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■ CENTRAL AMERICA POLICY

The True Cost Of Intervention

JOSHUA COHEN AND JOEL ROGERS

Two debates—over the size and composition of the Federal budget and over U.S. policies toward Central America—dominate the news from Washington. These debates should be joined. An accurate accounting indicates that U.S. policy in Central America and the Caribbean cost about \$9.5 billion in 1985, or about eight times the \$1.2 billion officially acknowledged by the Reagan Administration. U.S. activities in the region are also the cutting edge of a massive commitment, more than \$100 billion annually, to maintain a broadly interventionist foreign policy. At a time of large deficits and continuing cutbacks in social programs, the dimensions of this commitment should invite attention and debate.

Our focus on the material costs of intervention should not be misconstrued. We believe that current U.S. interventionist policies, in Central America and elsewhere, are morally wrong. Even if they cost nothing at all, we would still think they were wrong. But neither do we think that paying attention to costs obscures moral issues. As the British Prime Minister William Gladstone observed, budgets "are not merely matters of arithmetic." They are a record of the choices that a government makes and the values to which it commits its energies. Giving notice to the material dimension of those choices and commitments merely underscores the need to make moral judgments about them.

Three observations frame our assessment of the costs of current U.S. policies in Central America and the Caribbean.

First, from the earliest days of the Reagan Presidency Central America has served as the high-intensity symbol of an increasingly aggressive U.S. foreign policy. The Administration has repeatedly emphasized the close ties between its policies in the region and its broader aim of restoring U.S. power and "credibility" to pre-Vietnam War levels.

Second, U.S. military and foreign policy analysts have

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recently shown renewed interest in improving strategies for supporting insurgency and counterinsurgency efforts around the world. That interest has focused on the potential for low-intensity warfare, reflecting the belief of such Administration figures as Defense Secretary Caspar Weinberger that "low-level conflict will likely remain the most immediate threat to free world security for the rest of this century." There is little consensus about just what makes a conflict low-intensity. But analysts generally agree that the aim in such a conflict is for U.S. interests to prevail without committing large numbers of U.S. ground troops. To avoid that kind of commitment, the United States must be prepared to engage in long-term programs for funding, supporting and advising insurgency and counterinsurgency forces; to pursue economic and psychological warfare as well as covert action; and, if need be, to deploy small numbers of U.S. troops specially trained and organized for Third World conflicts [see Michael Klare, "The New U.S. Strategic Doctrine," *The Nation*, December 28/January 4, 1986].

Third, the United States is now pursuing a low-intensity strategy in Central America—building bases; running continual ground and naval exercises; mounting covert operations, psychological warfare and economic blockades; and providing money, weapons and military training to insurgency and counterinsurgency forces. Central America is a testing ground for new U.S. interventionist capabilities and strategies.

Estimates of the costs of U.S. military commitments in particular regions of the world are always complicated and



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partly speculative. In addition, the Administration's low-intensity strategy in Central America keeps both the actual and perceived costs of its commitments there relatively low. Still, military analysts do make cost assessments for other regions of special interest to the United States, such as Western Europe and East Asia. There is no reason not to attempt one for Central America.

We begin with "security" assistance, the most widely discussed cost of U.S. policy in the region. Last year the United States spent more than \$1.4 billion on all forms of foreign assistance to Central America, a more than twenty-fold real increase over the \$64 million spent in 1978. What portion of that \$1.4 billion should be counted as security assistance rather than economic assistance, however, is a matter of controversy. President Reagan has repeatedly claimed that U.S. aid to the region is primarily economic. Addressing a joint session of Congress in April 1983, he claimed that "77 cents out of every dollar we will spend in the area this year goes for food, fertilizers and other essentials for economic growth and development." Reagan's assertion rests on a characterization of the State Department's Economic Support Fund (E.S.F.) program—which alone accounts for more than half of all U.S. assistance to the region—as constituting economic assistance.

We classify E.S.F. as a security/military assistance program, however. It is designed to provide funds to countries of major foreign policy significance to the United States. The leading E.S.F. recipients are Israel and Egypt; many countries with far more serious financial and development problems receive nothing at all from the program. Moreover, E.S.F. assistance permits recipients to devote other resources to military ends. The \$285 million that the Administration provided El Salvador last year, for example, helped that government finance imports from the United States. But like "humanitarian" aid to the *contras*, this "economic" assistance also enabled the government of El Salvador to use other resources to pursue its military activities, including its savage air war against its own population. And although our classification of E.S.F. differs from the President's, it is not that controversial. The Administration's own foreign aid budget lists E.S.F., together with military aid, under the heading of "security assistance." A number of experts agree with this classification, according to a report on U.S. assistance to Central America by the Congressional Research Service. They argue that "the ESF in Central America is basically a security/military program undertaken to prop up existing regimes and the elites who support them."

If the E.S.F. program is counted as a security/military program, then \$998 million—or nearly 70 percent of U.S.

assistance to Central America—now goes for security/military assistance. That represents a significant shift from 1980, when, using the same program classifications, 26 percent of U.S. aid was security assistance, while 74 percent was economic.

The costs of the security assistance programs represent only a small fraction of total costs, however. The United States also has a large and growing military presence in Central America and the Caribbean, and any complete estimate must include the costs of maintaining this presence. Those costs have several components:

Military Exercises: In 1981 the United States held two military exercises in the region. In 1982 there were five, and in 1983 there were ten. By 1984 the number had grown to twenty. These exercises continued on a routine basis throughout 1985. Some of the operations were relatively small; others were enormous. Ocean Venture '84, for example, a two-week joint Army, Navy, Air Force and Marine Corps operation, involved 30,000 troops, an aircraft carrier, 35 ships and 250 planes. Big Pine II lasted for six months and at its peak involved 5,500 troops in Honduras and more than 16,000 troops on ships and planes. The military exercises commonly overlap. In mid-November 1984, six exercises were taking place simultaneously, five of them directed against Nicaragua.

Military Construction: There has been considerable military construction in the region, particularly in Honduras. The United States has built eight to ten air bases that can handle large transports, and several that are capable of handling high-performance fighter planes.

Forces: More than 9,000 U.S. troops are stationed in Panama (including the 193d Infantry Brigade); 1,000 to 1,500 are regularly in Honduras, 1,500 in Bermuda, 2,500 at Guantanamo in Cuba, 3,500 in Puerto Rico and 70 in El Salvador.

The total cost of these three components likely runs to more than \$3 billion a year—\$2.5 billion for the forces, \$500 million for the exercises and some \$100 million for the construction. Together with the security assistance, this pushes the costs of U.S. policy in the region to about \$4 billion.

To stop there, however, would also seriously underestimate the costs, since the costs of exercises alone reflect only the tip of U.S. involvement. A complete accounting must also include the costs of *buying* and *supporting* at least some of the forces that are not stationed in the region but that are exercised there, as well as some of those that would be used in the event of an invasion.

The assessment here proceeds in two steps. The first is to estimate the costs of buying and supporting different sorts of major military forces. Following other analysts, we estimate that on average it costs \$2.5 billion per year for a ground division and \$3.5 billion for a carrier battle group.

The second step is to assess how many of those units are assigned to a particular region. This is complicated for the Central American and Caribbean region because, unlike Western Europe and East Asia, it does not have a large complement of forces officially designated, or "programmed,"

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for it. Assigning forces thus requires looking beyond the programmed force commitments and assessing what portion of other forces should be included in an accounting of regional military costs. Inevitably, such an evaluation requires making judgments, and for that reason *any* realistic assessment will be "soft" and subject to controversy. But there is no way around the problem. Although any realistic assessment will be controversial because it involves making judgments, the failure to make them would require us to accept an assessment that is obviously distorted.

As an example of the problem, consider ground forces. The U.S. Southern Command, headquartered in Panama, has responsibility for Central and South America. But few troops are assigned to it, and those that are account only partially for the scope of U.S. commitments in the Central American and Caribbean region. The ground forces that are regularly exercised in the region and that would be used if there was an invasion are not permanently assigned to this command. They come instead from the U.S. Readiness Command and are available for rapid deployment in the Persian Gulf and other regions, including Central America.

Should some of the costs of those other forces be counted in the costs of current U.S. policy in the region? We think they should. The Army's annual statement for 1986 asserts that "regional conflicts in the Middle East, Asia, or Latin America" are "more probable" than a general war, indicating the importance of Central America in current military planning. Since 1983 the Army has also been devoting considerable resources to the development of light infantry divisions that are designed for use primarily in low-intensity conflicts in the Third World, and concern about Central America has been prominent in this initiative. Writing for the *National Journal*, Michael R. Gordon reported that in "internal Pentagon briefings on the light divisions, the Army has . . . emphasized their possible use in Central America." Gordon also quotes a Pentagon official as saying that "Central America is pretty high up on the list," while another "ranking Pentagon official" is cited as offering the following explanation of the initiative: "The Army is trying to increase its budget share, and Central America and the non-Western world is where the action is in terms of money and prestige." Some of the costs of these ground divisions, then, should be charged to the policy in Central America and the Caribbean.

We make a similar judgment about naval forces. Given the intensity of Navy operations in the region, and the magnitude of the Reagan naval buildup, it seems reasonable to assign the costs of some naval forces to the region.

Taking all this into account—the attention to Central America that is demonstrated by the Administration's high-intensity symbolism, the continual military exercises, the military construction, the emphasis on the region in discussion of the new light divisions, and the forces that would be needed for direct intervention—we charge two ground divisions (\$2.5 billion per division) and one carrier battle group (\$3.5 billion) to Central America and the Caribbean. These costs, which include the \$3.2 billion already noted for forces stationed in the region and for exercises and military con-

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struction, add \$8.5 billion each year to the \$1 billion of security assistance. Taking all the costs together, we come out at roughly \$9.5 billion spent annually on current U.S. military/security policies toward Central America and the Caribbean.

It bears repeating that this estimate is soft. Some analysts put the costs slightly lower, at \$7 billion a year, and others put them much higher, at \$19 billion. Reasonable people can differ about where in this range the costs should be fixed. But any reasonable estimate would be higher than the Administration's \$1.2 billion, because any reasonable estimate must include the high costs of building, maintaining and replacing the military apparatus—the capital goods—required for carrying out current policies.

The direct cost of U.S. policies in the region raises the issue of spending priorities. Although \$9.5 billion is only 1 percent of the Federal budget, it would have been enough in 1985 to restore many social programs to the levels projected under pre-Reagan policies. If spent otherwise, it could have restored the combined cuts in Aid to Families with Dependent Children, food stamps, child nutrition and vocational education programs, Low Income Energy Assistance, Medicaid, social services block grants and Guaranteed Student Loans; or more than matched the \$9.2 billion that was cut from Social Security; or the \$6.8 billion cut from unemployment insurance; or the \$5.4 billion cut from Medicare.

The \$9.5 billion estimate of annual costs is not an estimate of the costs of a U.S. invasion of the region. Such an invasion cannot be ruled out, of course. The exercises and construction in the region serve in part as training and preparation for direct military intervention, and, as some House Democrats have recently argued, the repeated military failures of the *contras* in Nicaragua will encourage the Administration to invade. According to an article in *The New York Times* last June, "the military is prepared for contingencies," and "the buildup of the Southern Command . . . is now largely complete and . . . adequate to carry out any likely emergency in the region."

What would an invasion cost the United States? Naturally that depends on the scope and level of local resistance. On all accounts that resistance would be intense in either El Salvador or Nicaragua. Reporting on the views of several military analysts and consultants, Georgetown University political scientist and former State Department policy planner Theodore H. Moran has offered a conservative accounting of the costs to the United States of an invasion of Nicaragua. Making the improbable assumption that such an invasion would not lead to a regional war, Moran puts the costs at \$16 billion over a five-year period. Some 2,000 to 2,500 U.S. troops would be killed, 9,000 to 19,000 would be wounded, and a one-and-a-half division U.S. occupation force would remain in Nicaragua for at least five years. The costs to the Nicaraguans themselves "are likely to be very much higher," he says.

In assessing the costs of U.S. policy in Central America we have restricted our attention to the direct costs of that

policy. But as noted at the outset, Central America is the high-intensity symbol and testing ground for a much broader interventionist policy. If the Reagan Administration is "successful" in Central America, that success may lead it to attempt similar actions elsewhere in the world. As a result, there is no simple way to separate the direct costs of policies in the region from the broader costs of a generally interventionist foreign policy.

What are those broader costs? Once again, assessments of this kind are complicated and speculative. Those who make them, however, agree that interventionist forces include at least some of the aircraft carrier task forces (five to nine of the fifteen planned by the Reagan Administration), six to ten of the seventeen active Army divisions (especially the lighter and more mobile divisions), two to three Marine divisions, the Special Operations Forces and some sealift, airlift and amphibious ships. That is a massive commitment of resources.

But the costs of intervention go beyond the costs of conventional weapons. Administration officials have repeatedly underscored that they see an unbreakable link between U.S. advantages in strategic nuclear forces and its willingness to use conventional force. In their view, strategic nuclear force serves as the final guarantee of the capacity to use non-nuclear force in local conflicts, and thus, as Alexander Haig has said, "casts a shadow over every significant geopolitical decision," and "affects on a day-to-day basis the conduct of American diplomacy." This "deadly connection" between the nuclear buildup and interventionist foreign policies raises an obvious question. What, if any, nuclear forces does the United States need to defend itself against the Soviet Union, and which nuclear forces exist only to enhance U.S. interventionist capabilities? Like many others, we see no justification, based on the considerations of defending the United States, for the MX missile, the B-1 bomber, the Trident submarine, the Trident 2 missile or, more generally, for more than a submarine-based deterrent.

Several analysts have proposed military budgets based on the principles of defending the United States and not interfering in the affairs of other states. Once again, estimates are difficult, but one such budget, proposed by the Security Project of the World Policy Institute, estimates that by 1989 \$125 billion could be saved annually from military spending by reducing the strategic nuclear forces to a submarine force (with nearly 6,000 warheads), reducing the number of ground divisions from twenty to twelve, eliminating eight aircraft carriers and fifty-one amphibious ships, reducing the Navy from 650 to 400 ships, and eliminating three of forty-four air wings. Some analysts committed to the same principles argue that smaller reductions are appropriate; others propose even larger reductions. Whatever their differences in matters of detail, however, all such proposals indicate that considerable resources are currently devoted to forces keyed to intervention, and therefore show as well that current policies in Central America and the Caribbean are not only another "dirty little war" waged by the United States against much smaller and less powerful nations, but the cutting edge of a massive military commitment. □