIJ / Center for Public Integrity, 2003)

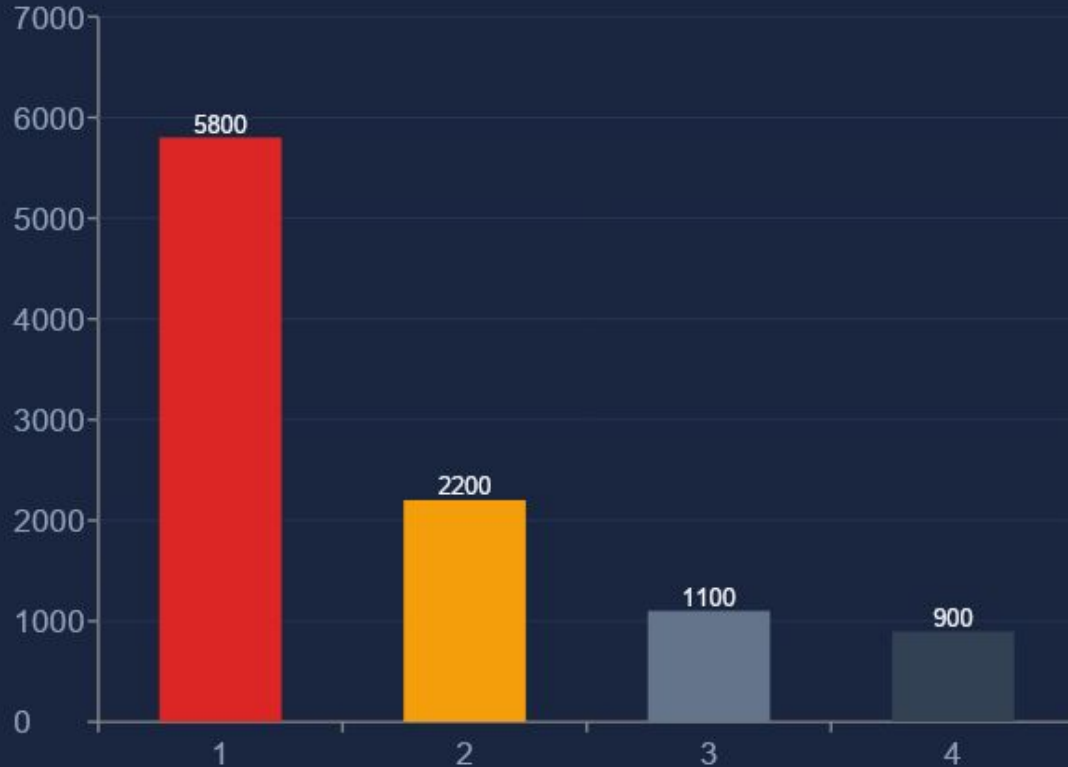
Source: ICIJ · Center for Public Integrity · Quincy Institute · OpenSecrets.org

PART III

The Hidden Costs

Veterans care, debt interest, and the long tail of war spending

The Long Tail: Costs That Outlast the Wars



Veterans cost
peak

**Decades after
war ends**

VA budget
growth

+104%
(FY2001→FY2020)

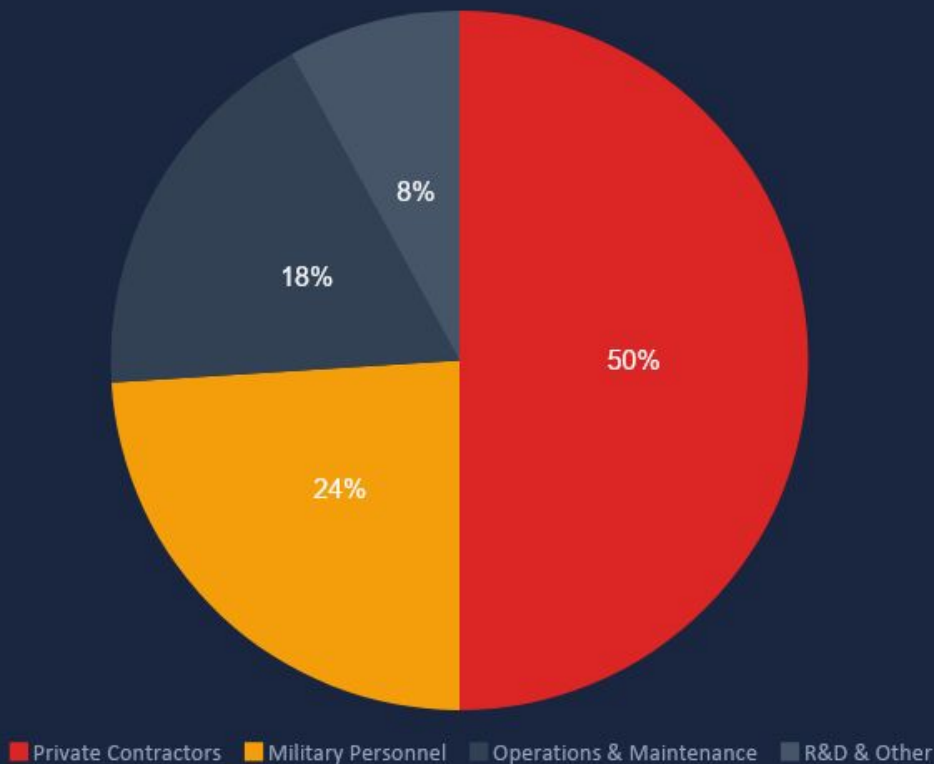
Future vets cost
(to 2050)

\$2.2–2.5T

War debt
interest est.

\$900B+

Where the Money Actually Goes — Pentagon Budget Breakdown



The key insight:

Nearly half of every Pentagon dollar flows to private corporations — not to troops, operations, or strategic goals.

In the 20 years after 9/11, the Pentagon awarded more than \$14 trillion in contracts — over half to just 5 companies.

\$60M+/yr

Annual defense industry lobbying spend

PART IV

The Big Picture

Outcomes, geopolitical results, and what war truly costs America

America's War Outcomes: A Scorecard

✓ Gulf War (1991)

Clear objectives, decisive victory, Allied support — the model US war

~ Korea (1950–53)

Stalemate after 3 years. 28,500 US troops still stationed there today

✗ Vietnam (1964–75)

\$843B spent, 58,220 US deaths. North Vietnam won. South collapsed.

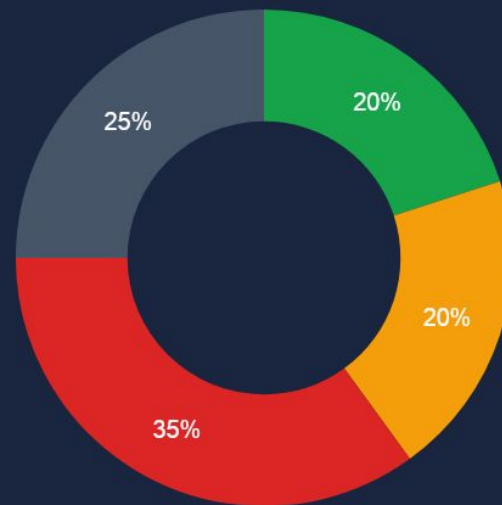
✗ Afghanistan (2001–21)

\$2.3T, 20 years. Taliban retook Kabul weeks after US withdrawal.

~ Iraq (2003–23)

\$2.89T, Saddam removed but region deeply destabilized. ISIS emerged.

Source: Congressional Research Service · Brown University Costs of War · CSIS



■ Objective Met / Victory
■ Stalemate / Inconclusive
■ Strategic Loss / Withdrawal
■ Ongoing / Unresolved

The Human Ledger — Behind the Dollars Are Lives

900,000+

People killed in post-9/11 wars
(direct deaths, Brown Univ.)

7,000+

US personnel killed
post-9/11

58,220

US service members lost
in Vietnam

52,000+

US service members
wounded post-9/11

36,574

US service members lost
in Korea

7 million

Refugees from Iraq & Syria
(current displacement)

The Complete National Balance Sheet — 70 Years of War

AMERICA AS A NATION

Direct war spending	-\$8.9T
Veteran care & disability	-\$2.5T
War debt interest	-\$1.0T
DHS / homeland security	-\$1.1T
Reconstruction aid	-\$0.5T
US lives lost	102,000
Foreign civilians killed	~900K

TOTAL LOSS	-\$14T+
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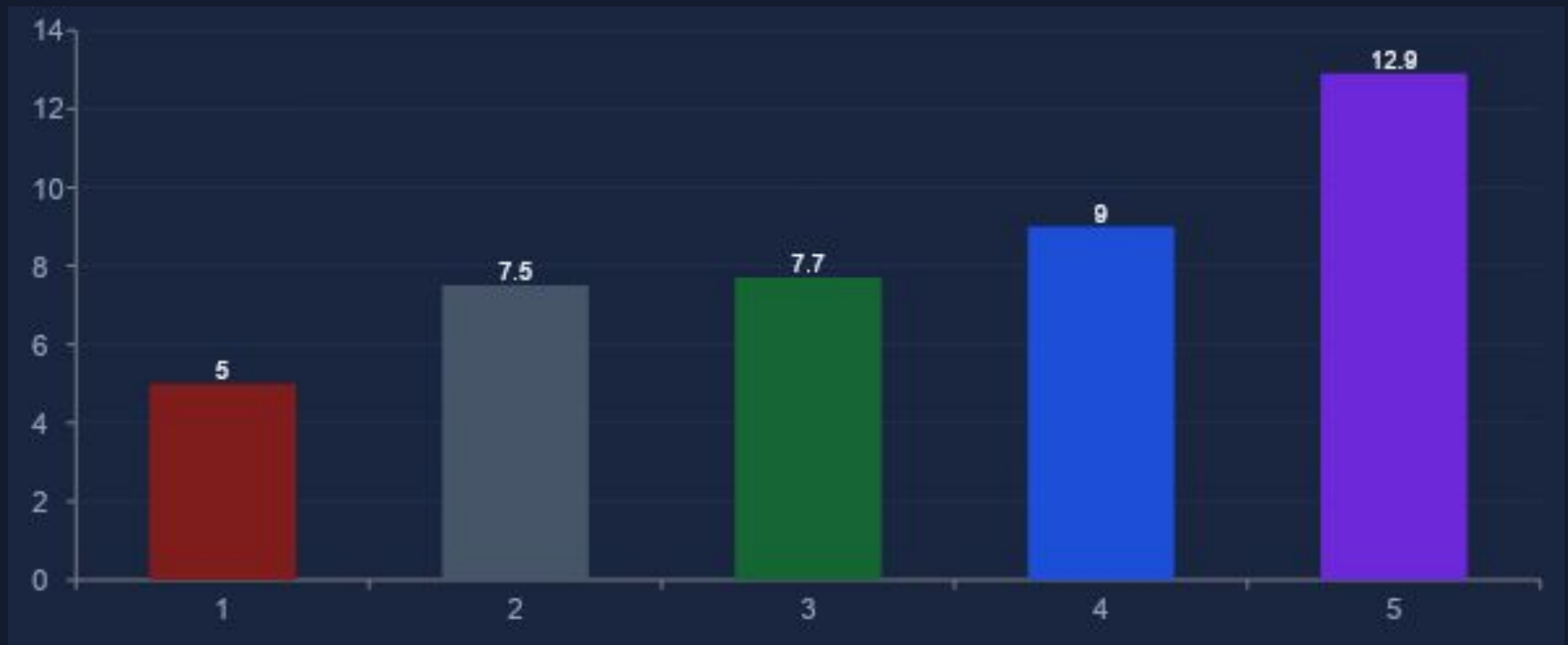
DEFENSE CORPORATIONS

Lockheed Martin	+\$950B
Boeing Defense	+\$620B
Raytheon / RTX	+\$580B
General Dynamics	+\$520B
Northrop Grumman	+\$480B
Halliburton / KBR	+\$140B
Other contractors	+\$1.1T

REVENUE TOTAL	+\$4.4T+
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Source: Brown Univ. Costs of War · Company Annual Reports · Congressional Research Service · DOD Casualty Records

Jobs Per \$1 Million: Military vs. Alternatives



Military spending creates the fewest jobs per dollar of any major public investment. Education creates 2.6x more jobs than military for the same spend.

PART V

70-YEAR FISCAL RECKONING

America's Debt Spiral

How war spending broke the public budget —
and what America can no longer afford

\$274B → \$38T

Debt 1955 → 2025

138×

Debt multiplication

\$970B/yr

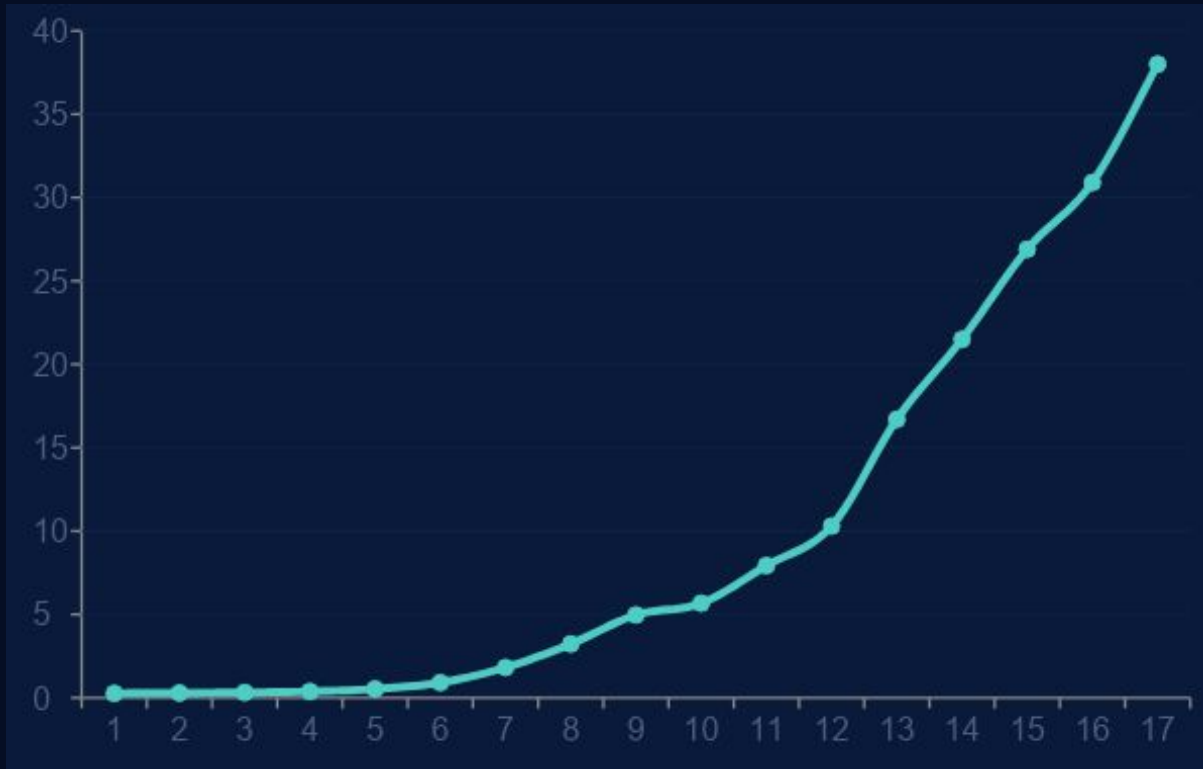
Interest bill 2025

\$38T

*National debt till
2025*

The 70-year debt spiral

National debt grew 138x — wars were the primary accelerant at every turning point



1950–53

Korean War

\$266B → \$275B

1964–75

Vietnam War

\$317B → \$533B

1980–90

Reagan arms race

\$914B → \$3.2T

1998–01

Clinton surplus

Debt/GDP: 55%

2001–21

Post-9/11 wars

\$5.8T → \$28T

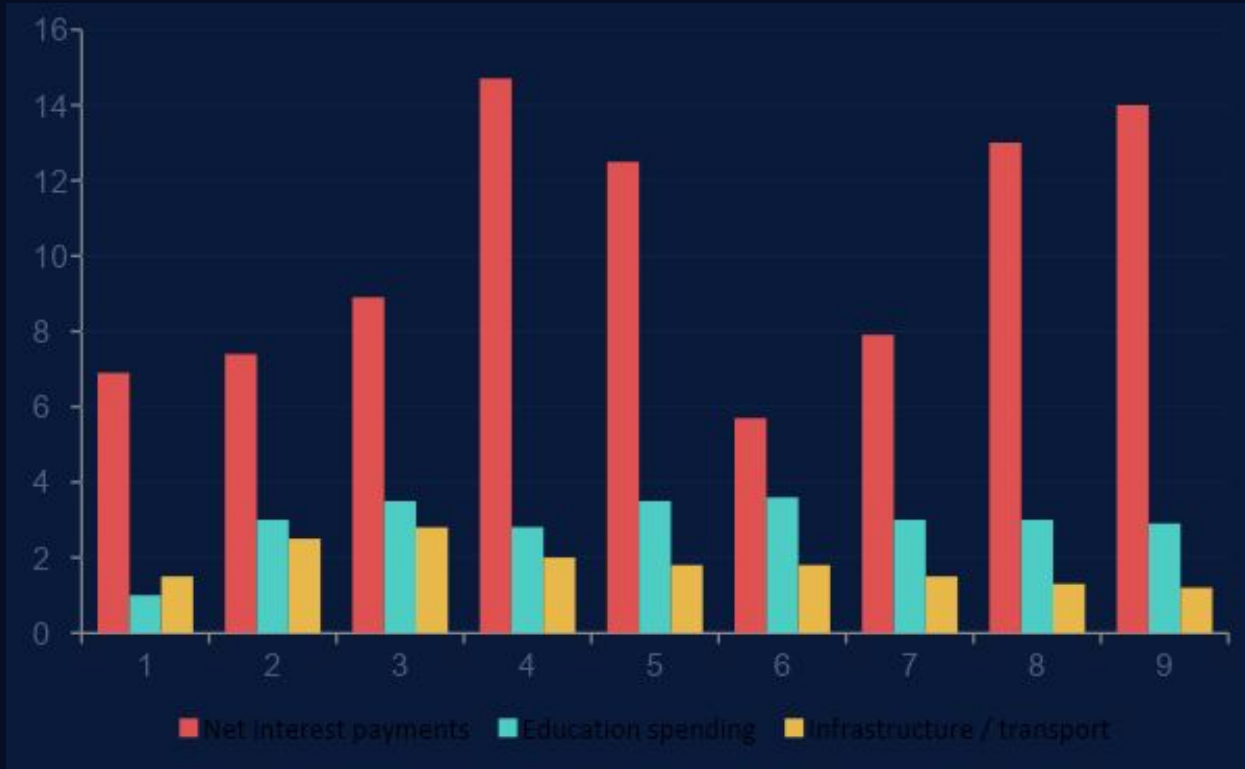
2020–25

COVID + ongoing

\$23T → \$38T

The crowding-out effect

As debt interest consumes more of the budget, education and infrastructure are squeezed out



\$881B

2024 interest —
exceeds Medicare
AND defense

3x

Interest is 3x the
entire federal
education budget

\$16.2T

CBO projected
interest next
10 years (2026–36)

The fiscal balance sheet — 70 years

War-driven liabilities accumulated vs. public investment foregone

LIABILITIES — WAR DEBT ACCUMULATED

Korean War contribution **~\$110B**

Vietnam War contribution **~\$500B**

Cold War arms buildup **~\$4.0T**

Gulf War + 1990s ops **~\$200B**

Post-9/11 wars (2001–21) **~\$8.0T**

War-related interest (est.) **~\$6.0T**

Veterans care obligations **~\$2.5T**

Total war-linked debt **~\$21T+**

OPPORTUNITY COST — INVESTMENT FOREGONE

Infrastructure investment gap **~\$4.6T**

Education funding shortfall **~\$2.0T**

R&D / science decline **~\$800B**

Housing & urban programs **~\$600B**

Annual interest displacing spend **\$970B/yr**

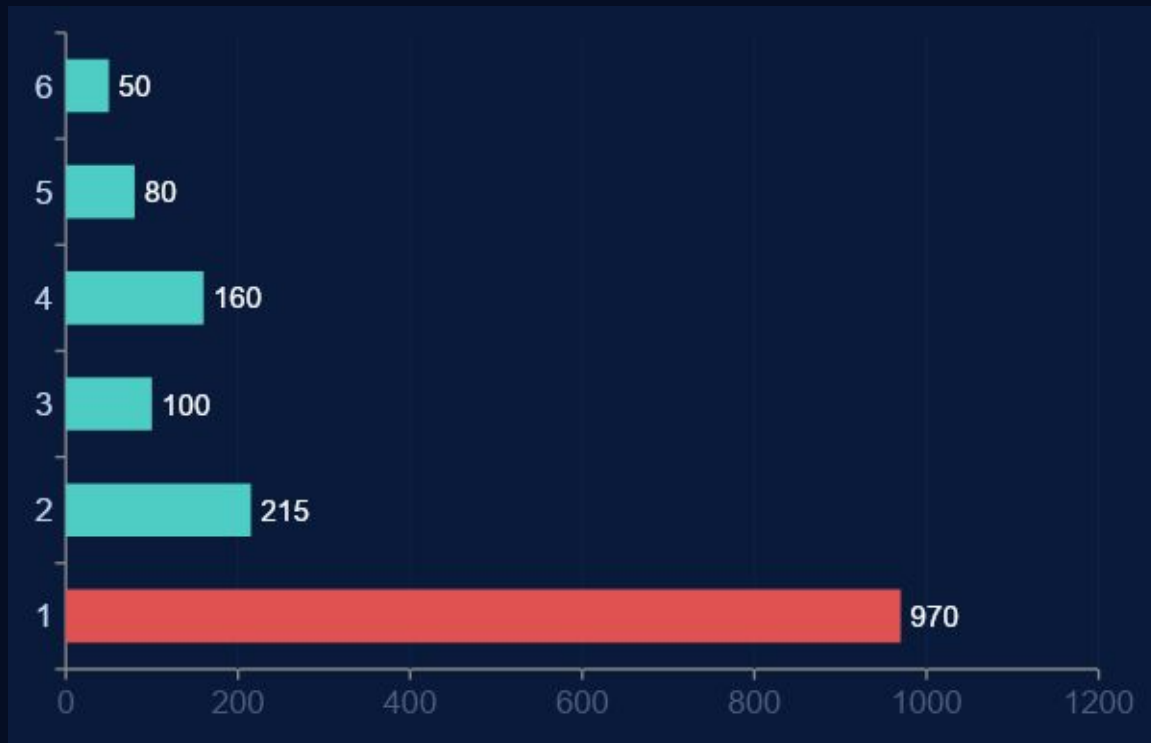
10-yr projected interest cost **\$16.2T**

GDP growth drag (debt > 77%) **-0.017%/yr**

Estimated opportunity cost **\$8T+ so far**

What \$970B in annual interest could buy instead

The 2025 interest bill alone dwarfs every major public investment program



"In 2024, interest payments exceeded both Medicare and defense — for the first time in US history."

— National Debt of the United States, Wikipedia / CBO 2024

CBO 10-year projection

2026: **\$1.0T**

2030: **\$1.4T**

2036: **\$2.1T**

Interest will consume 17% of the entire federal budget by 2035, projected to outpace all non-defense discretionary spending within 30 years — crowding out education, R&D, infrastructure, and healthcare indefinitely.

Key Conclusions

01

The government doesn't profit — corporations do

The US treasury loses trillions. Private defense and reconstruction firms collect billions in guaranteed government contracts.

02

Wars are rarely won — but contracts are always paid

Vietnam, Afghanistan, and Iraq ended in failure or stalemate. Halliburton still collected \$30B. Lockheed still gets billions annually.

03

The true cost is always underestimated

Veterans care, debt interest, and homeland security add trillions beyond the battlefield. Post-9/11 wars will cost \$8T+ even after troops came home.

04

The lobbying cycle perpetuates the war economy

Defense firms spend \$60M+/year lobbying Congress, donate to campaigns, and staff a revolving door between industry and government.

05

Military spending is an inefficient public investment

Every \$1M in defense creates ~5 jobs. Education creates ~13 jobs; healthcare ~9. War is economically costly even when 'won.'

*"The war has been long and complex and horrific and unsuccessful...
and the war continues in over 80 countries."*

— Catherine Lutz, Co-director, Costs of War Project, Brown University

Primary Sources

Brown University Costs of War Project · Congressional Research Service (RL33110) · CSIS Military Spending Analysis
ICI / Windfalls of War · Center for Public Integrity · Commission on Wartime Contracting (2011)
Quincy Institute (Hartung, 2021) · SIPRI Arms Industry Database · OpenSecrets Defense Lobbying Data
DOD Casualty Records · UNHCR Refugee Data · Company Annual Reports 2023