POLARIS
NATIONAL SECURITY

The Dividends of Deterrence

How Trump's Foreign Policy Prevents $500 Billion in Costs—and Saves $2,500 per American Household

September 2026

EXECUTIVE SUMMARY

In October 2024, POLARIS National Security documented the enormous costs imposed on American taxpayers by the Biden-Harris Administration's deterrence failures. From the Southern Border to Ukraine and the Middle East, the United States was repeatedly forced to spend billions managing crises that stronger policies could have prevented. Building on that analysis, this report quantifies the dividends generated by the second Trump Administration's foreign policy.

Our analysis finds that the Trump Administration's policies are projected to avert **more than half a trillion dollars**—approximately $512 billion—in costs that would likely have been imposed on American taxpayers by a second Biden-Harris term. Against approximately $186 billion in incurred, committed, or projected costs to restore deterrence and reverse prior blunders, the Trump Administration is projected to generate approximately **$326 billion** in net taxpayer savings over its four-year term, **a nearly three-to-one return** for the American people.

The largest quantified costs averted include:

- **$258 Billion – Shifting the Ukraine Burden:** The Trump Administration is projected to save taxpayers hundreds of billions of dollars by shifting ongoing weapons support toward allied-financed purchases.
- **$158 Billion – Securing the Southern Border:** By reducing "gotaways," eliminating mass parole, and lowering the settled illegal immigrant population, the Trump Administration is averting approximately $158 billion in projected taxpayer costs.
- **$49 Billion – Advancing Peace in the Middle East:** By brokering an end to the war in Gaza, securing a U.S.-Houthi ceasefire, and eliminating Iran's projected containment burden, the Trump Administration is projected to avert approximately $49 billion in taxpayer costs that a second Biden-Harris term would have incurred through continued emergency aid, open-ended naval operations, and the indefinite containment of Iran.

- **<u>$47 Billion – Foreign Assistance Reforms</u>:** The Trump Administration is saving tens of billions of dollars by tackling USAID's unaccountable bureaucracy, eliminating wasteful programs, and working with Congress to preserve funding for core security, humanitarian, and health priorities.

Beyond these direct fiscal benefits, the Trump Administration has generated substantial strategic dividends by forestalling a nuclear Iran, deterring conflict over Taiwan, reducing opioid deaths, expanding foreign military sales, and weakening America's adversaries.

The bottom line is clear: The Trump Administration's Peace Through Strength policies are projected to prevent $512 billion in costs, generate $326 billion in net taxpayer savings—almost $2,500 per American household—and forestall contingencies that would impose ***trillions*** more in costs on the American people.

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How Trump's Foreign Policy Generated a Nearly 3-to-1 Return for Taxpayers

★ TOPLINE FIGURES ★

The second Trump Administration's Peace Through Strength foreign policy has delivered substantial taxpayer savings by restoring deterrence, forging peace, and shifting burdens to allies.

APPROXIMATELY
$512B
IN AVOIDED COSTS
that would likely have been incurred under four more years of Biden-Harris policies.

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APPROXIMATELY
$186B
INVESTED TO RESTORE DETERRENCE
Real border-security and military-operation costs to restore deterrence.

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APPROXIMATELY
$326B
IN NET TAXPAYER SAVINGS OVER FOUR YEARS
A roughly 2.8-to-1 benefit-cost ratio for the American people.

THE LARGEST QUANTIFIED DIVIDENDS INCLUDE:

EUROPEAN THEATER

$258B
SHIFTING THE UKRAINE BURDEN
in averted appropriations with Europe funding Ukraine's defense by purchasing U.S.-made weapons.

WESTERN HEMISPHERE

$158B
SECURING THE WESTERN HEMISPHERE
in projected costs foreclosed through fewer gotaways, reduced parole, and a smaller settled illegal population.

FOREIGN ASSISTANCE REFORMS

$47B
in taxpayer savings from reforming programs, cutting waste, and refocusing on U.S. priorities.

MIDDLE EAST

$49B
ADVANCING PEACE IN THE MIDDLE EAST
in projected costs averted by ending the war in Gaza, confronting the Houthis, and forestalling direct Iran-containment costs.

$326B
IN NET TAXPAYER SAVINGS OVER FOUR YEARS

ALMOST ~$2,500
PER AMERICAN HOUSEHOLD
while helping forestall contingencies that could have imposed trillions more in costs on the American people.

STRATEGIC DIVIDENDS BEYOND THE BUDGET

- FORESTALLING A NUCLEAR IRAN
- PREVENTING CONFLICT OVER TAIWAN
- REDUCING OPIOID DEATHS
- EXPANDING FOREIGN MILITARY SALES
- WEAKENING AMERICA'S ADVERSARIES

★ Beyond these direct fiscal benefits, the Trump Administration has generated substantial strategic dividends. ★

ALL FIGURES IN CONSTANT JUNE 2026 DOLLARS