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Military spending fuels the fire: Cost of living rising with basic services at luxury prices

written by Gary Wilson
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You can believe the increase in your expenses. Inflation continues to ravage every day.

Workers are feeling the pinch of inflation more than ever, with core services experiencing their [worst monthly jump in 22 years](#). Unlike headlines focused on “core goods” like TVs or gas, this inflation surge hits where it hurts – everyday necessities.

The price index for core personal consumption expenditures (PCE) skyrocketed to a

7.15% annualized rate in January. This represents the sharpest month-to-month increase in over two decades.

In simpler terms, you're paying significantly more for essential services like rent, health care, transportation, child care, repair bills, cell phone plans, car insurance, and even haircuts. Housing costs are particularly distressing, with shelter prices rising 6% in January.

This inflation surge isn't just a number on a chart - it's impacting workers across the country.

"Housing costs are running hot," the [New York Times](#) noted Feb. 26. "The cost of shelter was up 6% in January from a year earlier, and rose faster on a monthly basis than in December, according to the Labor Department."

Rents are going up. And the Times adds, "For home buyers, the combination of rising prices and high interest rates has made housing increasingly unaffordable." Mortgage rates have doubled from about 3% to almost 7%

Overall, 30% of all U.S. households are spending more for housing, but among renters, this ratio goes up to 50%.

On health care, the Medical Economics newsletter reports that "prices are going up, with various costs in health care edging upward ... over the last 12 months, prices for all items rose by 3.1%." Annual family premiums for employer-sponsored health insurance climbed 7% on average in 2023.

Food services purchased to be consumed away from home, like at restaurants, rose 5.1% in January.

Transportation services costs — including automobile maintenance and repair, parking fees, tolls, and public transportation — are at a record high and are up 9.5%

from a year ago.

Cable and satellite TV, streaming, concerts, sports, and movies are up from a year ago.

Prices have swelled 9.4% for everything from broadband and mobile phone bills to home repairs, education, lawyers' fees, laundry, elderly care facilities, and even funerals.

One of the primary drivers of inflation is military spending. There were inflation crises during World Wars I and II, as well as the Korean and Vietnam wars. In 1983, following President Ronald Reagan's stupendous military expenditures, inflation jumped 9.25%, and the national debt rose from \$997 billion to \$2.85 trillion.

Then in 2002, with the launch of wars on Afghanistan, Iraq, and Libya (Pentagon propaganda name, "War on Terror").

And again today, with the proxy war against Russia in Ukraine, the U.S.-armed and -funded war on Gaza and the increasing war buildup in Taiwan, a trillion dollar annual war budget, and a national debt of \$34.38 trillion.

Gary Wilson is the author of [War and Lenin in the 21st Century](#).



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