

The Military-Industrial Complex Gets Away With Murder in Contract After Contract

By [Mandy Smithberger](#), [TomDispatch](#), Published January 21, 2020

<https://truthout.org/articles/the-military-industrial-complex-gets-away-with-murder-in-contract-after-contract/>

(Interjection – The mis-adventures of the military/industrial complex simply keeps getting more and more brazen from even the ones I witnessed from “inside” the system in the ‘60’s thru’70s! ~ Don Chapin)

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A U.S. Air Force F-16 Fighting Falcon conducts aerial refueling out of Kandahar Airfield, Afghanistan, August 19, 2019. Congress recently passed, and President Trump approved, one of the largest Pentagon budgets ever. [Staff Sgt. Keifer Bowes / U.S. Air Force](#)

Call it a colossal victory for a Pentagon that hasn't won a war in this century, but not for the rest of us. Congress only recently passed and the [president approved](#) one of the largest Pentagon budgets ever. It will surpass spending at the peaks of both the Korean and Vietnam wars. As last year ended, as if to highlight the strangeness of all this, the *Washington Post* [broke a story](#) about a “confidential trove of government documents” — interviews with key figures involved in the Afghan War by the Office of the Special Inspector General for Afghanistan Reconstruction — revealing the degree to which senior Pentagon leaders and military commanders understood that the war was failing. Yet, year after year, they provided “rosy pronouncements they knew to be false,” while “hiding unmistakable evidence that the war had become unwinnable.”

However, as the latest Pentagon budget shows, no matter the revelations, there will be no reckoning when it comes to this country's endless wars or its military establishment — not at a moment when President Donald Trump is [sending](#) yet more U.S. military personnel into the Middle East and has picked a new fight with Iran. No less troubling: [how few](#) in either party in Congress are willing to hold the president and the Pentagon accountable for runaway defense spending or the poor performance that has gone with it.

Given the way the Pentagon has sunk taxpayer dollars into those endless wars, in a more reasonable world that institution would be overdue for a comprehensive audit of all its programs and a reevaluation of its expenditures. (It has, by the way, never [actually passed](#) an audit.) According to Brown University's Costs of War Project, Washington has already spent at least [\\$2 trillion](#) on its war in Afghanistan alone and, as the *Post* made clear, the corruption, waste, and failure associated with those expenditures was (or at least should have been) mindboggling.

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Of course, little of this was news to people who had read the damning reports released by the Special Inspector General for Afghanistan Reconstruction in previous years. They included evidence, for instance, that somewhere between \$10 million and \$43 million had been spent constructing a [single gas station](#) in the middle of nowhere, that \$150 million had gone into [luxury private villas](#) for Americans who were supposed to be helping strengthen Afghanistan's economy, and that [tens of millions](#) more were wasted on failed programs to improve Afghan industries focused on extracting more of the country's minerals, oil, and natural gas reserves.

In the face of all this, rather than curtailing Pentagon spending, Congress continued to increase its budget, while also supporting a Department of Defense [slush fund](#) for war spending to keep the efforts going. Still, the special inspector general's reports did manage to rankle American military commanders (unable to find successful combat strategies in Afghanistan) enough to launch what, in effect, would be a [public-relations war](#) to try to undermine that watchdog's findings.

All of this, in turn, reflected the "unwarranted influence" of the military-industrial complex that President (and former five-star General) Dwight Eisenhower warned Americans about in his memorable [1961 farewell address](#). That complex only continues to thrive and grow almost six decades later, as contractor profits are endlessly prioritized over what might be considered the national security interests of the citizenry.

The [infamous "revolving door"](#) that regularly ushers senior Pentagon officials into defense-industry posts and [senior defense-industry figures](#) into key positions at the Pentagon (and in the [rest of the national security state](#)) just adds to the endless public-relations offensives that accompany this country's forever wars. After all, the [retired generals](#) and other officials the media regularly looks to for expertise are often essentially paid skills for the defense industry. The lack of public disclosure and media discussion about such obvious conflicts of interest only further corrupts public

debate on both the wars and the funding of the military, while giving the arms industry the biggest seat at the table when decisions are made on how much to spend on war and preparations for the same.

Media Analysis Brought to You by the Arms Industry

That lack of disclosure regarding potential conflicts of interest recently came into fresh relief as industry boosters beat the media drums for war with Iran. Unfortunately, it's a story we've seen many times before. Back in 2008, for instance, in a Pulitzer Prize-winning series, the *New York Times* [revealed](#) that the Pentagon had launched a program to cultivate a coterie of retired-military-officers-turned-pundits in support of its already disastrous war in Iraq. Seeing such figures on TV or reading their comments in the press, the public may have assumed that they were just speaking their minds. However, the *Times* investigation showed that, while widely cited in the media and regularly featured on the TV news, they never disclosed that they received special Pentagon access and that, collectively, they had financial ties to more than 150 Pentagon contractors.

Given such financial interests, it was nearly impossible for them to be "objective" when it came to this country's failing war in Iraq. After all, they needed to secure more contracts for their defense-industry employers. A subsequent analysis by the [Government Accountability Office](#) found that the Pentagon's program raised "legitimate questions" about how its public propaganda efforts were tied to the weaponry it bought, highlighting "the possibility of compromised procurements resulting from potential competitive advantages" for those who helped them.

While the program was discontinued that [same year](#), a similar effort was revealed in 2013 during a debate over whether the U.S. should attack Bashar al-Assad's Syrian regime. You probably won't be surprised to discover that most of the former military figures and officials used as analysts at the time supported action against Syria. A review of their commentary by the [Public Accountability Initiative](#) found a number of them also had undisclosed ties to the arms industry. In fact, of 111 appearances in major media outlets

by 22 commentators, only 13 of them disclosed any aspect of their potential conflicts of interest that might lead them to promote war.

The same pattern is now being repeated in the debate over the Trump administration's decision to assassinate by drone Iranian Major General Qassem Suleimani and other Iran-related issues. While Suleimani clearly opposed the United States and many of its national security interests, his killing risked pushing Washington into another endless war in the Middle East. And in a distinctly recognizable pattern, [the Intercept](#) has already found that the air waves were subsequently flooded by defense-industry pundits praising the strike. Unsurprisingly, news of a potential war also promptly [boosted](#) defense industry stocks. Northrop Grumman's, Raytheon's, and Lockheed Martin's all started 2020 with an uptick.

[Senator Elizabeth Warren \(D-MA\)](#) and Representative Jackie Speier (D-CA) have offered legislation that could shut down that revolving door between the major weapons makers and Washington for good, but it has met concerted resistance from [Pentagon officials](#) and others [still in Congress](#) who stand to benefit from preserving the system as is. Even if that revolving door wasn't shut down, transparency about just who was going through it would help the public better understand what former officials and military commanders are really advocating for when they speak positively of the necessity for yet another war in the Middle East.

Costly Weapons (and Well-Paid Lobbyists)

Here's what we already know about how it all now works: weapon systems produced by the big defense firms with all those retired generals, former administration officials, and one-time congressional representatives on their boards (or lobbying for or consulting for them behind the scenes) regularly come in [overpriced](#), are often delivered [behind schedule](#), and repeatedly [fail](#) to have the capabilities advertised. Take, for instance, the new Ford class aircraft carriers, produced by Huntington Ingalls Industries, the sort of ships that have traditionally been used to show strength globally. In this case, however, the program's development has been [stifled by problems](#) with its weapons elevators and the systems used to launch and recover its aircraft. Those problems have been

costly enough to send the price for the first of those carriers soaring to [\\$13.1 billion](#). Meanwhile, Lockheed Martin's F-35 jet fighter, the most expensive weapons system in Pentagon history, has an [abysmal rate](#) of combat readiness and currently comes in at more than [\\$100 million per aircraft](#).

And yet, somehow, no one ever seems to be responsible for such programmatic failures and prices — certainly not the companies that make them (or all those retired military commanders sitting on their boards or working for them). One crucial reason for this lack of accountability is that key members of Congress serving on committees that should be overseeing such spending are often [the top recipients](#) of campaign contributions from the big weapons makers and their allies. And just as at the Pentagon, members of those committees or their staff often later become [lobbyists](#) for those very federal contractors.

With this in mind, the big defense firms carefully spread their contracts for weapons production across as many congressional districts as possible. This practice of "[political engineering](#)," a term promoted by former Department of Defense analyst and military reformer Chuck Spinney, helps those contractors and the Pentagon buy off members of Congress from both parties. Take, for example, the Littoral Combat Ship, a vessel meant to operate close to shore. Costs for the program [tripled](#) over initial estimates and, according to [Defense News](#), the Navy is already considering decommissioning four of the new ships next year as a cost-saving measure. It's not the first time that program has been threatened with the budget axe. In the past, however, [pork-barrel politics](#) spearheaded by Senators Tammy Baldwin (D-WI) and Richard Shelby (R-AL), in whose states those boats were being built, kept the program afloat.

The Air Force's new bomber, the B-21, being built by Northrup Grumman, has been on a similar trajectory. Despite significant pressure from then-Senator John McCain (R-AZ), the Air Force [refused in 2017](#) to make public or agree upon a contract price for the program. (It was a "[cost-plus](#)," not a "fixed price" contract, after all.) It did, however, [release the names of the companies](#) providing components to the program, ensuring that relevant congressional

representatives would support it, no matter the predictably spiraling costs to come.

Recent [polling](#) indicates that such pork-barrel politics isn't backed by the public, even when they might benefit from it. Asked whether congressional representatives should use the Pentagon's budget to generate jobs in their districts, 77% of respondents rejected the notion. Two-thirds favored shifting such funds to sectors like healthcare, infrastructure, and clean energy that would, in fact, create significantly more jobs.

And keep in mind that, in this big-time system of profiteering, hardware costs, however staggering, are just a modest part of the equation. The Pentagon spends about as much on what it calls "services" as it does on the weaponry itself and those service contracts are another major source of profits. For example, it's estimated that the F-35 program will cost \$1.5 trillion over the lifetime of the plane, but a [trillion dollars](#) of those costs will be for support and maintenance of the aircraft.

Increasingly, this means contractors are able to [hold the Pentagon hostage](#) over a weapon's lifetime, which means overcharges of just about every imaginable sort, including for [labor](#). The Project On Government Oversight (where I work) has, for instance, been uncovering overcharges in spare parts since our founding, including an infamous \$435 hammer back in [1983](#). I'm sad to report that what, in the 1980s, was a seemingly outrageous [\\$640](#) plastic toilet-seat cover for military airplanes now costs an eye-popping [\\$10,000](#). A number of factors help explain such otherwise unimaginable prices, including the way contractors often retain intellectual property rights to many of the systems taxpayers funded to develop, legal loopholes that make it difficult for the government to challenge wild charges, and a system largely beholden to the interests of defense companies.

The most recent and notorious case may be TransDigm, a company that has purchased other companies with a monopoly on providing spare parts for a number of weapon systems. That, in turn, gave it power to increase the prices of parts with little fear of losing business — once, receiving [9,400%](#) in excess profits for a single

half-inch metal pin. An [investigation](#) by the House Oversight and Reform Committee found that TransDigm's employees had been coached to resist providing cost or pricing information to the government, lest such overcharges be challenged.

In one case, for instance, a subsidiary of TransDigm resisted providing such information until the government, desperate for parts for weapons to be used in Iraq and Afghanistan, was forced to capitulate or risk putting troops' lives on the line. TransDigm did later repay the government [\\$16 million](#) for certain overcharges, but only after the House Oversight and Reform Committee held a hearing on the subject that shamed the company. As it happens, TransDigm's behavior isn't an outlier. It's typical of many defense-related companies doing business with the government — about [20 major industry players](#), according to a former Pentagon pricing czar.

A Recipe for Disaster

For too long Congress has largely abdicated its responsibilities when it comes to holding the Pentagon accountable. You won't be surprised to learn that most of the "[acquisition reforms](#)" it's passed in recent years, which affect how the Department of Defense buys goods and services, have placed just about all real negotiating power in the hands of the big defense contractors. To add insult to injury, both parties of Congress continue to vote in near unanimity for increases in the Pentagon budget, despite 18-plus years of losing wars, the never-ending gross mismanagement of weapons programs, and a continued failure to pass a basic audit. If any other federal agency (or the contractors it dealt with) had a similar track record, you can only begin to imagine the hubbub that would ensue. But not the Pentagon. Never the Pentagon.

A significantly reduced budget would undoubtedly increase that institution's effectiveness by curbing its urge to throw ever more money at problems. Instead, an often bought-and-paid-for Congress continues to enable bad decision-making about what to buy and how to buy it. And let's face it, a Congress that allows endless wars, terrible spending practices, and multiplying conflicts of interest is, as the history of the twenty-first century has shown us, a recipe for disaster.

The stakes have never been higher

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