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Operation Epic Fury: IG report reveals $33B war costs, loss of multiple F-15E Strike Eagles, and diplomatic strain

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Synopsis
Months of bombing and missile attacks on Iran are yet to yield any substantive gains to the US. While President Donald Trump has on several occasions claimed that the American military is winning the war, Iran has time and again bounced back to hit US bases in the Middle East. The Strait of Hormuz remains a strategic chokepoint, hitting the crude trade and world economy.

Reuters

Two F/A-18 Super Hornets launch from the flight deck of the U.S. Navy Nimitz-class aircraft carrier USS Abraham Lincoln in support of the Operation Epic Fury attack on Iran from an undisclosed location March 3, 2026. U.S. Navy/Handout via REUTERS THIS IMAGE HAS BEEN SUPPLIED BY A THIRD PARTY/File Photo

Launched on February 28, 2026, as a joint campaign with Israeli forces, **Operation Epic Fury** was designed to dismantle Iran's security apparatus, ballistic missile production facilities, naval fleet, and nuclear infrastructure. US President Donmald Trump had been claiming that the American military would crush the Iranian war machine within no time.

Now, the first comprehensive quarterly report by the Lead Inspector General delivered to the US Congress reveals the staggering scale, financial cost, and operational strain of the four-month military conflict. Even after pounding Iran for several months and using almost the entire range of conventional weapons at its disposal, the US armed forces are nowhere closer to achieving a victory.

According to the oversight report, more than 50,000 US Service members have been deployed across the US Central Command area of responsibility, supported by two aircraft carrier strike groups, advanced fighter squadrons, and air defense batteries. US forces carried out approximately 36,000 combat sorties and executed over 1,800 fire missions, striking roughly 13,500 Iranian targets during the major combat phase alone.

The total financial toll for the Department of War reached an estimated $33.4 billion as of June 29. That figure includes $22.3 billion in expended munitions, $7.4 billion in direct operational obligations, and $3.7 billion in replacement costs for damaged or lost military equipment. With costs rapidly escalating, the White House submitted an $87.6 billion emergency supplemental funding request to Congress on June 24, including $67.1 billion dedicated to the Department of War and $3.362 billion for the Department of State.

American casualties and munitions shortfalls

The human toll of the operation has been severe for American service members and their families. The Department of War reported that between February 28 and June 30, seven US Service members were killed in action and seven died in non-hostile incidents, while 417 service members were wounded in action. Four additional American service members were killed in action during combat operations in July 2026.

Fatal incidents detailed in the report include a March 1 strike in Port Shuaiba, Kuwait, that killed six American troops, a March 12 crash of a KC-135 refueling aircraft in Iraq that claimed six lives, and July attacks on US bases in Jordan and Iraq.

The extraordinary intensity of the air campaign has also severely depleted critical US munitions stockpiles, creating strategic inventory shortfalls. The Pentagon's Office of the Under Secretary for Acquisition and Sustainment warned of persistent defense industrial base chokepoints, particularly in the production of solid rocket motors, high-grade explosives, propellants, and skilled manufacturing labor. Defense officials noted that expanding domestic production capacity requires significant lead time, even as the administration attempts to accelerate active manufacturing lines and streamline procurement.

Severe loss and damage to American combat aircraft and base infrastructure

In addition to personnel casualties, American forces suffered extensive damage to military hardware and forward basing infrastructure. Iranian missile, drone, and proxy attacks damaged or destroyed hundreds of buildings across US facilities in Kuwait, Bahrain, Qatar, UAE, Saudi Arabia, Iraq, Oman, and Jordan.

Dozens of US aircraft were lost or damaged during combat operations. Combat losses included four F-15E Strike Eagles, three destroyed in friendly fire incidents and one by enemy fire. One F-35A Joint Strike Fighter was damaged by Iranian air defenses over Iran. The US Air Force also saw seven KC-135 refueling tankers damaged or destroyed, including five caught on the ground during attacks in Saudi Arabia and two involved in a mid-air collision over Iraq.

Other aircraft losses detailed in the report include an A-10 attack jet jettisoned after a combat search-and-rescue mission, an E-3 AWACS early-warning aircraft damaged on the ground in Saudi Arabia, an AH-64 Apache shot down over the Strait of Hormuz, and four AH-6 helicopters intentionally destroyed by US forces to prevent capture. Furthermore, congressional records indicate that as many as 30 MQ-9 Reaper drones were destroyed across various operational scenarios.

Embassy attacks, evacuations, and diplomatic disruption

The conflict unleashed severe repercussions across the US diplomatic network in the Middle East. Iranian strikes inflicted physical damage on US embassies, consulates, and diplomatic compounds in four nations including Iraq, Kuwait, Saudi Arabia, and the United Arab Emirates, with total repair costs estimated at $183.7 million. Mission Iraq sustained the heaviest damage, incurring $157.35 million in physical destruction across more than 600 separate attacks during the reporting period.

In Saudi Arabia, two Iranian one-way attack drones struck the US Embassy in Riyadh on March 3, prompting shelter-in-place orders across diplomatic posts in Riyadh, Jeddah, and Dhahran. The US Embassy in Kuwait City suspended operations on March 5 following strikes, only reopening limited emergency services in late June.

To safeguard American lives, the Department of State executed a massive crisis response, directly organizing the departure of approximately 9,000 private US citizens. The US chartered 56 evacuation flights alongside ground transport buses across the region at a cost of $11.6 million. Concurrently, up to 3,500 US diplomatic personnel and family members across 12 regional missions were placed on authorized or ordered departure status.

Economic Fury and $44 billion in regional arms deals

Complementing kinetic strikes, the US government launched "Operation Economic Fury," an aggressive financial campaign designed to cripple Tehran's ability to fund its military and regional terror proxies. Between January and June, the Departments of State and Treasury designated or blocked more than 1,000 individuals, foreign entities, and maritime vessels. Sanctions targeted Iran's covert "shadow fleet" of oil tankers, illegal oil-for-gold networks, shadow banking facilitators, and satellite imagery providers enabling strikes on American forces.

To fortify regional allies targeted by Iranian retaliatory strikes, Secretary of State Marco Rubio invoked emergency powers under the Arms Export Control Act three times to bypass standard congressional review. These emergency determinations expedited $25.32 billion in defense transfers, contributing to a total of $44.51 billion in approved emergency and non-emergency arms sales to Middle Eastern partners between January and June. Major buyers included Saudi Arabia ($12 billion for Patriot missiles and F-15 sustainment), Kuwait ($10.74 billion for air defense radars and command systems), the UAE ($8.61 billion), Israel ($7.81 billion), and Qatar ($5 billion).

Unraveling ceasefire and an uncertain road ahead

Diplomatic efforts to halt the conflict have faced profound setbacks. Although the US announced a temporary ceasefire on April 7 and signed the "Islamabad Memorandum of Understanding" on June 17 mediated by Pakistan, negotiations quickly broke down over maritime transit rules in the Strait of Hormuz and Iran's nuclear program.

Following Iranian strikes on commercial cargo ships in late June and early July, President Trump declared the memorandum "over" on July 8. US Central Command subsequently resumed daily air strikes against Iranian targets and reinstated its naval blockade of Iranian ports.

As combat operations continue, oversight officials from the Department of War, State Department, and USAID stress that dedicated supplemental appropriations are urgently required to prevent severe funding shortfalls that could impact troop pay, global military readiness, and vital national security operations.