

Can the U.S. Afford Another War in Iraq?

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Bulent Gultekin and Neta Crawford on the cost of war

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Few disagree that the U.S. as a superpower is fulfilling its responsibility in air strikes targeting the Islamic State of Iraq and Syria (ISIS) and airdropping food aid to stranded Yazidi Iraqis persecuted by the group. But some are questioning the overall human, political and social costs of such wars and the resources it takes away from the government, especially in job creation back home.

Wharton finance professor [Bulent Gultekin](#) and Boston University professor of political science Neta Crawford discussed the wisdom of the latest U.S. moves in Iraq on the Knowledge@Wharton show [on Wharton Business Radio on SiriusXM channel 111](#). Gultekin said the U.S. must choose its battles wisely and called for an international consensus on such actions, while Crawford highlighted the cost impact of wars, especially in job creation, among other aspects. *(Listen to the podcast at the top of this page.)*

The response from the international community has been mixed to the U.S. actions. The United Kingdom has decided to join forces and send ground attack aircraft for reconnaissance missions, but it has not extended that to conducting air attacks. Australia will send food aid to the Yazidis, and Prime Minister Tony Abbott has not ruled out sending ground forces to northern Iraq, according to [The Australian](#) newspaper. U.S. military aircraft have so far delivered more than 85,000 meals and 20,000 gallons of drinking water to the Yazidis, according to a [press release](#) by the U.S. Central Command. On Tuesday, the U.S. sent an additional 130 troops to Iraq to assess the scope of the crisis.

“As a large economy and the leader of the Western world, the U.S. does have responsibilities — that comes with the territory,” Gultekin noted during his radio interview. At the same time, he argued that the U.S. erred in attacking Iraq in the first place in 2003. It botched that endeavor by not building sufficient international consensus to back its actions that eventually led to Iraq becoming “a failed state,” Gultekin added.

According to Crawford, the U.S. fights such wars at a high price. She pointed out that between the Afghanistan and the Iraq wars, the U.S. has already spent or is obligated to spend a total of \$4 trillion and still counting with the latest offensive. That expense is financed with borrowed money with interest charges. “Ultimately, the borrowings to pay for the wars will cost more than what we have spent,” she added. Crawford is co-director of the Eisenhower Study Group’s [“Costs of War”](#) project, which takes into account the toll of war in human, political, social and economic terms, not just military budgets.

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Gultekin pointed out that people forget another intangible cost — the time the U.S. government administration spends on issues related to military activities. “The entire Bush Administration was so focused with what was happening with Iraq that they basically lost focus on the economy. There is a very significant waste of energy that people spend on these unproductive wars.”

Wars also bring continuing costs such as caring for veterans, whose health issues get more complicated as they age, Crawford added. “I don’t think we’re as yet over yet paying for the peak expense of caring for Vietnam veterans.”

Crawford pointed to yet another casualty of military spending, which is the “opportunity cost” related to it. “Military spending is not that effective in creating jobs,” she said. “For every billion dollars you spend on the military, you [create] 11,200 jobs or so. But if you spend the same billion on clean energy, it [creates] 16,800 jobs.”

According to Gultekin, the U.S. can avoid some of those costs by getting involved in fewer military actions. “We cannot solve everyone’s problem. We need some international consensus on how to deal with these crisis issues, where to draw the line and what conflicts the U.N. and the U.S. will interfere in.”

Crawford feels that ultimately, the U.S. has to decide what kind of economic power it wants to be. “Will the United States remain a great economic power if it keeps spending so much money on the military?” she asked. While some military spending is necessary for defense, it is also meant to create an environment that is convivial to the U.S., such as in the Middle East, she noted. The U.S. might be better off if it creates that convivial environment using less aggressive means and redirecting some of the military spending to help create jobs, she argued. “It’s a choice about what kind of great power the United States wants to be.”