

United States Senate
WASHINGTON, DC 20510-4504

March 4, 2024

The Honorable Chuck Schumer
Majority Leader
United States Senate
Washington, DC 20510

Majority Leader Schumer:

This year, the United States is set to spend nearly \$1 trillion on the military. While the Fiscal Year 2024 appropriations deal is being finalized, Congress has already authorized an \$886 billion base defense budget. When defense spending outside of the Department of Defense (DOD) budget is included, the total rises to over \$900 billion. And, as you know, the Senate has passed and the House is now considering a \$95 billion supplemental spending package, which would further increase military spending, if enacted into law.

Almost half that money will go to a handful of hugely profitable defense contractors. DOD accounts for about two-thirds of all federal contracting activity, obligating more money than all U.S. civilian agencies put together. As the Government Accountability Office has repeatedly shown, this vast contracting often takes place without adequate safeguards against waste, fraud, and abuse. DOD remains the only federal agency that cannot pass an independent audit—a requirement under federal law since the early 1990s. Last year, DOD failed its sixth audit attempt and was unable to fully account for 63 percent of its \$3.8 trillion in assets.

It's therefore no surprise that defense contractors routinely overcharge the Pentagon by nearly 40 to 50 percent, lining their pockets at taxpayer expense. For example, RTX Corporation has increased prices for Stinger missiles sevenfold since 1991, leaving the U.S. paying more than \$400,000 to replace each missile sent to Ukraine. Yet somehow, RTX has the money to announce plans to buy back \$37 billion in stock through 2025. Lockheed Martin, meanwhile, received \$46 billion in unclassified contracts in 2022, and returned about one quarter of that amount to shareholders through dividends and stock buybacks.

There's a name for all this: war profiteering. These companies' greed is not just fleecing the American taxpayer; it's killing Ukrainians. A contractor padding its profit margins means that, for the same amount of federal spending, fewer weapons reach Ukrainians on the front lines.

Given the urgency of providing Ukraine what it needs to defend itself from Putin's aggression and of safeguarding taxpayer dollars, Congress must investigate this situation.

We ask that you revive the Senate Special Committee to Investigate the National Defense Program, known as the Truman committee, to provide dedicated resources and staff to

investigate war profiteering, the effects of consolidation in the defense industry, the lack of sufficient oversight over U.S. military spending, and options for further use of the Defense Production Act or other federal authorities to provide for the national defense in a more cost-effective and transparent manner.

The United States needs a strong military, and Ukraine needs our help. But the current model must be reformed. The defense budget must be run efficiently and cost-effectively and cannot continue as corporate welfare by a different name.

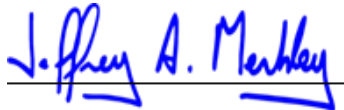
Sincerely,



Bernard Sanders
United States Senator



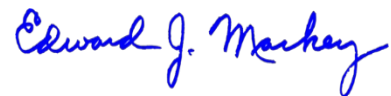
Elizabeth Warren
United States Senator



Jeffrey A. Merkley
United States Senator



Ron Wyden
United States Senator



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