



Economic Recovery for Everyone: Re-evaluating the Military Budget

In just the first four months of 2009, 2.6 million people lost their jobs—that’s the same number of people that lost their jobs in all of 2008. The financial sector is in collapse, states are having difficulty meeting their budgets for vital needs, and millions of low- and middle-income families are struggling to pay their own bills. It’s clear the country needs a federal budget to relieve the effects of the recession and spur new job growth. Economic recovery comes with a hefty price tag, however, and government spending needs to be re-evaluated to ensure that it focuses on economic recovery.

Support is growing for shifting our nation’s federal budget priorities toward domestic human needs, and our nation is becoming increasingly aware that our true security depends on funding safe communities with good schools, health care, and job opportunities available to all. The economic downturn has highlighted the need to invest in these areas, which have been historically marginalized in the federal budget. In 2008, the United States spent more than \$900 billion on the military. According to a report by the Political Economy Research Institute, military spending creates or sustains 8,555 jobs per \$1 billion spent. Yet spending on long underfunded domestic and environmental needs yields far more jobs (see chart below).

Funding Military Creates Fewer Jobs than Funding Other Sectors

Spending Area	Number of Jobs Created with \$1 Billion
Military	8,555
Health Care	10,779
Education	17,687
Mass Transit	19,795
Construction/Infrastructure	12,804

Numbers taken from a November 2007 report by the Political Economy Research Institute, www.peri.umass.edu

Spending on areas that will create jobs is essential to our shared economic recovery. The number of jobs created by military spending—usually in weapons manufacturing—is one of the main reasons politicians give for funding the military budget. Yet shifting money from the military to other sectors would create substantially more jobs in areas needed to strengthen our economy.

