



CONGRESSIONAL BUDGET OFFICE
U.S. Congress
Washington, DC 20515

February 1, 2007

Honorable John M. Spratt Jr.
Chairman
Committee on the Budget
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

At your request, the Congressional Budget Office (CBO) has estimated the cost of the President's plan to increase the number of military personnel deployed to Iraq under different scenarios related to the duration of that increase. In summary, CBO estimates that costs would range from \$9 billion to \$13 billion for a four-month deployment and from \$20 billion to \$27 billion for a 12-month deployment, depending upon the total number of troops deployed and including additional costs that would be incurred during the build-up and ramp-down periods.¹

The analysis depends critically on three key factors:

- How many additional troops will be deployed?
- How long will the deployments last?
- What are the additional costs associated with incremental troop deployments?

Number of Additional Troops

The President has announced an increase in Army and Marine Corps forces to be deployed to the Iraq theater of operations. Over the next several months, that increase will be accomplished largely by deploying troops sooner than was previously planned and by lengthening the deployment of forces already in the Iraq theater. The increase in force levels has already begun and is expected to reach its peak of about 20,000 additional combat personnel in May.

1. CBO's analysis focuses only on the costs associated with deploying ground forces in Iraq. It does not encompass the costs that will be incurred for deploying additional naval forces to the Persian Gulf.

Thus far, the Department of Defense (DoD) has identified only combat units for deployment. However, U.S. military operations also require substantial support forces, including personnel to staff headquarters, serve as military police, and provide communications, contracting, engineering, intelligence, medical, and other services. Over the past few years, DoD's practice has been to deploy a total of about 9,500 personnel per combat brigade to the Iraq theater, including about 4,000 combat troops and about 5,500 supporting troops.

DoD has not yet indicated which support units will be deployed along with the added combat forces, or how many additional troops will be involved. Army and DoD officials have indicated that it will be both possible and desirable to deploy fewer additional support units than historical practice would indicate. CBO expects that, even if the additional brigades required fewer support units than historical practice suggests, those units would still represent a significant additional number of military personnel.

To reflect some of the uncertainty about the number of support troops, CBO developed its estimates on the basis of two alternative assumptions. In one scenario, CBO assumed that additional support troops would be deployed in the same proportion to combat troops that currently exists in Iraq. That approach would require about 28,000 support troops in addition to the 20,000 combat troops—a total of 48,000. CBO also presents an alternative scenario that would include a smaller number of support personnel—about 3,000 per combat brigade—totaling about 15,000 support personnel and bringing the total additional forces to about 35,000.

Length of Deployments

As requested, CBO estimated costs for a number of different deployment periods, ranging from four months to two years. In each case, the period identified is the length of time that the peak force levels would be sustained. In each case, there is also a three-month period during which forces would be gradually ramped up, and a similar period following the peak during which the force levels would gradually decline.

Cost of Increasing Forces

Estimating the cost of deploying additional troops to Iraq is difficult. DoD prepares monthly reports on obligations incurred in support of the war, but those reports do not contain sufficient detail on many cost elements, nor do they include information on key factors such as personnel levels or the pace of operations. As a result, they are not very useful in developing cost-estimating relationships.

In the absence of sufficient information from the monthly obligation reports or other sources, CBO based its estimate on appropriations provided in 2006 for operations in Iraq and Afghanistan, and for the war on terrorism—a total of \$116 billion—and subtracted from that amount the costs of activities not related to the conflict in Iraq or not likely to vary significantly as a result of changes in the number of deployed troops. In total, CBO estimates that \$89 billion of the funding provided in 2006 for personnel and personnel support, equipment repair and replacement, operating support, and transportation was related to the size of the deployed forces. CBO then projected costs for operations in Iraq in future years based on changes to those forces that would occur under the scenarios specified above. Most costs would be incurred during the deployment, but some of the costs to restore or replace damaged equipment could lag the end of the deployment by a year or more.

Results of CBO's Analysis

If DoD deployed a total of 48,000 troops, and sustained that level for four months, costs would be about \$13 billion higher than for the current force levels, CBO estimates (see the table below). The 20,000 combat forces account for \$5 billion of that cost. If the higher level was maintained for 12 months, costs would be \$27 billion higher than the current level—\$11 billion of which would fund the combat forces alone. Costs would increase by lesser amounts if the combat forces were accompanied by fewer support personnel. If additional forces totaled 35,000 troops, CBO estimates that sustaining such a deployment would cost \$9 billion for four months and \$20 billion for 12 months.

ESTIMATED FUNDING REQUIRED TO INCREASE THE NUMBER OF PERSONNEL
DEPLOYED TO IRAQ UNDER ALTERNATIVE SCENARIOS

(Budget authority in billions of dollars, by fiscal year)

	2007	2008	2009	Total, 2007-2009
Four-Month Peak Deployment				
Sustain an Additional 48,000 Troops in Iraq (20,000 Combat Troops and 28,000 Support Troops)	9	3	*	13
Sustain an Additional 35,000 Troops in Iraq (20,000 Combat Troops and 15,000 Support Troops)	7	2	*	9
Twelve-Month Peak Deployment				
Sustain an Additional 48,000 Troops in Iraq (20,000 Combat Troops and 28,000 Support Troops)	10	15	3	27
Sustain an Additional 35,000 Troops in Iraq (20,000 Combat Troops and 15,000 Support Troops)	7	11	2	20

Notes: * = less than \$500 million.

Each scenario includes the cost of a three-month buildup and a three-month withdrawal.

A substantially longer deployment would cost much more. A 48,000-person increase in deployed forces sustained for 24 months would cost an estimated \$49 billion; a corresponding 35,000-person increase would cost about \$26 billion, CBO estimates.

CBO's analysis does not incorporate any effect on federal tax revenues from an increase in the number of troops serving in combat zones, nor does it include any indirect effects on spending (from changes in veterans' benefits, for example). Finally, CBO's analysis does not address the effects that sustaining such increases in deployed forces would have on military readiness and other operational considerations.

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I hope this analysis is helpful to you. If you would like additional information on this subject, we would be pleased to provide it. The CBO staff contacts for this analysis are Adam Talaber, Matthew Schmit, and David Newman.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter R. Orszag". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Peter R. Orszag
Director

cc: Honorable Paul Ryan
Ranking Member

Identical letter sent to the Honorable Ike Skelton and the Honorable Martin T. Meehan.