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THE WAR ECONOMY OF THE UNITED STATES

In 2024 and into the early months of 2026, the United States entered the final phase of converting a substantial portion of its industry to a war footing. The reserve capacities that existed have by now been fully engaged, and the transfer of certain civilian sectors to military production is, for the most part, complete. Throughout 2025, America pressed forward at high speed - expanding existing lines, commissioning new facilities oriented toward the output of ammunition, missile systems, aircraft, naval equipment, and military electronics. The gross domestic product reached approximately $29.2 trillion in 2024 and held at that level with a tendency toward further growth into 2026. Ammunition production is gathering momentum; the missile industry, unmanned systems, communications, and intelligence equipment - all of it accelerating. By mid-2025, the United States had raised monthly output of 155mm artillery shells to roughly 40,000 rounds, with a declared target of 100,000 rounds per month by mid-2026 - a figure that reflects not a temporary surge but the transition to a sustained rate of growth.

Military expenditure as a share of the whole grows without pause. For fiscal year 2026, Congress approved defense funding on the order of $901 billion, covering the core programs of the Department of Defense and associated national security agencies. These numbers mark the final, formal entrenchment of military priority in the allocation of public funds. Yet Washington regards even this sum as an intermediate milestone. The Trump administration has already announced a draft military budget for fiscal year 2027 of approximately $1.5 trillion - a figure that signals a qualitatively different level of economic militarization. This is no longer merely a matter of sustaining current commitments; it is the expansion of strategic programs: above all, the development of the layered missile defense architecture known as the "Golden Dome," with its space-based component, and the accelerated modernization of the nuclear triad.

According to the parameters of the fiscal year 2026 budget - amounting to roughly $1.0-1.1 trillion in total military appropriations - expenditure breaks down as follows:

- $291 billion - Operations and Maintenance of weapons systems and infrastructure. The largest single line item, reflecting the scale of already-deployed systems and the permanent costs of global military presence.

- $234 billion - Military Personnel and Health: pay, benefits, and military medicine. Exceeds 20 percent of the budget and anchors the stability of the manpower base.

- $162 billion - Procurement of new weapons: fifth-generation aircraft, missile systems, naval platforms, and unmanned vehicles.

- $146 billion - Research, Development, Test and Evaluation (RDT&E). The strategic block - directed at AI systems, hypersonic weapons, space programs, and the cyber component.

- $54 billion - Military construction, infrastructure, and programs connected to the nuclear complex.

Taken together, these items account for upwards of 85 to 90 percent of the entire military budget. A structural reading makes plain that the budget is oriented not toward a single leap of rearmament but toward the maintenance and servicing of a globally deployed military presence - bases, naval task forces, aviation contingents, storage and repair infrastructure, contract logistics. The proposed $1.5 trillion budget for 2027 is the logical continuation of this line: the entrenchment of a long-cycle military economy, in which growth in R&D and nuclear modernization will be combined with extremely high standing operational costs - guaranteed budget demand, long-term contracts, and a protected profit margin.

In recent years the United States has consolidated its position as the world's largest producer and exporter of military goods, leaving its competitors Russia and China well behind. The increase in weapons and ammunition output between 2023 and 2025 was achieved primarily through fuller utilization of existing facilities, expanded cooperation with the private sector, and massive placement of government orders. New capacity delivered its principal effect mainly in 2025 and 2026. The chief beneficiaries are the leading corporations. In January 2026 alone, Lockheed Martin secured a contract to supply Saudi Arabia with 730 PAC-3 MSE missiles for $9 billion, while Boeing locked in an order for four P-8A Poseidon patrol aircraft for Singapore worth $2.3 billion. The total volume of international arms deals approved in January reached $22.5 billion.

The growth of American military production has been favored by factors that are, objectively, advantageous: the wars are fought beyond the country's own borders; the industrial base is enormous; and financial resources permit the rapid conversion of budget appropriations into defense orders. Yet the facts show that a powerful civilian industry does not, by itself, guarantee its swift mobilization for military output on the timetable the state desires. The obstacles are rooted in the system itself: corporations expand production only where and when they are assured of profit guarantees, advance financing, risk indemnification, and long-term contracts.

To induce enterprises to retool and increase serial output, the state locks the monopolies into contracts years in advance, finances the expansion of production lines, subsidizes individual links in the supply chain, and absorbs a portion of modernization costs. Public funds are thus converted into a source of guaranteed corporate profit, and the military order becomes the primary mechanism for redistributing social product in favor of large

capital. The combined profit of the five largest contractors - Lockheed Martin, RTX, Northrop Grumman, General Dynamics, and Boeing - is forecast by Wall Street to reach $26 billion for 2026, nearly double the level of 2021. RTX's backlog at the start of 2026 exceeded $268 billion, of which $107 billion falls on defense contracts.

The rapid build-up of military output has brought a corresponding increase in electricity generation, an expansion of metallurgical capacity, and growth in the extraction of strategic materials. Electricity generation held at more than 4 trillion kilowatt-hours per year in 2024-2025, with particularly pronounced growth in regions where military-industrial enterprises, data centers, microchip plants, and new ammunition and missile facilities are concentrated. Total steel output exceeded 80 million tons in 2025, but the share going to defense needs has grown: alloyed and high-strength steels for M1A2 Abrams hulls (MIL-DTL-12560), for submarines and carriers (HY-80 and HY-100), for aircraft engines and missile casings. In aluminum and titanium, negative operating balances are covered from the budget. In January 2026, IperionX received an order to produce 700 lightweight titanium components for Army vehicles, reducing equipment weight by 40-45 percent.

Rare-earth elements and strategic materials - lithium, cobalt, graphite, germanium, gallium - are indispensable for AESA radars on F-35 fighters, for the guidance systems of AIM-260 JATM missiles, the HACM, and the LGM-35A Sentinel ICBM. In February 2026, the administration launched Project Vault - a strategic mineral reserve of up to $12 billion, covering lithium, cobalt, graphite, nickel, and copper. Intel was designated a supplier for the SHIELD program under a contract ceiling of up to $1.5 trillion, becoming the key producer of military microchips on American soil. Northrop Grumman received access under ATSP5 to a $25 billion contract mechanism for the accelerated integration of American-made microelectronics into weapons systems.

The expansion of military production has also driven demand for chemical products: synthetic polymers, composites, rocket fuel, explosives. In February 2026, the Defense Department allocated more than $9 million to LIFT for the development of Ceramic Matrix Composite (CMC) production, used in F-35 engines, hypersonic missiles, and stealth systems. The state assumes the risks of long-term investment; the largest corporations receive a guaranteed market and a stable profit margin.

Weapons Production

The dynamics of weapons output confirm the entrenchment of a steady trend toward the expansion of military production. By 2025, serial production had become the dominant form. The American military-industrial complex has shifted from maintaining current combat readiness to the sustained provisioning of forces under the concept of "protracted

high-intensity conflict" - oriented toward the needs of both its own armed forces and its allies in preparation for large-scale war.

The most rapid growth is occurring in the output of missile systems and precision-guided munitions. As of the first quarter of 2026, Lockheed Martin has concluded a seven-year framework agreement providing for an increase in production of PAC-3 MSE interceptors for the Patriot system from 600 to 2,000 units per year - sufficient not only to replenish current consumption but to build an operational reserve for additional batteries within the IAMD (Integrated Air and Missile Defense) architecture. PAC-3 MSE interceptors are employed by the 11th and 31st Air Defense Artillery Brigades under the 32d Army Air and Missile Defense Command. RTX (Raytheon) has concluded agreements aimed at expanding output of Tomahawk cruise missiles to more than 1,000 per year, AIM-120 AMRAAM to 1,900 per year, and Standard Missile-3 and Standard Missile-6.

From the standpoint of military planning, the scale of what is underway is capable of shocking even the most seasoned observer unfamiliar with the details. This is not simply a ramp-up of production but a systemic transformation. Missile & Munitions: creation of multi-year stocks; transition to contracts loading capacity 5-7 years forward; PAC-3 MSE to 2,000 per year, Tomahawk to 1,000 per year, AMRAAM to 1,900 per year. Unmanned Systems: Drone Dominance envisages delivery of 300,000 UAVs by 2027, including 30,000 by July 2026 at $5,000 per unit. Golden Dome: a $151 billion initiative through the SHIELD contract involving more than 2,100 companies, covering 19 technical areas from AI-based threat detection to space-based interceptors. Nuclear Modernization: $60 billion for nuclear triad modernization, including $850 million for B-21 Raider and Sentinel ICBM infrastructure.

Tomahawk missiles are carried by Arleigh Burke-class destroyers (DDG-51), Ticonderoga-class cruisers (CG-47), and nuclear-powered submarines, all integrated into the Aegis Combat System. SM-3 handles exo-atmospheric interception; SM-6 performs multi-role air and missile defense and anti-ship functions; AIM-120 AMRAAM is integrated into ground-based complexes such as NASAMS. The expansion of output thus encompasses every tier of the layered defense architecture - from Army Patriot batteries to shipboard Aegis systems and long-range air-to-air missiles.

In 2025, Lockheed Martin delivered 191 F-35 aircraft to customers, confirming Full-Rate Production tempo. The emphasis is shifting to Block 4, with expanded weapons complement, AN/APG-81 AESA sensor modernization, and enhanced electronic warfare. Northrop Grumman delivered the 1,500th center fuselage for F-35 final assembly, having reduced production time by 35 percent through digital manufacturing and augmented reality. In parallel, development of the B-21 Raider strategic bomber continues, and the NGAD (Next Generation Air Dominance) sixth-generation program is being executed.

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Shipbuilding is sustaining the renewal of the nuclear triad and the fleet. Construction continues on Columbia-class SSBNs, Virginia-class SSNs (Block V) with the Virginia Payload Module, Gerald R. Ford-class carriers (CVN-78), and Arleigh Burke-class destroyers (Flight III) with the upgraded AN/SPY-6 AESA radar. The fiscal year 2026 shipbuilding package amounts to $27.2 billion - $6.5 billion above the administration's request - providing for the construction of 17 ships. An additional $1.5 billion is allocated for modernization of yards and training of engineering personnel.

Artillery and 155mm Fires

Armored vehicle and artillery systems production has been shifted into a mode of accelerated expansion within the priorities of Long-Range Precision Fires and Multi-Domain Operations. The target for 2026 is 100,000 155mm rounds per month - sustaining divisional artillery readiness, forming corps-level reserves, and replenishing Army Prepositioned Stocks.

Table 1. 155mm Artillery - Structure and Regional Distribution

Section	Content
Platforms	M777A2 (towed); M109A7 Paladin (self-propelled); XM1299 ERCA (next-generation, range >70 km)
Division level	DIVARTY: 3-4 FA battalions, 12-18 M109A7/M777A2 howitzers each
Corps level	Corps Artillery: fire support brigades - 2-3 HIMARS battalions + 1 XM1299 battalion
Strategic level	Long-Range Precision Fires: PrSM batteries, next-generation hypersonic systems

Table 2. Regional Distribution by Command

Command	Primary Focus	Typical Structures and Tasks
EUCOM	Corps-level readiness; stocks in Poland, Germany, Baltics; NATO interoperability	Rotational ABCTs with DIVARTY; 2-3 HIMARS batteries; 60-day ammunition stocks; Patriot integration
INDOPACOM	Mobile HIMARS; distributed stocks; long-range fires for island axes	Marine Littoral Regiments; PrSM anti-ship batteries; mobile stocks on Guam and Okinawa; amphibious support
CENTCOM	Limited operational reserve; rapid rotation stocks	Divisional artillery (M777A2 + HIMARS); forward bases in Kuwait and Jordan; air defense reinforcement
CONUS	Strategic reserve; training; ammunition accumulation	4-5 artillery training regiments; arsenals in Pennsylvania, Texas, California; reserve HIMARS and M109A7 batteries

Comparative Table: Offensive Force Configuration

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Parameter	EUCOM	INDOPACOM	CENTCOM
Primary threat	Large-scale interstate conflict in Europe	Armed confrontation in western Pacific; island territories	Regional conflicts, asymmetric threats, Iran
Key weapons	M109A7 Paladin, HIMARS, heavy tube artillery	HIMARS, PrSM, distributed long-range missiles	HIMARS, M777, mobile and expeditionary fire support
Logistics	APS sets, large European stocks, rail infrastructure	Distributed island stocks, container logistics, sea supply	Mobile stocks and forward bases in the Persian Gulf
Allies	NATO (Poland, Baltics, Germany, et al.)	Japan, South Korea, Philippines, Australia	Saudi Arabia, Jordan, Israel
Typical operation	Massed fires, offensive breakthrough and exploitation	Rapid dispersal, deep strikes, island maneuver	Precision strikes, allied ground support
Strategic objective	Offensive grouping for full-scale European theater operations	Mobile strike architecture for sea-lane control and island ops	Limited offensive and power projection capability
Intensity	High - heavy land conflict	Medium to high - naval and missile confrontation	Low to medium - limited operations

CONUS - The Strategic Base

CONUS - the Continental United States - serves as the strategic rear and the base for the formation of reserves. It is here that forces are accumulated, personnel undergo sustained training cycles, and stocks of weapons and ammunition are created and maintained. This infrastructure is the foundation for the deployment of expeditionary formations abroad and for the compensation of losses in large-scale conflict. The strategic reserve within CONUS comprises formations held at high readiness: armored brigades (ABCT), infantry brigades (IBCT), Stryker brigades (SBCT), artillery formations with M109A7 and HIMARS, engineer and logistics units, air defense elements with Patriot and THAAD, and cyber and electronic warfare formations.

The strategic reserve within CONUS comprises formations and units not engaged in current operations — those completing the full training cycle from basic level through joint combined-arms exercises — held at a high degree of readiness for transfer. These forces may be directed to any area of responsibility of U.S. commands, including EUCOM, INDOPACOM, and CENTCOM. The reserve includes full-strength brigades of various types: armored (ABCT), infantry (IBCT), Stryker (SBCT), artillery formations equipped with M109A7 and HIMARS, engineer and logistics units, air defense elements with Patriot and THAAD batteries, and cyber and electronic warfare formations.

Training of personnel in CONUS is organized on a multi-tiered scheme. Basic Combat Training (BCT) provides recruits with their initial skills. Advanced Individual Training (AIT) follows in a specific military occupational specialty — artillery, signals, vehicle operation, or maintenance. Then come unit integration at the platoon, company, and battalion level (Unit Training), and Joint Exercises involving the Army, Air Force, Navy, and Marine Corps. The central role is played by Combat Training Centers (CTCs), where conditions of real combat are simulated: the National Training Center (NTC, Fort Irwin, California) specializes in armored and mechanized unit training; the Joint Multinational Readiness Center (JMRC, Hohenfels, Germany) is oriented toward European theater scenarios; the Joint Readiness Training Center (JRTC, Fort Polk, Louisiana) prepares units for complex terrain — urban environments, jungle, and desert.

A separate and essential line of effort is the accumulation and maintenance of ammunition stocks. Within CONUS are located the largest arsenals and ammunition depots in the United States. Their tasks include: storage of standard munitions — 155mm artillery shells, GMLRS and ATACMS rockets; accumulation of next-generation systems such as Excalibur and PrSM; servicing and rotation of stocks with replacement of obsolete or life-expired items; and provision of rapid dispatch to seaports and airfields for onward movement abroad. Key facilities are positioned with logistical purpose: arsenals in Pennsylvania and New Jersey provide access to East Coast ports; depots in Texas and Oklahoma occupy a central position within the country's interior; stores in California are oriented toward supporting the Indo-Pacific direction.

Table 3. Principal CONUS Military Bases

Military Base	State	Principal Formations	Est. Strength*	Employed For	Reserve Role
Fort Liberty (fmr. Fort Bragg)	N. Carolina	82nd Airborne Div., USASOC	18-20 k	Global / Europe	Immediate Reaction Force (IRF)
Fort Campbell	Kentucky	101st Airborne Div. (Air Assault)	18-20 k	Europe / Middle East	Air assault strike ops
Fort Cavazos (fmr. Fort Hood)	Texas	1st Cavalry Div., III Corps	15-16 k	Europe / CENTCOM	Center of heavy armored formations
Fort Stewart	Georgia	3rd Infantry Division	17 k	Europe	High-readiness mechanized brigades
Fort Bliss	Texas	1st Armored Div., Patriot	15-16 k	CENTCOM / Europe	Heavy forces and air defense
Joint Base Lewis-McChord	Washington	7th Inf. Div. (HQ), Stryker BCT	15 k	INDOPACOM	Pacific forces
Fort Riley	Kansas	1st Infantry Division	16 k	Europe	Heavy brigades for NATO reinforcement

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Table 4. CONUS to EUCOM to NATO in Europe (February 2026)

Level	Location / Command	Principal Forces	Est. Strength	Role
Strategic Reserve (CONUS)	Fort Liberty (NC)	82nd Airborne Div., USASOC	18-20 k	Immediate reaction, Europe deployment
	Fort Campbell (KY)	101st Div. (Air Assault)	~18-20 k	Air assault, eastern flank reinforcement
	Fort Cavazos (TX)	1st Cav. Div., III Corps	~15-16 k	Heavy ABCTs for EUCOM
	Fort Stewart (GA)	3rd Infantry Div.	~17 k	High-readiness mechanized brigades
	Fort Riley (KS)	1st Infantry Div.	~16 k	ABCT rotations to Europe
	Fort Bliss (TX)	1st Armored Div., Patriot	~15-16 k	Armored forces and air defense
	Total CONUS heavy	8-10 ABCTs active (of 11 total)	~40-45 k in ABCTs	1-4 ABCTs deployable in 30-60 days
Operational (EUCOM)	Grafenwohr / Hohenfels (DE)	Rotational U.S. ABCTs, JMRC	~4,500-5,000 per ABCT	Training and combat readiness
	Poland / Romania	Forward-deployed ABCT, V Corps	1-2 ABCTs (~5-10 k)	Eastern flank, deterrence / offense
	Mihail Kogalniceanu (RO)	U.S. and NATO rotational	2-4 k	Black Sea direction
	Ramstein AB (DE)	USAFE-AFAFRICA, 86th AW	~10 k personnel	Logistics and aviation hub
	Spangdahlem / Aviano	Fighter wings (F-16/F-35)	1 wing ~1,500-2,000; 20-40 acft	Tactical aviation
	Geilenkirchen	NATO E-3A AWACS	14 AWACS	Airspace management
NATO in Europe	Eastern flank (Poland, Baltics, Romania)	Multinational BGs (eFP), enhanced brigades	BG 1-1.5 k; enhanced: 3-5 k	Forward line
	RAF Lakenheath / Mildenhall (UK)	48th FW (F-15E, F-35A), KC-135, RC-135	50-70 aircraft	NW Europe, refueling
	Souda Bay (GR)	U.S. 6th Fleet, NATO forces	Variable	Naval power projection
	Vidsel (SE), Amari (EE)	Rotational contingents	8-20 acft per rotation	Northern and Baltic flank

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Regional Force Orientation

EUCOM: Fort Liberty (82nd Division - Poland, Romania); Fort Campbell (101st - Eastern Europe rotations); Fort Cavazos (1st Cavalry Division); Fort Stewart (3rd Infantry Division); Fort Riley (1st Infantry Division). The European direction rests above all on heavy armored ABCTs and airborne rapid-reaction forces.

INDOPACOM: Primary base - Joint Base Lewis-McChord (Stryker brigades and 7th Division HQ). Emphasis on mobile and medium brigades capable of rapid deployment by sea and air. CENTCOM: Fort Bliss (Patriot air defense and armor); Fort Cavazos; Fort Campbell (air assault operations). Focus on expeditionary forces, air defense, and limited heavy formations.

The CONUS system is built on the geographic principle of distributed concentration: East - rapid-reaction forces; Center - the heavy armored fist; West - Pacific projection. This permits the simultaneous maintenance of the European theater as the primary priority, the preservation of strike potential for the Indo-Pacific, and the retention of expeditionary capabilities in the Middle East.

MLRS and Long-Range Fires

Table 5. MLRS and Long-Range Fires - Structure

Section	Content
Platforms	M142 HIMARS (wheeled): 6x227mm rockets or 1 PrSM/ATACMS; 16 t; crew 3; deploy 20 sec; reload 4-5 min. M270A2 MLRS (tracked, 2 pods): up to 12 GMLRS or 4 PrSM or 2 ATACMS; 25 t; crew 3; enhanced NBC/EW protection.
Munitions	GMLRS 227mm GPS/INS: M30 (unprotected/light armor, 84 km), M31 (stationary targets, CEP 5-10 m), ER GMLRS (150 km). PrSM (replaces ATACMS): Inc.1 >400 km CEP <2 m; Inc.2 >500 km multi-mode seeker; future 700-800 km + Mk 41 naval launch. ATACMS (limited use): 165-300 km.
Employment	Divisional rocket battalions: 3-4 batteries, 18-32 launchers total. Fire support, counter-battery, depots, command posts. Corps long-range elements (PrSM): 2-3 batteries, 8-18 launchers. Airfields, AD, HQs, comms nodes. Distributed fire groups (INDOPACOM): 2-4 HIMARS + 1-2 PrSM per island base. EUCOM: HIMARS concentrated in Poland/Germany, integrated with Patriot. CENTCOM: mobile groups, counter-terrorism, precision strikes.
Tactics / C2	AFATDS: strike planning, target allocation, real-time data exchange. Scenarios: "Quick Strike" (deploy-fire-reposition in 10-15 min); "Fires Cloud" (coordinated salvos to saturate AD); "Combined Strike" (GMLRS suppression + PrSM key targets). ISR: MQ-9 Reaper, RQ-4 Global Hawk, satellites, ground sensors.
Operators	HIMARS: USA, Poland, Romania, Ukraine, Singapore, Jordan, UAE. M270 MLRS: USA, Germany, UK, France, Italy, South Korea, Japan.

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Section	Content
Development	PrSM range to 700-800 km (Inc.3). New seekers for anti-ship and mobile AD. Mk 41 naval launch. AI-assisted fire control. Robotic transporter-loader vehicles.

Key Parameters: HIMARS vs. MLRS

Parameter	M142 HIMARS	M270A2 MLRS
Launchers per battery	6-8	6-8
Ammunition per launcher	6 GMLRS / 1 PrSM	12 GMLRS / 4 PrSM / 2 ATACMS
Reaction time (deploy + fire)	2-3 min	3-4 min
Range (standard)	84 km (GMLRS)	84 km (GMLRS)
Range (maximum)	>500 km (PrSM)	>500 km (PrSM)
CEP	5-10 m (GMLRS); <2 m (PrSM)	5-10 m (GMLRS); <2 m (PrSM)

Regional application priorities (2026): EUCOM - massed employment of HIMARS and MLRS for offensive breakthrough; ammunition stocks in Poland and Germany. INDOPACOM - dispersed groups on islands; anti-ship missions (PrSM); Marine Corps support. CENTCOM - mobile batteries for precision strikes; counter-terrorism; forward bases in Kuwait and Jordan.

Armored Vehicles

Table 6. Armored Vehicles - Distribution (February 2026)

Section	Content
Principal programs	M1A2 SEPv4 Abrams: adaptive armor, Trophy HV APS, network-centric fire control, AFATDS, AI threat assessment. M2A4 Bradley: BRAT II ERA, 675 hp engine, 25mm cannon, TOW II ER, scout drone; partial remote-control capability. OMFV (in development): unmanned turret, 50mm XM913, hybrid powertrain, robotic mode up to 5 km, modular architecture.
Formations	ABCT: 3 combined-arms battalions; recon bn with UAVs/robots; M109A8 + HIMARS; engineer bn; sustainment bn with logistics robots. APS sets: Europe - 2 ABCT sets (Grafenwohr, Rzeszow); Indo-Pacific - 1 set (Camp Hansen, Okinawa) + 0.5 set (Guam); Middle East - 1 set (Camp Arifjan). Each set: 88 M1A2 SEPv4 + 120 M2A4 + artillery + fuel + ammo for 30 days intensive combat.
Regional priorities	1. Europe: 2 ABCTs permanent; APS in Poland and Romania; NATO VJTF integration; DEFENDER Europe 2026. 2. Indo-Pacific: reinforced Okinawa and Guam; mobile armored groups; exercises with Japan, South Korea, Philippines. 3. CONUS: 6 full ABCTs at Fort Cavazos, Fort Bliss, Fort Stewart; crew/robotics training; reserve stocks.

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Key Parameters: Armored Vehicles Comparison

Parameter	M1A2 SEPv4 Abrams	M2A4 Bradley	OMFV (future)
Number per ABCT	88 units	120 units	Planned replacement of Bradley (2028-2030)
Crew	4	3 + 6 dismounts	2 operators + 6 dismounts (optionally unmanned)
Armament	120mm smoothbore, 12.7mm MG, 7.62mm MG	25mm autocannon, TOW II ER, 7.62mm MG	50mm XM913, ATGM, 7.62mm MG
Protection	Composite armor, ERA, Trophy HV APS	Composite armor, BRAT II ERA, APS	Next-gen composite, ERA, APS, EMP protection
Powerplant	AGT1500 gas turbine (1,500 hp)	Diesel (675 hp)	Hybrid (800 hp)
Range	426 km	400 km	500 km (hybrid)
Max speed	68 km/h	66 km/h	70 km/h

Regional Distribution of Armored Vehicles (estimated, February 2026)

Region	Formations	Tanks (M1A2 SEPv4)	IFVs (M2A4)	Deployment Notes
Europe	2 ABCTs + APS	176 + 88 (APS)	240 + 120 (APS)	Permanent presence in Poland and Germany; brigade rotation; NATO integration
Indo-Pacific	1 ABCT + APS	88 + 44 (APS)	120 + 60 (APS)	Mobile island groups; Marine Corps support; amphibious operations emphasis
CONUS	6 ABCTs (reserve)	528	720	Crew training, equipment modernization, reserve brigade formation
CENTCOM	1 rotational ABCT + APS	88 + 44 (APS)	120 + 60 (APS)	Expeditionary forces; allied support; mobile stocks in Kuwait and Jordan

Prospective directions of development: automation and robotization - portions of the fleet (OMFV, M2A4) capable of remote-controlled operation; autonomous logistics robots for resupply. Network-centricity - integration of all platforms into AFATDS 2.0; real-time data exchange between tanks, IFVs, artillery, and aviation. Modularity - rapid reconfiguration depending on the mission (heavy armor for Europe, mobile groups for the Pacific); interchangeable combat modules (guns, ATGMs, electronic warfare systems).

APS Logistics

- Modernization of APS depots to support robotic systems and hybrid powertrains

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- Distributed storage of ammunition and spare parts across pre-positioned sites

Hybrid Powertrains

- Reduced fuel consumption in sustained operations

- Silent mode capability via electric motor — reduced acoustic and thermal signature

Unmanned and Autonomous Systems

Unmanned and autonomous systems are claiming an ever more prominent place in the structure of defense expenditure. In February 2026, the Department of Defense announced the Drone Dominance program, with 25 participating companies selected. The objective is the delivery of approximately 300,000 unmanned aerial vehicles to the force by 2027. In the first phase, designated "gauntlet," up to 12 companies will produce 30,000 drones at an average price of $5,000 per unit by July 2026. The price is planned to fall to $2,300 as annual procurement scales to 150,000 units.

Tactical level (BCT) equipment includes: RQ-28A / Skydio X10 reconnaissance UAVs; Short Range Reconnaissance systems; Switchblade 300 / 600 loitering munitions; swarm strike systems based on lightweight FPV platforms. Employment is oriented toward: forward-edge reconnaissance; fire adjustment for M777A2 and M109A7 Paladin; targeting for HIMARS / GMLRS; Distributed Operations. This constitutes the integration of UAVs into the Long-Range Precision Fires zone, forming a direct Find → Fix → Track → Target → Engage → Assess (F2T2EA) chain.

At the division and corps level, heavier and longer-range platforms are employed: MQ-1C Gray Eagle 25M; next-generation strike solutions within Air-Launched Effects (ALE); integration with the IAMD architecture for targeting data relay. This reflects the transition from the classical ISR model to an ISR-Strike architecture, in which the unmanned system becomes part of the fires chain rather than a surveillance asset alone — compressing the sensor-to-shooter loop and increasing the density of fires.

Regional orientation follows the logic of priorities: EUCOM — enhanced reconnaissance to depths of 50–150 km and integration with Long-Range Precision Fires artillery. INDOPACOM — distributed drone groups on island axes, cooperation with Marine Littoral Regiments, and support for anti-ship missions. CENTCOM — tracking mobile threats and supporting the limited contingent.

Space Echelon and Aviation Support

The development of the OPIR (Overhead Persistent Infrared) system, the space segment of Golden Dome, and integration with the capabilities of the National Reconnaissance Office (NRO) form the superstructural layer of early warning and data relay into the unified command architecture. Hypersonic weapons development, nuclear triad modernization (the GBSD/LGM-35A Sentinel program), and the refinement of the space intelligence and communications constellation (SRR, NRO) require substantial investment concentrated in the hands of a limited circle of contractors — Lockheed Martin, Northrop Grumman, and RTX. Aviation programs — sustainment of the F-35 fleet and procurement of the C-130J — provide mobility, logistical resilience, and support for the networked employment architecture.

The $839 billion fiscal year 2026 defense budget provides $13.4 billion for the Golden Dome layered missile defense system, $4 billion for missile warning satellites, $440 million for F135 engine spare parts, and $976 million for six C-130J transport aircraft. In hypersonic weapons: $798 million for CPS (Conventional Prompt Strike) for the Navy and $802 million for HACM (Hypersonic Attack Cruise Missile) for the Air Force - marking the transition from technology demonstration into pre-production.

State and Capital

The execution of the expanded military production program has significantly broadened and complicated the activities of American state institutions. The leading role in the distribution of defense resources is played by the Department of War - President Trump signed an executive order permitting use of this designation, and Secretary of Defense Pete Hegseth renamed his social media accounts to @SecWar, declaring: "WE ARE THE WAR DEPARTMENT." The official website changed from defense.gov to war.gov. While the full renaming requires Congressional approval and may cost taxpayers up to $125 million, the gesture itself symbolizes a rhetorical shift: from defense to offense, from "political correctness" to "maximum lethality."

In the hypersonic segment: CPS for the Navy (Lockheed Martin, sea basing on Virginia Block V submarines) competes with HACM for the Air Force (RTX, platform integration on F-15EX and future NGAD). Within a single hypersonic budget, there is in effect competition for the allocation of funds between the naval and aviation components, as well as for the transition from the R&D stage to pre-production. The shift of hypersonic programs from the research phase into preparation for serial output means that the companies are consolidating their position not only as developers but as long-term producers. In missile defense, the contest is architectural in character: Northrop Grumman is reinforcing its position in the space-based early warning and sensor segment, including elements of the Golden Dome echelon and the satellite infrastructure tied to OPIR tasks; Lockheed Martin concentrates on PAC-3 MSE interceptors for Patriot;

RTX holds the naval direction through SM-3 and SM-6. Competition here is less about producing individual missiles than about control over IAMD system integration — whoever becomes the principal architecture integrator gains access to the distribution of subsequent contracts. In aviation, Pratt & Whitney (within RTX) holds the F135 contract for the F-35, including powerplant modernization, while GE Aerospace sought to advance an alternative engine under the AETP program. The decision to limit activity to modernizing the existing engine effectively secured RTX strategic control over the powerplant of the fifth-generation platform. In parallel, competition for NGAD is unfolding, with Lockheed Martin, Boeing, and Northrop Grumman contending for the right to become chief developer and system integrator of the new aviation architecture. In shipbuilding, order distribution is concentrated around General Dynamics Electric Boat and Huntington Ingalls Industries — construction of the Columbia and Virginia class submarines forms the long-term loading of the yards.

In August 2025, the Pentagon announced the creation of a Requirements and Resourcing Alignment Board (RRAB) to replace JCIDS, with a Joint Acceleration Reserve for the rapid financing of promising technologies bypassing the "valley of death" between prototype and serial production. As the Aerospace Industries Association noted, the new approach "opens the door to industry participation in defining solutions to Key Operational Problems." Five leading contractors - Lockheed Martin, RTX, Northrop Grumman, General Dynamics, and Boeing - account for approximately 60-65 percent of the aggregate contractual commitments in procurement and RDT&E, estimated at approximately $400 billion in fiscal year 2026. The Herfindahl-Hirschman Index stands at approximately 1,700-1,900 - a highly concentrated structure.

Order backlogs at the start of 2026: RTX ~$251 billion (including >$100 billion defense); Lockheed Martin ~$194 billion; General Dynamics ~$118 billion; Northrop Grumman ~$95-96 billion. By the results of 2025, the combined revenues of the four largest contractors exceeded $260 billion - 18-22 percent above the aggregate level of 2020. Net profit grew by an average of 25-35 percent. In calendar year 2024, these corporations directed approximately $18 billion toward the return of capital to shareholders. Dividend yields ranged between 2.3 and 3.1 percent; buyback programs in certain cases exceeded $6-8 billion per year - while capital expenditure constituted a substantially smaller share of operating cash flow.

Labor and Capital

Defense procurement costs have grown 18 percent above baseline inflation over 2000-2024, resulting in excess expenditure of approximately $500 billion since the turn of the century. The gap between senior management remuneration and average worker wages continues to widen. Engineers and managers at defense enterprises earn 32

percent more than their civilian counterparts - $150,000 against $114,000 - which accounts for up to 12 percent of overall cost growth. CEO compensation exceeds median worker wages by 45 times. Pentagon analysis shows that defense procurement inflation has consistently exceeded the civilian rate by 1.5-2 percent. The cost of 155mm shells supplied to Ukraine rose from $2,000 to $8,000 per round; tanks sold to the Netherlands for $23 million in October 2024 were sold to Austria three months later for $30 million. This drives up budgetary expenditure and increases pressure on federal finances. Delays and cost overruns do not diminish the overall trend. Delivery timelines for Hellfire missiles and Javelin systems have stretched to three years; the wait for a new order runs 24 to 36 months. Production chains are exhausted, and factories cannot cope with the volumes demanded. Despite this, the United States is preparing for a prolonged high-intensity conflict, and the military-industrial complex has been placed on the rails of sustained expanded output.

The nominal wages of the defense sector have been increasing as production expands and the shortage of skilled labor becomes acute. As of early 2026, the lower end of compensation at Lockheed Martin starts at $35,000 per year, with the company's median base salary at $54,500 per year. Entry-level workers earn $15.45-$16.50 per hour - roughly $30,000-$33,000 per year at full employment. After federal and state income taxes, Social Security (6.2 percent) and Medicare (1.45 percent) deductions, plus mandatory health insurance premiums, the take-home amounts to no more than $24,000-$26,000 per year - that is, $2,000-$2,200 per month.

The inflationary pressures stoked in part by the billions poured into the defense sector effectively consume this nominal growth. According to the Bureau of Labor Statistics, the Consumer Price Index for the 12 months ending January 2026 rose 2.4 percent overall - but the structure of that increase is what matters: food prices rose 2.9 percent, medical services 3.9 percent, hospital services 6.6 percent, electricity 6.3 percent, and natural gas 9.8 percent. Federal employees working alongside military personnel received only a 1 percent pay increase in 2026 - the smallest since 2021, plainly insufficient to compensate for inflation. Federal Employees Health Benefits Program (FEHB) premiums rose by more than 12 percent in the coming year.

In May 2025, approximately 4,000 workers at Lockheed Martin's Orlando plant walked out - the first strike there since 1963. Pay had risen only 3 percent from the end of 2020 through mid-2022 while inflation ran at 12 percent. The wave of protest spread to Pratt & Whitney, General Dynamics, and Boeing facilities. The Orlando strike was broken within a month; workers returned without a raise or guarantees. Industry turnover reached 13 percent against the national average of 3.8 percent - a direct indicator of a personnel retention crisis.

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Trade union organizations broadly occupy a dual position. On the one hand, they support the preservation and expansion of jobs in the defense industry, since this provides employment and stable income for their members. On the other hand, unions demand the redistribution of a portion of the corporations' increased earnings in favor of workers, pointing to the disproportionate growth of senior management remuneration. The contrast is stark: CEO compensation at Lockheed Martin exceeds the median worker's wage many times over, while the chief executives of the largest defense corporations earn more than $18 million per year.

A Night in the Car - The New Reality of the American Defense Industry

The most shocking symptom of the social crisis is the emergence of defense workers sleeping in their cars in Walmart parking lots and on streets adjacent to the factories. These are not isolated cases but a developing trend, particularly in "defense hubs" where the cost of living is high.

Let us examine the budget of such a worker in concrete figures. An entry-level worker at the Lockheed Martin plant in Orlando takes home $2,000-$2,200 per month after all deductions.

Expenditures:

- Housing: The most modest studio or one-bedroom apartment near the facility costs $1,500-$1,600 per month. In areas with high concentrations of defense industry - Huntsville, Norfolk, Fort Worth - rental prices have risen 5-7 percent above wage indexation. For military personnel in Norfolk, the Basic Allowance for Housing (BAH) is $2,430 per month. Civilian workers receive no such support.

- Utilities: Electricity up 6.3 percent over the year, heating up 9.8 percent - add $250-$300 per month.

- Transport: The workplace must be reached, and housing is distant. Gas at roughly $0.70 per liter; monthly commuting costs of $200-$300.

- Food: A modest lunch - a combo meal at McDonald's - runs $12-$15. The per diem rate for military personnel on duty travel (M&IE) is $68 per day. The civilian worker receives no such compensation. Groceries: bread $3-$4, a gallon of milk $4-$5, a dozen eggs $4-$6, a pound of chicken breast $6-$8, a pound of ground beef $8-$10.

- Medical: Insurance is deducted from the paycheck, but the deductible can run $3,000-$5,000 per year. A doctor's visit without insurance: $150-$300. An ambulance call: $1,200-$2,000. A single day of hospitalization: $10,000-$15,000.

After paying housing and utilities, the worker has $100-$300 per month for food, transportation, clothing, and medical expenses - plainly below any real subsistence level.

He cannot afford rent at $1,600, because nothing would remain for food and gas. He cannot afford housing at $1,200 half an hour away, because fuel costs and vehicle wear consume the difference. He tries to rent a room for $800-$900, but such options either do not exist, lie in dangerous neighborhoods, or are already occupied by dozens of workers exactly like him.

There is one alternative: sleeping in the car. The warm climate of Florida, Texas, and California permits this for much of the year. Showers at gas stations or 24-hour stores. Meals from fast food or canned goods warmed on a camp stove in the trunk. Laundry at coin-operated laundromats. This saves $800-$1,000 per month. When the unexpected occurs - a car breakdown, a doctor's visit - the man goes to a pawn shop or takes out a payday loan at 200-400 percent annual interest. Even military personnel and federal employees during a government shutdown receive interest-free loans of up to $6,000 through USAA. The civilian worker at the defense plant has no such recourse.

The state, under a capitalist order, expresses above all the interests of capital through the very means and mechanisms of its governance. Consequently, the state is and remains an instrument of management in the service of capital.

The workers produce weapons, the cost of a single unit of which runs into the millions of dollars. One firing of a PAC-3 MSE missile - the very missiles they assemble - costs $4-5 million. One flight hour of an F-35 - in whose production they participate - costs $30,000-$40,000. And they are sleeping in their cars because they cannot afford a roof over their heads near the place where they work.

For the American worker who voted for Trump, what is happening amounts to a bitter irony that has curdled into cognitive dissonance. He was promised his jobs back - and he got one, assembling PAC-3 MSE missiles at $4-5 million a unit or F-35 fighters at $80-100 million per airframe. He was promised greatness. And now from the high podiums comes the pronouncement: America is producing weapons again, as in the days of the Second World War. The Department of Defense has been renamed the War Department. Secretary Hegseth switched his profile to @SecWar and demands "maximum lethality" from the contractors. The servicemembers who will employ this weaponry received a "warrior dividend" of $1,776 - a symbolic gesture - and a pay increase of 3.8-4 percent. The man who physically assembles the weapons received the privilege of sleeping in his car in the Walmart parking lot, because renting an apartment near the factory on his wages is not possible.

The White House loudly promises to "bring order" and publicly criticizes the "greedy corporations." But reality does not change: defense giant stocks are breaking records. Raytheon has grown five-fold since 2001; Lockheed Martin more than ten-fold. Their

backlogs run into hundreds of billions of dollars. And the workers without whom these orders cannot be fulfilled continue to survive in their cars, because their wages cannot keep pace with rent, gas, and health insurance.

Public Debt and the War Economy

The aggregate federal debt is approaching $36 trillion. Up to 40 percent of the debt accumulation over recent decades is directly or indirectly connected to military expenditure. In the first four months of 2025 alone, expenditures grew by $166 billion, of which $39 billion fell on defense. The servicing of the debt is becoming one of the significant budget line items, constraining the capacity to finance other directions of state policy. The military order thus serves not only as an instrument of defense policy but as a mechanism for the redistribution of resources in favor of large capital, entrenching its economic and political influence.

By the beginning of 2026, the United States exhibits a further intensification of state-monopoly tendencies. The state becomes the principal guarantor of profit for defense capital, and the war economy becomes the instrument of capital concentration and the consolidation of the largest corporations' positions - a dynamic that inevitably generates social and economic contradictions. The crisis symptoms - from strikes and housing unaffordability for workers to record waiting times for weapons deliveries - are being smoothed over for the moment by populist rhetoric and symbolic gestures such as the department's renaming. In the longer run, they may become the source of serious internal conflicts capable of undermining the mobilization capacity of even the most powerful war economy.

Public Opinion and International Context

Public opinion in the United States demonstrates sustained support for strengthening defense capability in conditions of international tension. Within society, however, debates persist over the balance between military and social expenditure. One segment of political forces advocates further increases in the military budget, viewing it as a guarantee of security and an instrument of geopolitical influence; other groups express concern about the debt burden and social consequences - including the growth in the number of workers sleeping in their cars outside the gates of defense factories. The expansion of American military production strengthens the country's position within the alliance system and the framework of military-technical cooperation. Arms and technology transfers create dependency among partners on the American industrial base and reinforce economic ties within the alliances. At the same time, the growth of military appropriations provokes countermeasures on the part of other major powers, thereby contributing to a further intensification of the global arms race.

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Conclusion

By the beginning of 2026, the war economy of the United States is functioning in a mode of total resource mobilization. The country is preparing for a great war - this is a fact that can no longer be denied when one contemplates the scale of the industrial transformation, the record volumes of orders, and the multi-year contracts loading production capacity years in advance. The question now is not whether there will be war, but what kind: will America fight with its own hands - or will it prefer the classic strategy of making Europe and Britain pull the chestnuts out of the fire, while remaining behind the ocean in the role of "arsenal of democracy," drawing profit from the losses of others? But regardless of the chosen model, the cost of this preparation is already falling upon Americans: some bear it in the form of taxes and debt, others in the form of nights in cold cars outside the gates of the factories assembling the weapons that will kill people just like themselves - robbed, deceived, impoverished people, who have only been dressed in someone else's uniform and thrown into the fire of someone else's war.

Capital does not care who dies. Capital cares who pays and who profits. That is the true face of the social order built upon the exploitation of labor by capital.

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