

Policy Brief: Pentagon's Misuse of Coronavirus Relief Funds

TOPLINE MESSAGING

- The Department of Defense's gross misuse of COVID-19 relief funds provides yet another example of the Pentagon's profligate, unaccountable spending, which puts the corporate profits of the weapons industry over the lives and wellbeing of everyday people in the United States.
- This scandal should be a wake-up call. The greatest threats to human security cannot be addressed by funneling money into weapons of war or industries that profit off of human suffering.
- We must resist the corrupting influence of the Pentagon contracting industry, stop pouring our resources into the bloated, unaccountable Pentagon coffers, and instead invest in meeting our country's and the world's real human needs.

BACKGROUND

As millions of people across this country and beyond suffer under the shadow of a pandemic that has taken over 200,000 lives in the United States alone, a *Washington Post* story revealed this week that the Pentagon used \$1 billion of its COVID-19 relief funds — funds that were intended to produce facemasks, swabs, and other critical medical equipment — to purchase weapons of war.

This gross misuse of funds is par for the course for the Pentagon which has, in its entire history, never passed an independent audit.

The Pentagon's baseline budget, in excess of \$740 billion, is already drastically misaligned with our security needs. On top of this, it must be noted that the Pentagon has since received over **\$10.4 billion** in emergency relief funds since the start of the pandemic. Contractors have since **lobbied** for billions more.

STORY HIGHLIGHTS

- The Pentagon departed from congressional intent. Instead of using a \$1 billion fund under the CARES Act to use the Defense Production Act (DPA) to produce medical supplies and equipment, it siphoned off this money to make jet engine parts, body armor, and dress uniforms.
- Large companies such as GE Aviation and Rolls-Royce received tens-of-millions from this fund for activities wholly unrelated to severe gaps in the medical supply chain impeding our public health response to COVID-19.

- Firms receiving Pentagon DPA funds were not required to use those dollars to retain employees.
- The Pentagon's misuse of these funds demonstrates the difficulty of tracking the use of and conducting oversight of an unaccountable slush fund managed by the opaque Pentagon bureaucracy.
- Some of these defense contractors have also <u>dubiously received</u> Paycheck Protection Program (PPP) dollars.

ASKS

- Members of Congress should use the Washington Post story to publicly highlight Pentagon corruption and misaligned national priorities.
- Congress should rescind the \$1 billion of the Pentagon's budget that was intended for COVID-19-specific relief but was instead used to line the pockets of Pentagon contractors.
- Congress must ensure that not another dollar of COVID-19 relief funding goes to inflating the Pentagon budget and lining the pockets of Pentagon contractors.
- The House Select Committee on the Coronavirus Crisis must investigate the gross misuse of Pentagon funds meant for Covid-19 response.