

GAO

Fact Sheet for the Honorable
Andrew Jacobs, Jr., House of
Representatives

September 1990

PANAMA

Cost of the U.S. Invasion of Panama



National Security and
International Affairs Division

B-240794

September 13, 1990

The Honorable Andrew Jacobs, Jr.
House of Representatives

Dear Mr. Jacobs:

In response to your request, we obtained data from the Defense Department on the estimated incremental cost of the U.S. invasion of Panama. It represents the cost over and above the cost for normal operations for each service participating in the invasion. Defense Department officials advised us that certain costs, such as regular military pay, would have been incurred whether the troops were in Panama or stationed at a military installation in the United States.

Background

Initial planning for the U.S. invasion of Panama, known as Operation Just Cause, began in October 1989, and on December 17, 1989, the President made the decision to invade Panama. The operation was carried out between December 20, 1989, and January 31, 1990. Although primarily an Army operation, each of the military services was involved. Military units stationed in Panama as well as units from the United States participated. Conventional Army units, such as the 82nd Airborne Division, the 7th Light Infantry Division, the 75th Ranger Battalion, and the 193rd Infantry Division, and special operations forces of all the military services collaborated in the invasion.

Results in Brief

The Defense Department estimates that the incremental cost associated with Operation Just Cause was about \$163.6 million: \$155.0 million for the Army, \$5.7 million for the Air Force, and \$2.9 million for the Navy (see table 1). A Defense Department official advised us that the Department has not requested additional funds to cover this cost but plans to reprogram funds from existing resources in other appropriation accounts.

Table 1: Estimated Incremental Cost of Operation Just Cause

Dollars in millions

Military service	Operations and maintenance^a	Military pay and allowances^b	Procurement^c	Total
Army	\$113.1	\$27.1	\$14.8	\$155.0
Air Force	3.1	2.2	0.4	5.7
Navy (incl. Marine Corps)	2.6	0.2	0.1	2.9
Total	\$118.8	\$29.5	\$15.3	\$163.6

Note: Table 1 includes costs for expenses incurred prior to the actual invasion, e.g., practice missions, dependent evacuation, etc.

^aOperations and maintenance include such costs as the deployment and redeployment of active and reserve forces, medical supplies, and other personnel-related activities.

^bMilitary pay and allowances include such costs as imminent danger pay, family separation allowances, and quarters allowances.

^cProcurement includes costs to replace aircraft and vehicles lost during the invasion and costs for ammunition.

Scope and Methodology

We met with Defense Department officials and military service representatives and obtained estimates of the incremental costs incurred by each of the military services for the invasion. We did not independently verify these estimates but relied on the services for the accuracy and completeness of the data. In addition, staff from the Joint Chiefs of Staff briefed us on Operation Just Cause.

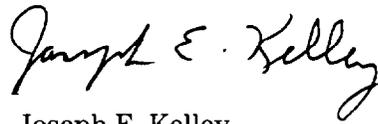
We conducted our work between June and August 1990.

We did not obtain written agency comments on this fact sheet, but we discussed its contents with responsible agency officials.

We are sending copies of this fact sheet to the Secretaries of Defense and State; the Director, Office of Management and Budget; and other interested parties.

Please contact me on (202) 275-4128 if you or your staff have any questions on this report. The major contributors to this fact sheet were Charles Schuler, Assistant Director, and Ronald Hughes, Senior Evaluator.

Sincerely yours,



Joseph E. Kelley
Director, Security and International
Relations Issues

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