

# High price of hi-tech war

**W**hile U.S. generals are proudly showing off videos of their latest precision air strikes on Iraq, and President George Bush is crowing that the war is "on schedule," off in musty back rooms accountants are growing more worried by the day.

Bombing Iraq back to the Stone Age and restoring the emir of Kuwait, plus his 80-odd wives, is costing Uncle Sam a bundle. So far no one has been able to add up the costs of the war, but rough estimates are beginning to emerge.

From August until the U.S. attack on Iraq, deployment of forces to Arabia cost some US\$500 million per day. With the advent of the air war, the bill rose to US\$1 billion daily. This figure is expected to soar by at least 50% when ground fighting gets underway.

These, keep in mind, are merely operational costs. They do not include the cost of munitions expended or the expense of mobilizing reserve troops.

To date, the U.S. has dropped more bomb tonnage on Iraq than it did during all of World War II. Many of the bombs have been "smart" precision munitions like GBU-15 TV-guided weapons, Tomahawk cruise missile or laser-guided bombs. Each smart bomb costs from \$250,000 to \$450,000.

The terrain-mapping Tomahawks cost a cool \$1 million each. About \$200 million worth of Tomahawks and perhaps \$800 million of smart bombs have been expended so far.

U.S. aircraft losses are around \$1 billion. Equally important, it takes military organizations years to fill up their ammunition stocks. Only limited amounts can be afforded in each year's budget. Building up sufficient stores of munitions for a war can take a decade — and then be expended in less than 30 days.

Given the tempo of air operations against Iraq, I wouldn't be surprised if U.S. and British stores of precision munitions have been seriously depleted. It could take years to rebuild U.S. war stocks, particularly of high-ticket precision munitions. So the U.S. military, that key defender of Europe, will be left after the Gulf war with insufficient war

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stocks to do its job.

But such problems are small potatoes when it comes to the big payoffs the U.S. has been making to get other nations to enter the war against Iraq. Egypt, which lives on U.S. handouts of food, got its \$7 billion military debt to the U.S. forgiven. Seven billion dollars could feed and shelter a lot of homeless people across America.

The Turks were given \$3 billion to join the anti-Saddam crusade. China got a \$4 billion loan for siding with the U.S. in the UN vote against Iraq.

Israel's initial bill for sitting tight and doing nothing while Scuds hit its cities is a request for \$13 billion from Washington, with another \$10 billion or so to follow. Morocco, where there were vast anti-government, pro-Saddam riots this week, got \$1 billion to support the war.

The question is, of course, how is Washington, already running the biggest deficits in its history, going to find the funds to pay these political bedside promises?

Rich U.S. allies have promised to help. The Saudis and Kuwaitis are rewarding bankrupt Syria with \$2-3 billion for sending troops to Arabia. They are giving Egypt more than \$4 billion on top of U.S. aid. Another \$4 billion Saudi petrodollars are on the way to cash-strapped Moscow for backing the U.S. attack on Iraq.

The European Community has promised more billions to Turkey, Jordan, Egypt, and Israel.

Recent revelations of German involvement in Iraqi chemical weapons plants has prodded the embarrassed, guilty Germans to hand over more financial aid to Israel.

Tokyo, which would dearly love the whole nasty business in the Gulf to go away, has promised up to \$9 billion in aid to the anti-Iraq coalition. But, as always with the Japanese government, where no one is really in charge, promises of aid do not equate to hard cash. Japan's financial contribution, if it ever materializes, will probably be paltry.

When you add up all the sums, it's clear the U.S. will still be left holding the financial bag for this war — as it should be. Washington is fighting for its own self-interest in the Gulf. But it will also be saddled with a pernicious debt from the vast expense of the war and buying the support of allied nations.

Piling up war debts on top of the budget deficit and the savings and loan disaster may produce a long recession, along with higher taxes and massive cuts in domestic programs. Inflation will almost certainly surge and the U.S. dollar will weaken. And this grim scenario does not take into account all the hidden bills we can't yet see or unpredictable events in the Gulf war.

Saddam Hussein must be sitting in his bunker wondering how long it will be before the U.S. runs out of smart bombs, and the U.S. treasury out of funds to fight the war.