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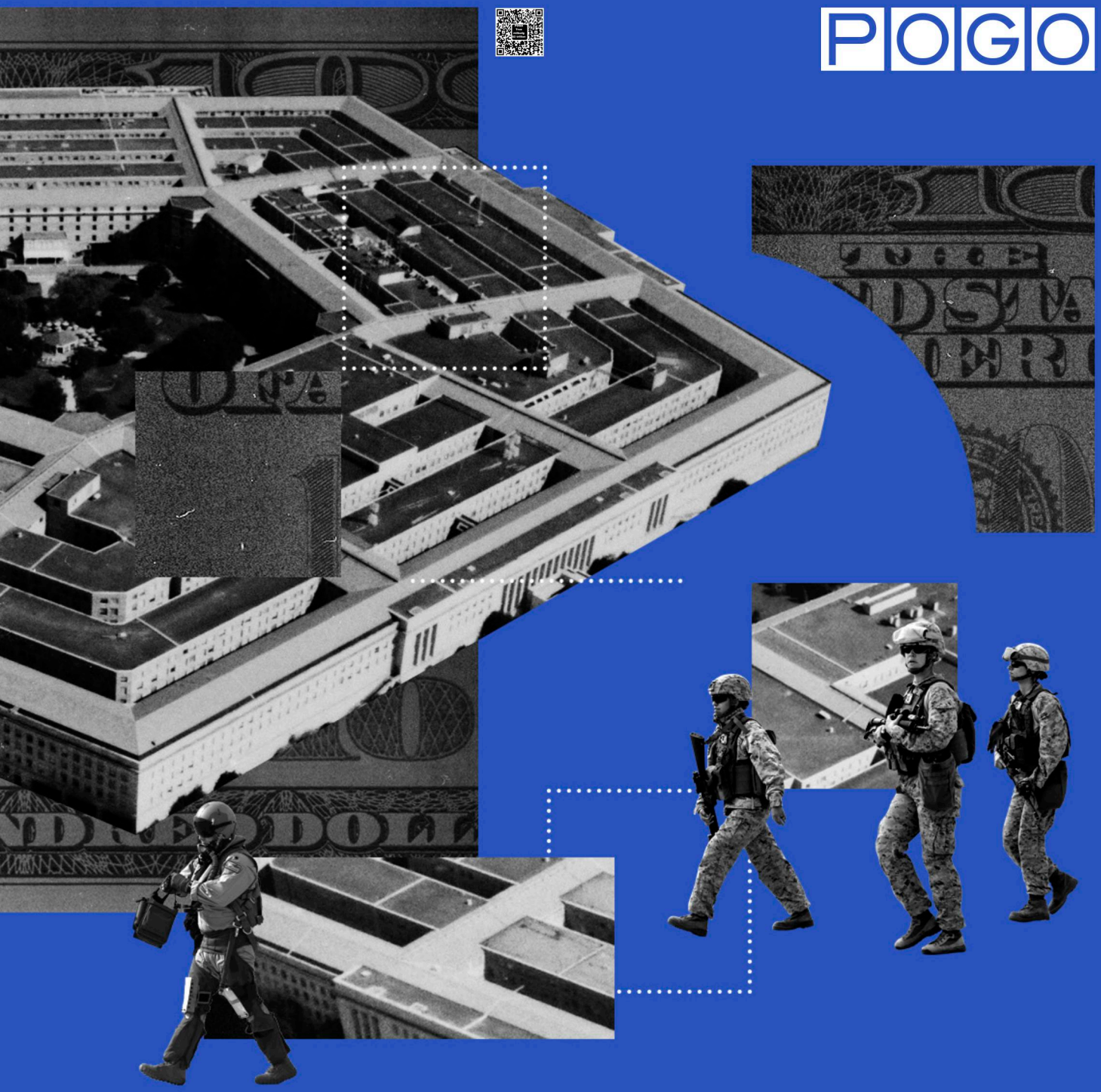

Report

The True Total U.S. Military Budget

David Vine, Gisela Cernadas, John Bellamy Foster
With Foreword from Greg Williams

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Foreword

By Greg Williams
Director, Center for Defense Information at the Project On Government Oversight

For many years, the Center for Defense Information (CDI) at the Project On Government Oversight has offered analyses of how much the United States spends on our military, including amounts that fall outside the budget of the Department of Defense. We do so in order to support CDI's goal of building a far more effective national security policy at a significantly lower cost — a task that would prove impossible without a comprehensive understanding of what our military costs today.

To illustrate the variety of ways one can quantify military spending in the United States, this report compares the methodologies used by a diverse set of experts and introduces a novel methodology for calculating this spending. While the total cost produced by each method differs from the others, they each support one important conclusion: Military spending in the United States has long been radically underestimated.

It's reasonable to wonder why a group of budget analysts with, collectively, decades of experience could not agree on a single way to define the United States' military budget. As this report explains, however, each methodology brings its own benefits and comparing them helps us recognize the right questions to ask when adding up our nation's military spending. For example:

Beyond the Pentagon, what spending should be included when calculating the cost of our military?

Most readers unfamiliar with the military budget will be surprised to learn that the Pentagon budget does not include all spending on veterans' benefits, nuclear weapons, or the Coast Guard. And these are just the most obvious examples of programs many would consider "military spending" that fall outside of the Pentagon budget.

Should the cost of peacekeeping factor into military spending? What about interest on loans that financed past wars? Each of the five different methodologies in this report bases its calculations on a slightly different list, inviting readers to ask themselves the important question, "What counts as military spending?"

At what point in the spending approval process should funds be counted as a part of a given year's budget?

A future-oriented approach, or an approach that focuses on the amount of spending Congress approves, might choose to calculate military spending based on budget authority — essentially, how much a government agency or office is allowed to spend. The methodologies in this report that were developed by Winslow Wheeler; Bill Hartung and

Mandy Smithberger; and the National Priorities Project all use budget authorities in their calculations.

However, because some funds are often authorized to be spent over a span of years, it can be difficult to predict when they will actually be spent. An approach aiming to provide unambiguous data about a given year in the past, then, may choose to focus instead on outlays, or what the government actually spent. The methodology developed by this report's co-authors, Gisela Cernadas and John Bellamy Foster, and the "USAspending" methodology developed by Cernadas, Foster, and co-author David Vine, rely on outlays in their calculations.

From what sources should analysts draw the data they use to calculate spending?

The public has access to different sources of spending data about both authorities and outlays, with each source providing different information — and different levels of granularity.

The executive branch Office of Management and Budget (OMB) outlines the budget authorities for each department in the federal government. OMB provides high-level summaries of where funding is directed within agencies. The Wheeler, Hartung/Smithberger, and National Priorities Project methodologies all use OMB data in their calculations. The Bureau of Economic Analysis (BEA) provides National Income and Product Accounts tables. These datasets, which include more specific information to track outlays, are used in the Cernadas/Foster methodology. Perhaps the most detailed information is that of outlays provided by the website USAspending.gov. The methodology referred to as "USAspending" in this report analyzes nearly 9,000 individual outlay entries to arrive at its estimate.

While the final spending totals identified by these methodologies are strikingly similar, there are important differences. We hope you come away from this report with a better understanding not only of the overall magnitude of military spending in the United States, but also of how to understand spending data, where to find it, and how to make your own decisions about how to interpret it.

Executive Summary

The U.S. government, journalists, and others have long failed to accurately report what taxpayers spend on war and the military. Both Congress and the executive branch report yearly military spending figures that are profoundly incomplete, giving the public only a partial understanding of how much taxpayer money goes to funding armed conflict and the armed forces. Most members of the media, analysts, academics, and others repeat the figures reported by the government, perpetuating the problem.

For several decades, the co-authors of this report and a small number of fellow budget analysts have used multiple accounting methods to show that conventional reporting

dramatically underestimates the true size of military spending — often underestimating spending by half.

This report provides accurate estimates of the military budget, reviewing four existing methodologies and introducing a new methodology that draws on publicly accessible government data. Each calculation shows that annual military spending is at a minimum between $1.5 trillion and $1.8 trillion, and between $1.7 trillion and $2.3 trillion when counting interest payments on U.S. government debt attributable to military spending.

The report's five calculations reflect a consensus about the real size of U.S. spending on war and the armed forces. This comprehensive accounting of the annual military budget is important to allow the public and policymakers to analyze and debate the proper size of military spending, both on its own and in relation to other spending priorities.

Introduction

For fiscal year 2027, President Donald Trump has publicly proposed a $1.5 trillion U.S. military budget.[1]

"Our Military Budget for the year 2027 should not be $1 Trillion Dollars, but rather $1.5 Trillion," he wrote on social media when first announcing his plan. Many in the media described the proposal as a "massive" increase on a military budget that, the year before, was widely reported as having reached $1 trillion for the first time.[2]

While a roughly $500 billion increase would be unprecedented in modern U.S. history, the idea that the military budget only recently hit $1 trillion is incorrect. U.S. military spending has exceeded $1 trillion for many years. It is now almost certainly closer to $2 trillion and may already top $2 trillion. Adding $500 billion (and potentially $200 billion more to fund war in Iran), as the president has proposed, would take the total military budget up to $2 trillion to $3 trillion.[3]

Whether intentionally or otherwise, Congress, presidents, and the Pentagon have hidden the true size of the U.S. military budget for decades. Journalists, think tank analysts, academics, and other experts have, with rare exceptions, perpetuated the problem by reporting only a portion of true military spending; most are unaware of the costs they're overlooking. As a result, U.S. taxpayers spend far more on the military and war than most people realize.

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[1] For information about the fiscal year 2027 budget request and other budget materials, see *Budget of the U.S. Government, Fiscal Year 2027*, Office of Management and Budget, accessed April 3, 2026, https://www.whitehouse.gov/omb/information-resources/budget/.

[2] Morgan Phillips, "Trump Calls for $1.5 Trillion Defense Budget to Build 'Dream Military,'" *Fox News,* January 8, 2026, https://www.foxnews.com/politics/trump-calls-1-5t-defense-budget-build-dream-military.

[3] NPR Staff, "The Pentagon Wants an Extra $200 Billion for the Iran War and Beyond," NPR, March 19, 2026, https://www.npr.org/2026/03/19/nx-s1-5753520/iran-israel-gas-field-attacks.

On the other hand, a small group of budget analysts has shown the full scale of military spending for several decades. This report builds on their prior work and publicly accessible government data to show that the true total military budget for the last fiscal year (FY 2025) was significantly higher than $1 trillion: It was likely between $1.5 trillion and $1.8 trillion — without counting interest payments on U.S. government debt attributable to military spending.

If, as some do, one includes spending on interest payments — the cost of borrowing the money needed to spend these amounts — the range is between $1.7 trillion and $2.3 trillion.

This report discusses the problems with conventional reporting about military spending and the challenges involved in determining the true total. It then updates calculations for four existing methodologies to show a consensus that military spending already reaches or exceeds $1.5 trillion. Three of the existing calculation techniques rely on Office of Management and Budget (OMB) spending tables and other government budget materials to identify forms of military (or "national security") spending omitted from official figures. A fourth approach employs data from the U.S. government's National Income and Product Accounts, which is often used to analyze the U.S. economy as a whole.[4]

The report then details a new, complementary methodology, described here for the first time, using data from another government source, USAspending.gov. This methodology's calculation strengthens the conclusions of the older methodologies: It is of a similar magnitude and especially close to the calculations of two methodologies showing that actual military spending is $1.7 trillion to $2 trillion.

People have a right to know how much of their tax money goes to the military and the wars it wages. At an individual level, imagine a financial planner telling you about only 50% to 60% of your actual monthly expenses. Understanding the true amount the country spends on its military is critical to properly analyzing and debating the size of military spending, both on its own and in comparison to other government spending priorities such as affordable housing, public health, and education.

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[4] Jurgen Brauer, "United States Military Expenditure," in *Arms, War, and Terrorism in the Global Economy Today: Economic Analyses and Civilian Alternatives,* edited by Wolfram Elsner (Lit Verlag, 2007), 61–94; Gisela Cernadas and John Bellamy Foster, "Actual U.S. Military Spending Reached $1.537 Trillion in 2022 – More than Twice Acknowledged Level: New Estimates Based on U.S. National Accounts," *Monthly Review* 75, no. 6 (November 2023), https://monthlyreview.org/articles/actual-u-s-military-spending-reached-1-53-trillion-in-2022-more-than-twice-acknowledged-level-new-estimates-based-on-u-s-national-accounts.

Five Methodologies for Calculating the True Total U.S. Military Budget, FY2025

Methodology	Total Calculation Without Interest	Total Calculation With Interest
Wheeler	1,727,634,000,000	2,003,902,452,842
Hartung/Smithberger	1,766,172,000,000	2,048,603,120,187
National Priorities Project*	1,477,081,000,000	1,713,283,160,060
Cernadas/Foster	1,494,236,125,000	2,284,383,842,468
USAspending.gov	1,717,989,509,643	1,929,922,767,679

** This calculation focuses on discretionary spending and excludes mandatory forms of spending. With the latter included, it would be significantly closer to the other figures.*

Part I: The Challenges of Calculating Military Spending

Spending Hidden in Other Budgets

Tracking military spending and federal spending of all kinds is extremely difficult. Confusion frequently arises amid presidential budget requests, appropriations and authorization bills in the House of Representatives and Senate, conference bills between the two houses, the difference between department budgets and "budget function" budgets, changes across fiscal years, emergency spending bills, budgets created by continuing resolutions, reconciliation, the rounding of large numbers, and reporting that often confuses these budget functions and practices.

Tracking military spending is even harder than tracking other forms of government spending because the Department of Defense (DOD) is the only major government agency that has never passed an audit.[5] The DOD literally cannot keep track of its money, which means that many of its reported spending figures are of dubious accuracy.[6]

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[5] In 2025, the Trump administration started using the name employed until shortly after World War II. The official congressionally mandated name of the agency is the "Department of Defense." The authors of this report hold that the older name is more honest and less misleading given the record of offensive wars the U.S. government has waged since World War II. See David Vine's "Words About War Matter: A Language Guide for Talking about War and Foreign Policy," ver. 2.0, May 2025, https://www.wordsaboutwar.org/pdf; David Vine, "A Note on Language," *The United States of War: A Global History of America's Endless Conflicts, from Columbus to the Islamic State* (University of California Press, October 2020), xxiii–xxv.

[6] Julia Gledhill, "Pentagon Can't Account for 63% of Nearly $4 Trillion in Assets," *Responsible Statecraft,* December 4, 2023, https://responsiblestatecraft.org/pentagon-audit-2666415734/; Taxpayers for Common Sense, "Pentagon Fails Audit for 7th Straight Year," November 18, 2024, https://www.taxpayer.net/national-security/pentagon-fails-audit-for-7th-straight-year/; Linda J. Bilmes, "The Ghost Budget:

The deeper root of the problem is that Congress pays for the military and wars out of many budgets rather than a single budget. One might think that military spending would be found entirely in a single budget — that is, in the budget of the government agency, the DOD, that includes the branches of the armed services and other military components. To the detriment of transparency and public understanding, military spending is not found entirely in this budget. Instead, hundreds of billions of dollars in military spending are effectively hidden in other government budgets. These sums are, on their own, larger than the budgets of every non-military government agency and every form of government spending other than Social Security, Medicare/Medicaid, and government debt payments.

Recent reporting about a "trillion-dollar military budget" is not wrong in the sense of spending exceeding $1 trillion. What is wrong are the ideas that 1) this is the first time the military budget has exceeded $1 trillion and 2) this sum is a complete accounting of the total military budget.

For decades, we and other budget analysts have warned that most reporting about military spending dramatically underestimates the true size of the budget.[7] Repeatedly, analysts have shown total spending is up to twice the levels presented by the government.[8] Using different methodologies and employing different definitions of "military spending" (or, in some cases, "national security" spending), these analysts have shown that actual U.S. military spending has exceeded $1 trillion for nearly two decades.[9] Unfortunately, few journalists or others have reported these larger, more accurate figures.

The problem with most conventional reporting is that there are hundreds of billions of dollars in military spending outside the DOD's annual budget appropriated by Congress.[10]

U.S. War Spending & Fiscal Transparency," *Dædalus* 154, no. 4 (2025), 197, https://direct.mit.edu/daed/issue/154/4.

[7] For example, Mattea Kramer, "War Pay," *TomDispatch*, May 22, 2012, https://tomdispatch.com/hellman-and-kramer-how-much-does-washington-spend-on-defense/; Mandy Smithberger, "America's $1 Trillion National Security Budget," Project On Government Oversight, February 10, 2016, https://www.pogo.org/analyses/americas-1-trillion-national-security-budget-2016-17; William D. Hartung, "The Hidden Costs of 'National Security,'" *TomDispatch*, July 25, 2017, https://tomdispatch.com/william-hartung-the-trillion-dollar-national-security-budget/; William D. Hartung, "Fueling the Warfare State," *TomDispatch*, July 7, 2022, https://tomdispatch.com/fueling-the-warfare-state/; Andrew Cockburn, "Getting the Defense Budget Right: A (Real) Grand Total, Over $1.4 Trillion," *Responsible Statecraft*, May 7, 2023, https://responsiblestatecraft.org/2023/05/07/getting-the-defense-budget-right-a-real-grand-total-over-1-4-trillion/. Cockburn reports on the calculation of budget expert Winslow Wheeler, who has calculated the true total for years.

[8] Cernadas and Foster, "Actual U.S. Military Spending Reached $1.537 Trillion in 2022," [see note 4].

[9] Hannah Holleman, John Bellamy Foster, and Robert W. McChesney, "The U.S. Imperial Triangle and Military Spending," *Monthly Review* 60, no. 5 (October 2008): 1–19, https://monthlyreview.org/articles/the-u-s-imperial-triangle-and-military-spending/.

[10] Analyst Stephen Semler shows how the FY 2025 budget for the DOD reached $1.055 trillion between $899 billion in annual congressional appropriations and $156.216 billion appropriated by Trump's July 2025 reconciliation bill. Following the Congressional Research Service and the reconciliation bill itself, Semler suggests that the entirety of military spending in the reconciliation bill should be counted in fiscal year 2025 because that is the year in which Congress granted agencies

Even a generally authoritative source of global military spending data, such as the Stockholm International Peace Research Institute (SIPRI), underestimates U.S. spending by overlooking significant sums outside DOD and related budgets. On the one hand, SIPRI rightly attempts to track most forms of military spending regardless of budgetary naming practices. For 2025, SIPRI reported U.S. military spending of 954 billion (a decline from 2024 spending of $997 billion).[11]

On the other hand, SIPRI excludes the cost of deferred spending on previous military activities, such as veterans' benefits, other types of military spending, and interest payments helping to fund military spending.[12] SIPRI's approach is effectively an overly narrow understanding of military spending. The exclusion of veterans' benefits is especially unfortunate and seemingly arbitrary because SIPRI counts "salaries of military and civil personnel and pensions and social services of military personnel." Veterans' benefits are, generally speaking, pensions and social services of military personnel who are only different than other military personnel in that they have served in uniform. SIPRI's methodology thus underestimates military spending for countries, such as the United States, that have fought wars and thus expend significant sums on pensions and social services for veterans (see below for deeper discussion).

In contrast to this and other even narrower definitions of military spending, this report defines military spending as all forms of government expenditures to support all military and paramilitary forces and other government agencies or entities involved in the exercise of military force. The five methodologies represented in the report thus capture forms of military spending outside budgets explicitly identified as "military" or "defense."[13] The following sections discuss the major forms of military spending that are frequently overlooked in conventional reporting and that the five methodologies effectively incorporate.

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budgetary authority to spend these new monies (even if the money will be spent over multiple years). Stephen Semler, "Pentagon Budget Tops $1 Trillion. Now What?" *Polygraph Newsletter* 309 (July 10, 2025), https://www.stephensemler.com/p/pentagon-budget-tops-1-trillion-now.

[11] Xiao Liang et al. "Trends in World Military Expenditure, 2024," fact sheet, Stockholm International Peace Research Institute, April 2025, https://www.sipri.org/publications/2025/sipri-fact-sheets/trends-world-military-expenditure-2024; Xiao Liang et al., "Trends in World Military Expenditure, 2025," fact sheet, Stockholm International Peace Research Institute, April 2026, https://www.sipri.org/publications/2026/sipri-fact-sheets/trends-world-military-expenditure-2025.

[12] Xiao Liang et al., "Trends in World Military Expenditure, 2025," [see note 11]; SIPRI, "Sources and Methods," SIPRI Military Expenditure Database, accessed June 2, 2026, https://www.sipri.org/databases/milex/sources-and-methods#definition-of-military-expenditure.

[13] Some might argue that the CIA is an intelligence agency and not a military force. In fact, CIA paramilitary activities have grown significantly since the onset of the so-called "war on terror" in 2001. In short, the intelligence agency has become a major war-fighting force. Many of the intelligence functions of the CIA also serve military functions. The cost of any other CIA activities that might be legitimately considered non-military in nature would be difficult to estimate given the classified nature of the CIA budget, which is embedded in that of the DOD (and perhaps other agencies). If this risks exaggerating total military spending, the conservative assumptions found elsewhere in the report likely more than outweigh the inclusion of all CIA funding.

One might think that defining what is and isn't "military spending" would be easy. However, as described below, there are many cases in which the definition is ambiguous. These include high-level questions, such as how much of the cost of servicing the national debt should be included, to specific cases, such as whether law enforcement agents wearing helmets and body armor and carrying automatic rifles should be considered "military." In other cases, such as the Coast Guard, the same units sometimes operate as law enforcement agencies and other times as military forces.[14] This report attempts to apply a consistent definition, but the different methodologies each present different challenges to doing so precisely, as described below. How each methodology addresses these challenges is described within the section for each methodology.

Spending on Nuclear Weapons

One immediate source of misperception about the size of U.S. military spending comes from the fact that Congress pays for many of the costs of nuclear weapons — around $33.5 billion in net spending for FY 2025 — in the budget of the Department of Energy. This obscures true spending levels.

Nuclear weapons are controlled and deployed by the military branches and the DOD, not by the Department of Energy. While that department plays some role in overseeing the maintenance of the U.S. nuclear weapons stockpile, putting nuclear weapons spending in the Department of Energy's budget is like a city putting the costs of its police department's bullets in the budget of the Department of Public Works rather than in the police budget.[15] Any city doing this would rightly be accused of using an accounting gimmick to hide the real size of police spending.

Spending on Retirees and Veterans

A similar problem emerges with hundreds of billions of dollars in spending on retired military personnel and veterans, which is not found in the DOD's budget. Much, but not all, of this spending instead appears in the budget of the Department of Veterans Affairs, which leads to a misperception that this spending is not military spending. This is inaccurate.

To recruit and maintain armed forces, any government needs to pay troops and offer sufficient long-term benefits (such as pensions, medical care in retirement, and survivor benefits) to encourage people to join and remain in a job that frequently involves dangerous work and the risk of killing and being killed. These forms of deferred compensation are personnel costs that should be counted as military spending. Indeed, military pensions were part of the budget of the War Department until 1849, when Congress transferred the Pension Bureau into the Department of the Interior, later making it a part of an independent Veterans Administration agency.[16]

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[14] 14 U.S.C. § 1 (2002), https://uscode.house.gov/view.xhtml?req=granuleid:USC-2010-title14-section1&num=0&edition=2010.

[15] Either the parts of the Department of Energy responsible for maintaining nuclear weapons should be part of the DOD or their budgets should be added to the kind of true total military budget this report proposes.

[16] Department of Veterans Affairs, "VA History Summary," accessed December 26, 2025, https://department.va.gov/history/history-overview/.

Maintaining these forms of spending in another government agency's budget has effectively hidden the true cost of maintaining a military, of war, and preparations for war. (Spending on veterans has escalated dramatically in recent years because of the vast number of veterans and surviving family members from the post-2001 wars, as well as veterans of wars dating back at least a century earlier.)

Beyond the budget of the Department of Veterans Affairs, Congress has hidden other forms of deferred compensation and long-term benefits in yet other budgets. These include health care, housing, education, income support, and burial benefits, collectively known as the budget function "Veterans Benefits and Services." While the DOD budget pays for some retirement benefits, the Department of the Treasury pays for tens of billions of dollars to fund pensions for retirees (many of whom are not combat veterans) through the Military Retirement Fund and a similar fund to augment health benefits for Medicare-eligible retirees, the Medicare-Eligible Retiree Health Care Fund.[17]

The system works like this: the DOD contributes some money to both of these funds out of normal congressional appropriations, and the Treasury Department pays the difference between what the two funds owe and the money the funds have to pay out.[18]

As longtime budget expert Winslow Wheeler notes, the DOD simply avoids having to pay or budget for nearly $100 billion in spending that is effectively hidden elsewhere in the federal budget.[19] The Military Retirement Fund describes its confidence in paying its unfunded future liabilities because of "annual appropriations external to DOD ensuring benefits are paid."[20] The Medicare fund knows it will be fully funded due to a "permanent, indefinite appropriation" from the Treasury Department in place since FY 2001.[21]

This is like a young person living a wealthy lifestyle that exceeds their income because their wealthy parents pay for almost 10% more in additional annual spending. In this case, DOD's

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[17] Both funds generate billions of dollars in interest annually due to investments made with money held by the funds. However, the Treasury appropriation line items appear to subtract this interest revenue. Office of Management and Budget, *Budget of the U.S. Government, Fiscal Year 2027*, [see note 1]. See also, Department of Defense, "Fiscal Year 2024 Medicare-Eligible Retiree Health Care Fund Audited Financial Report," November 8, 2024, 4155, https://www.dodig.mil/Reports/Audits-and-Evaluations/Article/3968059/transmittal-of-the-independent-auditors-reports-on-the-dod-medicare-eligible-re/; Kristy N. Kamarck, Congressional Research Service, *Military Retirement: Background and Recent Developments*, RL 347551, June 3, 2024, https://www.congress.gov/crs-product/RL34751.
[18] This Treasury Department spending shows up in the "Income Support" and "Health" budget functions rather than in "National Defense," further disguising its presence.
[19] The U.S. Treasury pays these funds through both annual unfunded liability payments and "normal cost" contributions. Cockburn, "Getting the Defense Budget Right" [see note 7].
[20] Department of Defense, *Fiscal Year 2024 Military Retirement Fund Audited Financial Report,* November 8, 2024, 22, https://comptroller.war.gov/Portals/45/Documents/afr/fy2024/DoD_Components/2024_AFR_MRF.pdf.
[21] Department of Defense, *Fiscal Year 2024 Medicare-Eligible Retiree Health Care Fund Audited Financial Report,* 46, [see note 20].

secretary simply "directs the Secretary of Treasury to make the payments" at the start of each fiscal year, and the Treasury does it.[22]

The Treasury pays yet more of the DOD's costs in the form of benefits some retirees receive as both retirees and disabled veterans. These costs are covered in part by the DOD and partly by the Department of Veterans Affairs, with Treasury covering the remainder. The Treasury Department has been paying these unfunded liabilities since Congress changed the law in fiscal year 2005.[23]

The DOD's own Board of Actuaries, which oversees the military's retirement funds, has objected to this policy because it provides the DOD with no incentive to constrain costs, given that it knows more of its future retirement liabilities will be covered in part by another part of the federal government — and thus taxpayers.[24] The Board has written that:

> Burying such information as an obligation of the general Treasury is misleading and leaves the door open to unrestricted enhancements because DOD has no incentive to hold down retirement benefit costs. The Board recommends that all future legislation require DOD to pay the full normal costs of all the benefits it promises and pay any past service costs associated with benefit increases.[25]

Spending like this is also known as "mandatory" spending because it is mandated by law. The Board of Actuaries shows how such mandatory spending can effectively hide military spending that should appear in the DOD's budget, while doing nothing to incentivize cost savings.[26]

Other Hidden Spending

Other large sums of military spending, running into the tens of billions of dollars, are likewise hidden in the budgets of the Department of State, the Department of Homeland Security, and other agencies. Together, these budgeting practices obscure the real size of the military budget and the public's ability to understand the relative and absolute scale of taxpayer money going to the military.

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[22] Department of Defense, *Fiscal Year 2024 Medicare-Eligible Retiree Health Care Fund Audited Financial Report,* 41, [see note 20].
[23] Kamarck, *Military Retirement: Background and Recent Developments,* 18, [see note 17].
[24] Kamarck, *Military Retirement: Background and Recent Developments,* 18, [see note 17].
[25] Benefit increases that affect retired personnel effectively increase the costs of past military service. Department of Defense Board of Actuaries, *2020 Report to the President and Congress*, December 2020, 16, https://actuary.defense.gov/Portals/15/Quadrennial%20Report%202020%20BOARD%20FINAL.pdf.
[26] See Smithberger, "America's $1 Trillion National Security Budget;" Cockburn, "Getting the Defense Budget Right," [see note 7].

Interest Payments

Another form of spending hidden from the public appears in the form of interest payments on debt the U.S. government has assumed to pay for military functions and war (as well as other forms of government spending). Since 2001, in particular, the U.S. government has paid for wars in Afghanistan, Iraq, and far beyond by taking on debt rather than by increasing taxes as the government generally did in most conflicts dating to independence. For this reason, some refer to the post-2001 wars as "credit card wars."[27]

Using debt to finance the conflicts has become another way to hide wars' true costs.[28] Non-military government spending also contributes to the national debt — hence when comparing military and non-military forms of spending, one must account for proportional shares of interest payments on both sides.

A small group of budget experts has tackled the challenges of finding these hidden forms of spending and identifying the true cost of the U.S. military. In the following sections, this report employs four existing methodologies developed by the co-authors and others to calculate actual spending levels for the most recent full fiscal year (FY 2025). The report concludes by detailing a new methodology, which produces a new estimate that solidifies a consensus about the true total of U.S. military spending.

Part II: Established Methodologies for Calculating Military Spending

Wheeler Methodology

Pentagon budget expert Winslow Wheeler has provided comprehensive spending calculations for years.[29] Wheeler's methodology captures spending in the DOD as well as in

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[27] Linda Bilmes, "The Credit Card Wars: Post-9/11 War Funding Policy in Historical Perspective," Costs of War Project, Brown University, November 8, 2017, https://costsofwar.watson.brown.edu/paper/credit-card-wars-post-911-war-funding-policy-historical-perspective; Stephanie Savell, "Credit-Card Wars Today's War-Financing Strategies Will Only Increase Inequality," *TomDispatch.com,* June 28, 2018, https://tomdispatch.com/stephanie-savell-how-america-s-wars-fund-inequality-at-home/; Heidi Peltier, "The Cost of Debt-financed War: Public Debt and Rising Interest for Post-9/11 War Spending," Costs of War Project, Brown University, January 1, 2020, https://costsofwar.watson.brown.edu/sites/default/files/papers/Peltier-Debt-financed-War-2020.pdf.

[28] To ignore interest costs in the calculation of total military spending would be similar to taking out a loan to pay for college and assuming the total cost is only the tuition owed every semester rather than the tuition plus the interest due over time on the borrowed money.

[29] Wheeler worked for both Democratic and Republican senators and in other U.S. Senate offices, including the Senate Committee on the Budget. He later worked for the Government Accountability Office (GAO) and the non-governmental Pentagon spending watchdog Center for Defense Information. Cockburn, "Getting the Defense Budget Right," [see note 7].

the Departments of Energy, Veterans Affairs, State, and Homeland Security, among other agencies.[30]

Funding

Wheeler's methodology seeks to calculate the total cost of "national security" spending. Because this report seeks to allow a direct like-for-like, apples-to-apples comparison between the five methodologies, the report alters Wheeler's and other methodologies by removing forms of spending that are not military in nature and instead are understood as broader national security expenditures. In Wheeler's methodology, the report only counts military parts of the "International Affairs" budget. Including the entirety of the International Affairs budget would add another $43 billion.[31]

In accordance with Wheeler's approach to include supplementary spending outside annual spending bills, he adds the cost of DOD and Homeland Security spending in Trump's 2025 budget reconciliation bill.[32] The bill included more than $156 billion in Pentagon spending available over five years, as well as $191 billion over the same period for the Department of Homeland Security, including Immigration and Customs Enforcement (ICE), which has increasingly acted like a domestic military force.[33]

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[30] See Dave DeCamp, "Trump's Total 2027 National Security Spending Will Exceed $2.5 Trillion," *Antiwar.com*, April 9, 2026, https://news.antiwar.com/2026/04/09/trumps-total-2027-national-security-spending-will-exceed-2-5-trillion/. Wheeler uses "budget authority" data primarily from Office of Management and Budget tables and Department of Homeland Security budget materials. See Office of Management and Budget, *Budget of the U.S. Government, Fiscal Year 2027*, Table 15-1 and Table 16-1, accessed April 3, 2026, [see note 1].

[31] DeCamp, "Trump's Total 2027 National Security Spending Will Exceed $2.5 Trillion," [see note 30].

[32] There has been some question about whether to include the entirety of reconciliation funds in FY 2025 (the year Congress appropriated the money) or to count the total as being spent over parts of five fiscal years (July 2025–September 30, 2029, the period for which Congress appropriated it). This report follows both conventional approaches to reporting authorized funding levels and the administration itself, which reports the entirety of the money from the reconciliation bill in FY 2025. Other reliable sources, such as the Congressional Research Service and Stephen Semler, also include reconciliation funds in fiscal year 2025 because that is the year in which Congress granted agencies budgetary authority to spend these new monies (even if the money will be spent over multiple years). The administration has also indicated its intention, for example, to spend the entirety of reconciliation funds for the DOD by the end of FY 2026. The main drawback to this approach is that two of the methodologies discussed here, including the new methodology presented here, focus on budget outlays — actual spending in a fiscal year — rather than budget authority. This makes the methodologies focused on outlays relatively smaller compared to the methodologies focused on budget authority. See, e.g., Semler, "Pentagon Budget Tops $1 Trillion. Now What?" [see note 10].

[33] Daniel M. Gettinger and Cameron M. Keys, "Defense Funding in the 2025 Reconciliation Law (H.R. 1; P.L. 119-21, Title II)," Congressional Research Service, July 24, 2025, https://www.congress.gov/crs-product/IN12580; William L. Painter, *Department of Homeland Security Appropriations: FY2026 State of Play,* Congressional Research Service, R 48874, February 2, 2026, https://www.congress.gov/crs-product/R48874.

Types of Spending

Wheeler's methodology is pathbreaking in identifying forms of "mandatory" military spending buried deep in the federal budget. This includes the mandatory spending on retirement benefits, discussed above, that are paid for in part by the U.S. Treasury rather than by the DOD. This spending is entirely off the Pentagon's books, with the Treasury effectively paying some of the military's bills. These forms of spending are almost always overlooked in government and media reports. "As DOD-unique spending they should be displayed as part of the DOD budget, but are not," Wheeler explains.[34] Notably, Wheeler has historically subtracted interest earned by the government in these retirement funds, which lowers overall military retirement costs for taxpayers.[35]

Wheeler's methodology also adds the proportionate share of the costs of interest payments on the national debt attributable to military spending. This report provides figures with and without interest payments.

Results

Wheeler's methodology yields total spending of $1.728 trillion ($2.004 trillion if one includes interest payments).[36] The lower figure is nearly 75% above the $1 trillion mark.

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[34] Cockburn, "Getting the Defense Budget Right," [see note 7].
[35] Wheeler has moved away from accounting for this earned interest in his most recent report because of its negligible effect on the overall budget. See DeCamp, "Trump's Total 2027 National Security Spending Will Exceed $2.5 Trillion," [see note 30]. Winslow Wheeler, email to David Vine, (April 7, 2026). Smithberger employed this methodology in an earlier 2016 calculation for the Center for Defense Information (Smithberger, "America's $1 Trillion National Security Budget," [see note 7]).
[36] For comparison purposes, Wheeler's newest calculation of *national* security — that is, beyond military — spending for FY 2025 totals $1.052 trillion without interest and $2.004 trillion with interest payments included. DeCamp, "Trump's Total 2027 National Security Spending Will Exceed $2.5 Trillion," [see note 30].

Wheeler Methodology Calculation of Total Military Spending, FY2025

Category	Budget Authority Estimate	Source
DoD Discretionary	860,057,000,000	Functional Table 15-1
DoD Mandatory	191,739,000,000	Functional Table 15-1
Total DoD	1,051,796,000,000	
DoE Discretionary	33,305,000,000	Functional Table 15-1
DoE Mandatory	7,199,000,000	Functional Table 15-1
Total DoE	40,504,000,000	
"Defense-related activities" Discretionary	10,841,000,000	Functional Table 15-1
"Defense-related activities" Mandatory	874,000,000	Functional Table 15-1
Total "Defense-related activities"	11,715,000,000	
Official Total "National Defense"	**1,104,015,000,000**	
Additional Military Retirement Costs	80,648,000,000	Functional Table 15-1
DoD Contribution Military Retirement Fund	(45,759,000,000)	Functional Table 15-1
Interest Earnings, Military Retirement Fund	(65,736,000,000)	Functional Table 15-1
Net Additional	(30,847,000,000)	
DoD Contribution Medicare-Eligible Retiree Health Care Fund	12,975,000,000	Functional Table 15-1
DoD Contribution DoD Retiree Health Care Fund	(11,377,000,000)	Functional Table 15-1
Interest Earnings, DoD Medicare-Eligible Retiree Health Care Fund	(17,362,000,000)	Functional Table 15-1
Net Additional	(15,764,000,000)	
Partial Total National Military Spending	**1,057,404,000,000**	
Veterans Affairs (Total)	**392,218,000,000**	**Functional Table 15-1**
International Affairs (military only rather than all as per WW)		
Foreign military financing grants and loans	5,858,000,000	Functional Table 15-1
Nonproliferation, antiterrorism, demining, and related programs	870,000,000	Functional Table 15-1

Other security assistance	529,000,000	Functional Table 15-1
Assessed contributions to international peacekeeping	873,000,000	Functional Table 15-1
Foreign military loan subsidy re-estimates	(39,000,000)	Functional Table 15-1
Foreign military loan liquidating account	(13,000,000)	Functional Table 15-1
Foreign military sales trust fund (net)	36,278,000,000	Functional Table 15-1
Net International Affairs (military only)	44,356,000,000	
DHS (includes reconciliation; outlays in column C for DHS)	309,243,000,000	Functional Table 16-1
FEMA subtracted	(75,587,000,000)	Functional Table 16-1
Net DHS	233,656,000,000	
Total National Military Spending w/o interest	1,727,634,000,000	
National Military Spending Share of Interest on the Debt	276,268,452,842	Wheeler method.
Total Military Spending Authority with Interest	**2,003,902,452,842**	
Total Federal Budget	7,601,776,000,000	Functional Table 15-1
Interest	1,215,611,000,000	Functional Table 15-1
Share of National Military Spending	**0.2273**	

*Sources: Analytical Perspectives, Office of Management and Budget, the White House, "Table 15-1. Budget Authority and Outlays by Function, Category, and Program" (**.xlsx**); "Table 16-1. Federal Budget by Agency and Account" (**PDF**)*

Hartung/Smithberger Methodology

William Hartung and Mandy Smithberger are Pentagon budget experts who, separately and independently, have employed a methodology similar to Wheeler's since at least 2016.[37]

Funding

In 2019, the two identified "at least 10 separate pots of money" — beyond the Pentagon budget alone — "dedicated to fighting wars, preparing for yet more wars, and dealing with the consequences of wars already fought."[38] Their methodology thus captures spending in the DOD and Departments of Energy, Veterans Affairs, State, Homeland Security, and others.[39]

Hartung and Smithberger call their calculation the "National Security State Budget," meaning that they estimate costs beyond those strictly military in nature. As with Wheeler's methodology, this report alters the Hartung and Smithberger methodology slightly to ensure that each of the report's methodologies focuses on military spending, thus allowing direct comparison. Here this means again counting only military spending in the International Affairs budget and removing the cost of Federal Emergency Management Agency (FEMA) funding in the Department of Homeland Security budget.

Types of Spending

Like Wheeler, Hartung and Smithberger also include mandatory forms of spending and money from "emergency" spending bills, which some analysts tend to ignore in reporting military spending. For FY 2025, the latter means including Pentagon and Department of Homeland Security spending in Trump's reconciliation bill.

Results

Hartung and Smithberger's adjusted methodology yields total spending of $1.766 trillion ($2.049 trillion with interest spending included). This is roughly $40 billion (or 2.3%) higher than the estimate produced by the Wheeler approach, which is unsurprisingly close given the similarities between the methodologies.

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[37] Smithberger, "America's $1 Trillion National Security Budget," [see note 7]. Smithberger is currently a congressional staffer and is thus not among the authors. Smithberger and Wheeler worked together at the Center for Defense Information at the Project On Government Oversight.
[38] William D. Hartung and Mandy Smithberger, "Boondoggle, Inc.: Making Sense of the $1.25 Trillion National Security State Budget," *TomDispatch.com*, May 7, 2019, https://tomdispatch.com/hartung-and-smithberger-a-dollar-by-dollar-tour-of-the-national-security-state/.
[39] The primary data sources again are Office of Management and Budget, *Budget of the U.S. Government, Fiscal Year 2027*, Table 15-1 and Table 16-1, accessed April 3, 2026, [see note 1].

Hartung and Smithberger Methodology of Total Military Spending, FY2025

Category	Budget Authority Estimate	Source
DoD Discretionary	860,057,000,000	Functional Table 15-1
DoD Mandatory	191,739,000,000	Functional Table 15-1
DoD Total	**1,051,796,000,000**	
DoE Discretionary	**33,305,000,000**	**Functional Table 15-1**
Defense-related activities Discretionary	**10,841,000,000**	**Functional Table 15-1**
Official Total "National Defense"	**1,095,942,000,000**	
Veterans Affairs (Total)	**392,218,000,000**	**Functional Table 15-1**
International Affairs (military only rather than all as per methodology which counts entire budget)		
Foreign military financing grants and loans	5,858,000,000	Functional Table 15-1
Nonproliferation, antiterrorism, demining, and related programs	870,000,000	Functional Table 15-1
Other security assistance	529,000,000	Functional Table 15-1
Assessed contributions to international peacekeeping	873,000,000	Functional Table 15-1
Foreign military loan subsidy reestimates	(39,000,000)	Functional Table 15-1
Foreign military loan liquidating account	(13,000,000)	Functional Table 15-1
Foreign military sales trust fund (net)	36,278,000,000	Functional Table 15-1
International Affairs Net (military only)	**44,356,000,000**	
DHS (includes reconciliation; outlays in column C for DHS)	309,243,000,000	Functional Table 16-1
FEMA subtracted	(75,587,000,000)	Functional Table 16-1
Net DHS	**233,656,000,000**	
Total National Military Spending w/o interest	1,766,172,000,000	
National Military Spending Share of Interest on the Debt	282,431,120,187	

Total Military Spending Authority with Interest	2,048,603,120,187	
Total Federal Budget	7,601,776,000,000	Functional Table 15-1
Interest	1,215,611,000,000	Functional Table 15-1
Share of National Military Spending	**0.2323**	

*Sources: Analytical Perspectives, Office of Management and Budget, the White House, "Table 15-1. Budget Authority and Outlays by Function, Category, and Program" (**.xlsx**); "Table 16-1. Federal Budget by Agency and Account" (**PDF**)*

National Priorities Project Methodology

Budget analysts connected to the National Priorities Project and its parent organization, the Institute for Policy Studies, have calculated the full costs of military spending for more than two decades.

Funding

Their most recent comprehensive analysis takes a slightly different approach compared to Wheeler, Hartung, and Smithberger in calculating the full cost of "militarism in the federal discretionary budget." Authors Lindsay Koshgarian, Alliyah Lusuegro, and Ashik Siddique define militarism in the budget as "militarized programs that use violence or the threat of violence or imprisonment, including war and weapons, law enforcement and mass incarceration, and detention and deportation."[40] This means including the costs of "the military and war, so-called 'homeland security,' including border and immigration enforcement, federal law enforcement, and the downstream effects of militarism — namely a sprawling, if necessary, apparatus to care for U.S. military veterans."[41]

In practice, the methodology overlaps significantly with others, differing in part by *including* the costs of federal law enforcement and *excluding* FEMA disaster relief costs. [42]

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[40] The authors use fiscal year budget authority data from the Office of Management and Budget. Lindsay Koshgarian, Alliyah Lusuegro, and Ashik Siddique, *The Warfare State: How Funding for Militarism Compromises Our Welfare*, National Priorities Project/Institute for Policy Studies, 2023, 2, 8. https://ips-dc.org/wp-content/uploads/2023/05/NPP-Warfare-State-2023-report.pdf.
[41] Koshgarian, Lusuegro, and Siddique, *The Warfare State*, 2, 8, [see note 40].
[42] This includes federal prisons and detention; Federal Bureau of Investigation; law enforcement grants (state, local & tribal); Drug Enforcement Administration; federal prosecutors; Bureau of Alcohol, Tobacco, Firearms and Explosives; U.S. Marshals; and other related forms of spending. Koshgarian, Lusuegro, and Siddique, *The Warfare State*, 8, [see note 40]. See Office of Management and Budget, *Budget of the U.S. Government, Fiscal Year 2027*, Table 15-1 and Table 16-1, accessed April 3, 2026, [see note 1]; The authors write, "This definition of militarism in the federal budget exempts the Federal Emergency Management Agency (FEMA), which is housed within DHS. While counterterrorism is part of FEMA's mission, the majority of spending in recent years has been in response to natural disasters." Koshgarian, Lusuegro, and Siddique, *The Warfare State*, 8, [see note 40].

Types of Spending

Because the authors focus on discretionary forms of spending controlled by Congress, the calculation notably excludes mandatory forms of spending and the costs of interest payments on the national debt. The authors focused on discretionary spending alone to call attention to the relative paucity of discretionary spending Congress directs to non-military agencies.

Because reconciliation spending is a form of spending made at the discretion of Congress (a fact obscured when Congress refers to it as "mandatory"), this report once more adds the full cost of Trump's reconciliation bill. This adds around $12.6 billion in federal law enforcement spending in addition to the spending included in the Wheeler methodology and the Hartung and Smithberger methodology.[43]

Results

If the authors had included mandatory forms of spending in their methodology, their total would be closer to that of the other methodologies. As the table below shows, the exclusion of mandatory spending on veterans, for example, reduces these costs by more than half from $392.2 billion to $130.0 billion in FY 2025. On the other hand, the inclusion of federal law enforcement activities adds a *relatively* small sum of roughly $31.4 billion.

In sum, this methodology's total is still nearly 50% higher than $1 trillion but smaller than other methodologies because of its exclusive focus on discretionary spending: $1.477 trillion ($1.713 trillion with interest spending, which the authors do not include in their original methodology).

National Priorities Project Calculation of Military Spending, FY2025

Category	Budget Authority Estimate	Source
DoD Discretionary	860,057,000,000	Functional Table 15-1
DoE Discretionary	33,305,000,000	Functional Table 15-1
Defense-related activities	10,841,000,000	Functional Table 15-1
International Security Assistance	9,060,000,000	Functional Table 15-1
Total "Military"	**913,263,000,000**	
Veterans Affairs (Total)	**129,979,000,000**	**Functional Table 15-1**
DHS (includes reconciliation)	309,243,000,000	Functional Table 16-1
FEMA	(75,587,000,000)	Functional Table 16-1

[43] U.S. Congress, *Public Law* No. 119-21, July 4, 2025, https://www.congress.gov/bill/119th-congress/house-bill/1/text.

Total DHS (minus FEMA)	**233,656,000,000**	
Federal Law Enforcement		
Federal Correctional Activities (prisons, etc.)	8,633,000,000	Functional Table 15-1
Criminal Investigations	7,484,000,000	Functional Table 15-1
Criminal Justice Assistance to Localities	3,942,000,000	Functional Table 15-1
Civil and criminal prosecution and representation	8,004,000,000	Functional Table 15-1
ATF	1,625,000,000	Functional Table 15-1
Other law enforcement activities	1,690,000,000	Functional Table 15-1
Total Federal Law Enforcement	**31,378,000,000**	
Reconciliation "Defense"	156,216,000,000	CRS, "Defense Funding in the 2025 Reconciliation Law (H.R. 1; P.L. 119-21, Title II)," July 24, 2025, https://www.congress.gov/crs-product/IN12580.
Reconciliation Judiciary (not DHS)	12,589,000,000	U.S. Congress, Public Law No. 119-21, July 4, 2205, https://www.congress.gov/bill/119th-congress/house-bill/1/text.
Reconciliation Total	**168,805,000,000**	
Total Militarism in the Federal Budget	**1,477,081,000,000**	
National Military Spending Share of Interest on the Debt	**236,202,160,060**	
Total Military Spending Authority with Interest	**1,713,283,160,060**	
Total Federal Budget	7,601,776,000,000	Functional Table 15-1
Interest	1,215,611,000,000	Functional Table 15-1
Share of National Military Spending	**0.1943**	

*Sources: Analytical Perspectives, Office of Management and Budget, the White House, "Table 15-1. Budget Authority and Outlays by Function, Category, and Program" (**.xlsx**); "Table 16-1. Federal Budget by Agency and Account" (**PDF**)*

Cernadas and Foster Methodology

Gisela Cernadas and John Bellamy Foster offer a different methodology, one based primarily on spending data in the U.S. National Income and Product Accounts (NIPA) rather than data provided by the OMB, which is the basis for most other methodologies.[44]

Funding

Like other methodologies, Cernadas and Foster also identify forms of military spending ignored by official definitions of "defense spending," including military spending in space and in grants to other governments. The two note that they have improved on prior NIPA-based calculations by "adopting more conservative assumptions": specifically, they attribute lower percentages "to the military in federal space expenditures and in grants to foreign countries ... in accord with widely accepted mainstream assumptions." They also account for the costs of military medical insurance previously overlooked in Foster's earlier work.[45]

Data Source

Cernadas and Foster's use of NIPA data (produced by the U.S. Department of Commerce's Bureau of Economic Analysis) builds on the novel work of Jurgen M. Brauer and a later article by Foster, Hannah Holleman, and Robert W. McChesney.[46] Cernadas and Foster note that NIPA data is a more reliable source of spending data than OMB figures, given that NIPA is a foundation for analysis of the U.S. economy as "the most complete and definitive source on U.S. national income and expenditures as a whole."[47] NIPA data is, they write, a "consistent, statistically conservative" methodology for measuring true military spending.[48]

Results

Cernadas and Foster's methodology yields a total of $1.494 trillion in spending without interest spending, which is almost exactly equal to the National Priorities Project estimate ($1.477 trillion). The methodology is distinctive in attributing a significantly higher percentage of interest payments on the national debt to military spending: 70.20% for 2022 and 75.97% when applying the same technique for 2025, which produces a sum of $737.4 billion.[49] This yields the highest estimate of military spending for FY 2025 when accounting for interest payments: $2.284 trillion.

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[44] They use OMB data for calculating interest payments.
[45] Cernadas and Foster, "Actual U.S. Military Spending Reached $1.537 Trillion in 2022," [see note 4].
[46] Jurgen Brauer, "United States Military Expenditure", [see note 4]; Foster, Holleman, and McChesney, "The U.S. Imperial Triangle and Military Spending," [see note 4].
[47] Note that NIPA reports data by calendar year while OMB and Pentagon sources report data by U.S. government fiscal year. Cernadas and Foster, "Actual U.S. Military Spending Reached $1.537 Trillion in 2022," [see note 4].
[48] Cernadas and Foster, "Actual U.S. Military Spending Reached $1.537 Trillion in 2022," [see note 4].
[49] In explaining their approach, they say, "It is important to note that we are considering federal gross investment expenditures in both the numerator and denominator, and not only the consumption expenditure." Cernadas and Foster, "Actual U.S. Military Spending Reached $1.537 Trillion in 2022," [see note 4].

Cernadas and Foster Calculation of Total Military Spending, FY2025

Category	Net Outlays	Source
Consumption Expenditures	896,875,000,000	Table 3.9.5. Government Consumption Expenditures and Gross Investment
Gross Investment	246,475,000,000	Table 3.9.5. Government Consumption Expenditures and Gross Investment
Military Medical Insurance	5,397,000,000	Table 3.12U. Government Social Benefits
Veterans' life insurance	379,250,000	Table 3.12U. Government Social Benefits
Veterans-Related Expenses [i.e., "Veterans Benefits")	290,192,750,000	Table 3.12U. Government Social Benefits
Other	19,879,938,000	Table 3.12U. Government Social Benefits
Other (2)	622,188,000	Table 3.12U. Government Social Benefits
Space Consumption and Gross Investment Expenditure	16,760,000,000	Table 3.15.5. Government Consumption Expenditures and Gross Investment by Function
Grants to Foreign Countries	17,655,000,000	Table 3.2. Federal Government Current Receipts and Expenditures
Subtotal	**1,494,236,125,000**	
Net Interest Attributed to Military	790,147,717,468	
Total Military Spending Outlays with Interest	**2,284,383,842,468**	

Sources: U.S. Bureau of Economic Analysis, "Table 3.9.5. Government Consumption Expenditures and Gross Investment"; "Table 3.12U. Government Social Benefits"; "Table 3.15.5. Government Consumption Expenditures and Gross Investment by Function"; "Table 3.2. Federal Government Current Receipts and Expenditures"

Part III: A New Methodology for Calculating Military Spending

The USAspending.gov Methodology

This report builds on the methodologies above to offer a complementary methodology based on different publicly accessible government data. The figures are available for journalists and others to see (and download) on a website run by the Department of the Treasury, USAspending.gov, thanks to a 2006 law requiring the government "to give the American public access to information on how their tax dollars are being spent."[50]

The granularity of USAspending.gov data allows for the identification of military spending well beyond the DOD budget alone. This report identifies FY 2025 military spending in 15 other government agencies and entities, plus two more agencies where military spending has been found previously but which produced no spending in FY 2025. The following table identifies the 18 total government agencies and entities and the total amounts spent for military purposes (less funds received, known as "offsetting collections," as described below).[51]

Type of Spending

Budget Outlays, Not Budget Authority

The USAspending.gov methodology differs from most others in using "budget outlay" figures reported by USAspending.gov rather than "budget authority" figures (Cernadas and Foster's methodology also reflects outlays).[52] Budget outlays are government payments actually made in a given period, while budget authority refers to the authority to spend money that Congress gives to a government agency in a given fiscal year.[53] In other words,

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[50] "Download Center," USAspending.gov, accessed May 29, 2026, https://www.usaspending.gov/download_center/custom_account_data; "About," USAspending.gov, accessed May 29, 2026, https://www.usaspending.gov/about; The law excludes spending below $25,000.

[51] For a copy of a spreadsheet providing full spending details by line item for each agency, email David Vine at davidsvine@pm.me.

[52] Most budget analysts tend to focus on budget authority as the best way to track what Congress appropriates over time because budget authority consistently reflects the will of Congress (if not necessarily of the people members of Congress represent). They also do so because in any given fiscal year, government agencies can spend money appropriated over several past fiscal years, meaning a government agency can spend more (or less) in a fiscal year than Congress appropriated in that same fiscal year. In practice, reported budget outlay and budget authority figures are often similar in scale, differing by a few percentage points or even a fraction of a percent of total budgets (which, given the scale of the Pentagon budget, can be tens of billions of dollars).

[53] USAspending.gov explains that "gross outlay amount" refers to "Payments made to liquidate an obligation (other than the repayment of debt principal or other disbursements that are 'means of financing' transactions). Outlays generally are equal to cash disbursements but also are recorded for cash-equivalent transactions, such as the issuance of debentures to pay insurance claims, and in a

focusing on budget outlays allows one to identify what the U.S. government actually spent on the military that year.

Focusing on budget outlays is more appropriate when using USAspending.gov data because the data comes directly from reports government agencies are required to submit to the U.S. Treasury tracking actual financial transactions.[54] In other words, USAspending.gov allows one to look directly at spending receipts and data summing receipts (by agency and budget function).

Because some government agencies earn money through user fees, interest earned on trust funds, and other means, the USAspending.gov methodology subtracts "offsetting collections" from outlays to arrive at *total net budget outlays*.[55] This allows this methodology to answer the question of the net total amount the U.S. government actually spent on its military forces last fiscal year.[56]

Funding

DOD: $1.3 Trillion in Military Spending

USAspending.gov data indicates that the DOD spent considerably more in FY 2025 than is reported in the media: $1.273 trillion. This budget includes spending for the armed forces and other parts of the massive Pentagon bureaucracy, including all the weapons, troops' salaries, and some – but not all – benefits, military construction, fuel, maintenance, operational expenses, and much more. This already shows that military spending is at least 27% above the $1 trillion mark, with considerably more military spending found in other agencies.

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few cases are recorded on an accrual basis such as interest on public issues of the public debt. Outlays are the measure of Government spending." USAspending.gov, "USAspending Custom Account Data Dictionary," spreadsheet file, accessed December 23, 2025, https://www.usaspending.gov/data-dictionary; Found in column K. "Appropriation means a provision of law (not necessarily in an appropriations act) authorizing the expenditure of funds for a given purpose. Usually, but not always, an appropriation provides budget authority." USAspending.gov, "USAspending Custom Account Data Dictionary," spreadsheet file, accessed December 23, 2025, https://www.usaspending.gov/data-dictionary.

[54] A USAspending.gov representative explained in an email, "Figures ... come directly from agencies' official GTAS/SF-133 submissions to the U.S. Treasury. These are the same data agencies use for governmentwide budget execution reporting. Information provided from GTAS/SF-133 derive directly from balances in agencies' financial systems to make up their Account Balance (File A). Because this data is based on Treasury Accounts (TAS), it helps identify financial transactions in the federal government and also aids in reporting accuracy." USAspending Service Desk Team, email to David Vine, December 16, 2025.

[55] Found in a "spending authority from offsetting collections amount" column.

[56] A USAspending.gov representative explained, "USAspending's Custom Account Data reflects how agencies report budget authority at the federal account level, not how Congress authorizes funding in legislation. ... The figures are reliable as reported financial data, but they are not designed to serve as a definitive measure of legislative budget authorization." Congressional legislation and congressionally mandated research arms (i.e., CBO, CRS, GAO) are more accurate sources for authorization figures. USAspending Service Desk Team, email to David Vine, December 16, 2025.

To start, the DOD substantially controls $7.3 billion in global health program funds officially appropriated to the Department of State. While these programs may appear to be purely non-military in nature, a range of ostensibly "humanitarian" programs have military functions by assisting the military in gaining access to and maintaining presence and intelligence gathering around the world.[57] The DOD similarly controls another $15.5 million in international economic support funds appropriated to the president through the U.S. Agency for International Development.[58] Within and beyond the United States, the Department of Transportation spent around $2.6 million to support maritime Ready Reserve Force (part of the National Defense Reserve Fleet), Cable Security Fleet, and highways spending controlled by the DOD.

Together these sums add more than $7.3 billion in spending beyond the DOD's official budget. Far larger forms of military spending are found in other agencies, beginning with the Department of Energy.

Department of Energy: $33.5 Billion in Nuclear Weapons Spending

As discussed at the beginning of this report, the most obvious other form of military spending comes in the Department of Energy's budget, because that's where the government effectively hides the costs of maintaining and building nuclear weapons. The DOD controls these weapons and their costs should properly be part of its budget. Another $43.7 million appears in the budget of another independent federal agency whose budget should be part of the DOD, the Defense Nuclear Facilities Safety Board, which oversees safety at nuclear weapons facilities. The Army Corps of Engineers, which has both civilian and military functions, spent $260 million cleaning up facilities related to the nuclear weapons complex. Total nuclear weapons spending reaches $33.5 billion after subtracting around $6 billion in "offsetting receipts."

Department of Homeland Security: $16.8 billion in USCG, WMD, Cyber, Other Spending

U.S. Coast Guard spending is found not in the DOD's budget but instead in that of the Department of Homeland Security (DHS). This hides spending for an entire branch of the U.S. military. While DHS controls the Coast Guard during peacetime and while it plays some civilian functions, such as improving boat safety and oil spill recovery, the Guard is one of the armed forces and is controlled by the Pentagon during wartime. The vast majority of its budget should be considered military spending. This report does so, adding nearly $14 billion (excluding civilian Coast Guard activities). Additional spending in the DHS budget for programs to counter weapons of mass destruction, radiological preparedness, cybersecurity, and other forms of military spending add around $3 billion.[59]

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[57] David Vine, *Base Nation: How U.S. Military Bases Abroad Harm America and the World* (Metropolitan Books/Henry Holt, 2015), 205–206.
[58] In both Department of State and U.S. Agency for International Development funds, the DOD is the "reporting agency," which reports about and largely controls the spending, while the Department of State is the "owning agency," meaning the agency to which the funds were appropriated.
[59] For a copy of a spreadsheet providing full spending details by line item for each agency, email David Vine at davidsvine@pm.me.

The methodologies above, by contrast, consider all or nearly all of the DHS budget to be a form of military or "national security" spending because of DHS's declared role of protecting the "homeland." There are good reasons to do so, especially given the increasingly militarized nature of ICE and Border Patrol. These agencies and much of DHS clearly blur the line between police and military forces. However, this methodology does not include the entire DHS budget in its calculation given the ambiguous nature of many DHS programs (which also include domestic disaster response). Including the entire DHS budget would add almost $300 billion more, including reconciliation spending, to the total.[60]

For similar reasons, and unlike some other methodologies, this report conservatively excludes billions of dollars in FBI salaries and expenses found in the Department of Justice budget. While the FBI performs some military functions, the agency is largely focused on domestic law enforcement. Some consider all police forces to be a type of military force and would thus potentially include tens of billions of dollars in spending on police forces at the national, state, and local levels.

Veterans Benefits: $393.3 Billion in Added Personnel Spending

Taxpayers also spend significant sums to support the U.S. military in the form of the Department of Veterans Affairs and related budgets. The USAspending.gov methodology includes this spending for the same reason other methodologies do: These forms of deferred compensation for troops and other military employees are personnel costs that must be counted as military spending. Simply put, supporting veterans is part of the cost of running a military.

Funding for the Department of Veterans Affairs alone adds another $389.8 billion to the USAspending.gov methodology total. The Department of Labor's budget further conceals $3.3 billion in military spending that helps train and support veterans, as well as veterans of the nuclear weapons industry sickened by radiation. The Department of Justice's budget does much the same, hiding a total of $385.1 million in spending for people exposed to and harmed by nuclear weapons testing radiation and payments for claims related to the U.S. war in Vietnam.[61]

The American Battle Monuments Commission provides a different kind of benefit for veterans in operating military cemeteries and monuments worldwide, with spending totaling $103.5 million in FY 2025. The veterans benefits system also includes spending for the Armed Forces Retirement Home ($137.5 million) and U.S. Court of Appeals for Veterans Claims ($49.7 million, plus $958,374 spent by the U.S. Chemical Safety Board to support the court). The Social Security Administration's "Special Benefits for Certain World War II Veterans" program adds a small sum ($260,504). Collectively these entities add $291.9

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[60] The total DHS budget was $309 billion in FY 2025. Office of Management and Budget, Federal Budget by Agency and Account, *FY 2027 President's Budget Policy*, Table 16-1, accessed April 3, 2026, 220, https://www.whitehouse.gov/omb/information-resources/budget/.

[61] For a copy of a spreadsheet providing full spending details by line item for each agency, email David Vine at davidsvine@pm.me.

million. In total, U.S. taxpayers spent $390.5 billion on veterans across seven separate agencies in FY 2025.[62]

Results

Total Spending of $1.718 Trillion

All of the above forms of spending combined produce a total of $1.718 trillion ($1.930 trillion with interest expenditures).[63] This again shows that real military spending is almost 75% higher than the $1 trillion frequently cited. The calculation is also within 2.8% of the Wheeler and Hartung and Smithberger estimates. The next section notes other forms of spending that are not included in this calculation but that one could reasonably add.

USAspending.gov, Total Military Spending by Agency, FY2025

Agency	Net Outlays
Agency for International Development	15,504,280
American Battle Monuments Commission	103,483,062
Armed Forces Retirement Home	137,519,390
Corps of Engineers - Civil Works	260,017,630
Defense Nuclear Facilities Safety Board	43,703,554
Department of Agriculture	0*
Department of Defense	1,273,158,423,924
Department of Energy	33,538,322,898
Department of Homeland Security	16,798,958,047
Department of Justice	385,060,843
Department of Labor	3,277,521,935
Department of State	461,862,025
Department of Transportation	2,604,283
Department of Veterans Affairs	389,755,646,022
Executive Office of the President	0*
Social Security Administration	260,504
United States Chemical Safety Board	958,374
United States Court of Appeals for Veterans Claims	49,662,873
Total without Interest Payments	1,717,989,509,643
Portion of Federal Debt	211,933,258,036
Total Military Spending Outlays with Interest	**1,929,922,767,679**

[62] For a copy of a spreadsheet providing full spending details by line item for each agency, email David Vine at davidsvine@pm.me.

[63] For comparison purposes, the USAspending.gov methodology calculation shows a *budget authority from funds appropriated by Congress* of $1.783 trillion and *budget obligations* made in FY 2025 of $2.025 trillion.

** No FY2025 outlays, however there was a $1 billion budget appropriation to the Executive Office of the President for "Submarine Security Activities, National Security Council." There were also account line items, which received funding in prior years, in the Department of Agriculture budget to support the Air Force and Army through conservation and land management work.*

Other Spending Not Added

Actual military spending is likely higher than the $1.718 trillion ($1.930 trillion with interest) the USAspending.gov methodology indicates because of additional spending for military purposes buried in budgets for NASA ($24.7 billion in outlays less offsetting receipts) and other agencies not included here.[64] NASA space research entails considerable work of a military nature, although there is little clarity on how much of the NASA budget has military functions. The estimate used by Cernadas and Foster suggests that 40% of space expenditures and consumption are focused on the military.[65] This would add another $9.9 billion to the USAspending.gov methodology total.

Other methodologies include the entire Department of Homeland Security budget given its declared mission to protect the "homeland" (as discussed above). This would add either $216.9 billion or $292.4 billion to the total depending on whether one includes FEMA spending or not.[66] The Department of State's budget also likely includes forms of spending on the U.S. and foreign militaries not included here. Loan guarantees for the Israeli government are a form of military aid and appear in the USAID budget. There is likely additional spending related to nuclear weapons in the budgets of the Department of Energy, the Nuclear Regulatory Commission, and the Nuclear Waste Technical Review Board.

While the DOD budget contains classified levels of funding for the CIA, National Security Agency, and other intelligence gathering agencies, the government may hide other intelligence funding in other budgets that are not captured in this calculation.[67] The calculations also almost surely omit some forms of military spending given the lack of transparency in the federal budget and systemic military accounting problems, among other challenges.

Possible Data Limitations

The Government Accountability Office (GAO) and Congressional Research Service (CRS) have pointed to some data quality problems with USAspending.gov data. Most of the problems identified, however, appear to involve inaccuracies with specific contracts and subcontracts, the location where contracts are awarded, COVID-19 funding, and incomplete spending data due to some government agencies failing to submit data. That the site relies on data reported by government agencies is another reason to be cautious about DOD spending figures in particular, given that the agency is the only one in the federal

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[64] For a copy of a spreadsheet providing full spending details by line item for each agency, email David Vine at davidsvine@pm.me.
[65] Cernadas and Foster, "Actual U.S. Military Spending Reached $1.537 Trillion in 2022," [see note 4].
[66] Office of Management and Budget, *FY2027 President's Budget Policy,* Table 16-1, [see note 60].
[67] Vine, *Base Nation*, 206–7, [see note 57].

government never to pass a financial audit.[68] Still, the GAO calls the site "the official source of federal spending information." CRS says the site remains "useful" while suggesting caution given the presence of some incomplete or inaccurate data.[69]

Despite these potential limitations, which could mean USAspending.gov's data is either an underestimate or overestimate, there are reasons to be confident in the methodology's calculations. Above all, the calculations are similar in magnitude to those of the other methodologies documented here. The $1.718 trillion total is around 3% lower than the Wheeler and Hartung and Smithberger methodologies and about 14% higher than the National Priorities Project (which intentionally excludes mandatory spending) and Cernadas and Foster methods.

Conclusion

This report shows that U.S. taxpayer spending on war and the military is far greater than is often reported in the media and by members of Congress, the military, and others. Longstanding congressional budgeting practices have hidden the true size of spending. Journalists and other observers have almost always tended to repeat congressional figures that exclude significant forms of military spending. These exclusions mean that commonly cited figures are many hundreds of billions of dollars, and perhaps more than one trillion dollars, lower than the true total.

Five Methodologies for Calculating the True Total U.S. Military Budget, FY2025

Methodology	Total Calculation Without Interest	Total Calculation With Interest
Wheeler	1,727,634,000,000	2,003,902,452,842
Hartung/Smithberger	1,766,172,000,000	2,048,603,120,187
National Priorities Project*	1,477,081,000,000	1,713,283,160,060
Cernadas/Foster	1,494,236,125,000	2,284,383,842,468
USAspending.gov	1,717,989,509,643	1,929,922,767,679

[68] Mike Stone, "Pentagon Says It Fails Eighth Audit, Targets 2028 to Pass," *Reuters*, December 10, 2025, https://www.reuters.com/world/us/pentagon-fails-eighth-audit-targets-2028-pass-pentagon-says-2025-12-19/.

[69] Government Accountability Office, *Federal Spending Transparency: Opportunities to Improve USAspending.gov Data,* GAO-24-106214, November 7, 2023, https://www.gao.gov/products/gao-24-106214; Jennifer Teefy, Congressional Research Service, *Tracking Federal Awards: USAspending.gov and Other Data Sources,* R44027, April 22, 2025, https://www.congress.gov/crs-product/R44027. For perspective, USAspending.gov shows $206.9 billion in total budget obligations that were not reported by any government agency, which represents about 2% of total federal budget obligations. See USAspending.gov, "You are viewing FY 2025 Spending by Budget Function," Spending Explorer, https://www.usaspending.gov/explorer/budget_function, accessed May 7, 2026.

** This calculation focuses on discretionary spending and excludes mandatory forms of spending. With the latter included, it would be significantly closer to the other figures.*

What does it mean that the true total military budget is hundreds of billions of dollars more than the "trillion dollar military budget" and similar sums commonly reported? What does it mean that Trump's proposed $1.5 trillion budget is a sum the country is already spending?

One trillion dollars and even hundreds of billions of dollars are sums so large that they're incomprehensible for most. The sums are so large one can lose perspective on their significance. Note that the true total military budget is around twice the size of all the money Congress appropriates (i.e., discretionary spending) for all non-military needs combined.[70]

That the government has been misleading the public and effectively hiding hundreds of billions of dollars in military spending is troubling enough. Imagine the public reaction if news broke that the government was spending nearly twice as much as the government said on public housing, or programs to combat hunger, or Medicaid.

Unfortunately, there remains ambiguity about the full scale of military spending given the poor state of Pentagon accounting practices, including its inability to pass a financial audit. Members of the public and members of Congress need a full accounting of the military budget to analyze, discuss, and debate the proper size of military spending both on its own and in relation to other non-military funding priorities.

To provide accurate spending figures, Congress should reform its budgeting practices and provide a *true total military budget* that combines all forms of military and war spending in one place and one true total figure. Congress also should stop appropriating, and thus hiding, money for the military in other agencies' budgets. Until Congress begins reporting accurate numbers, members of the media and other analysts should stop repeating incomplete congressional spending data and tell the public what the country is really spending on the military and war.

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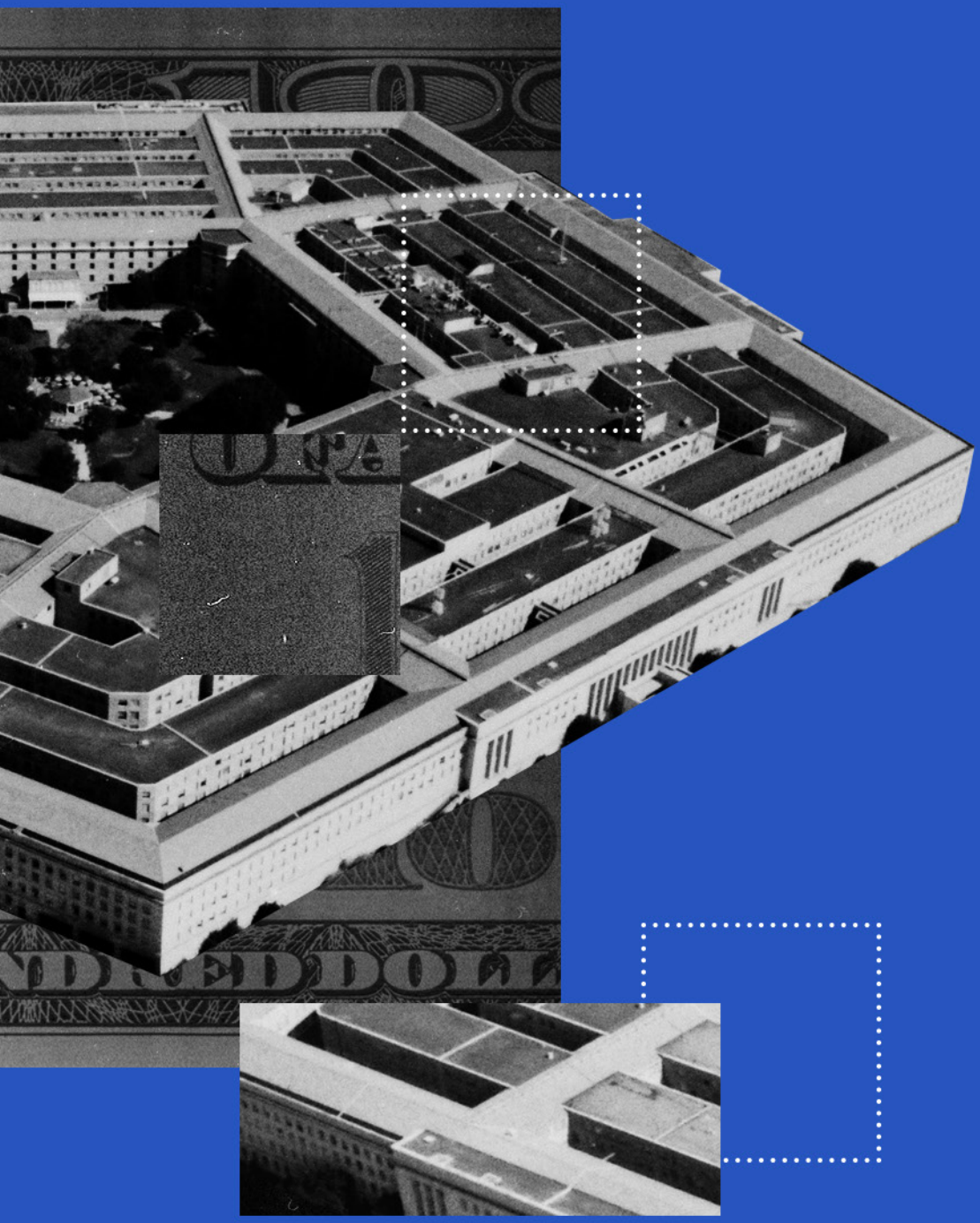
[70] Office of Management and Budget, Budget of the U.S. Government, April 2026, 79, https://www.govinfo.gov/content/pkg/BUDGET-2027-BUD/pdf/BUDGET-2027-BUD.pdf#page=84.



Project On Government Oversight
1100 13th Street NW
Suite 800
Washington, DC 20005

www.pogo.org

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