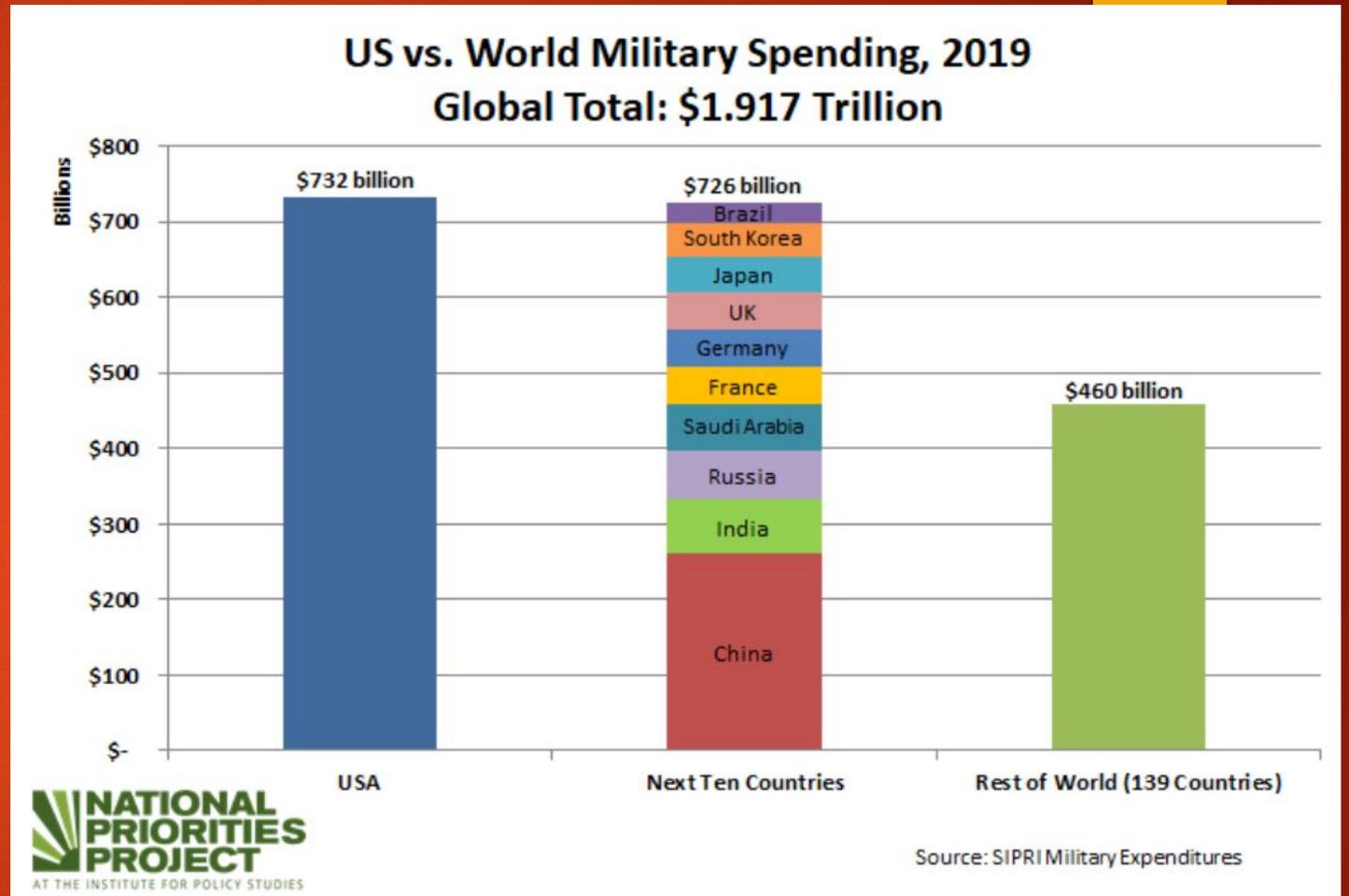


Transitioning from Military Spending to Alternatives: Job Creation Effects

BROOKLYN FOR PEACE – MARCH 31, 2021 TOWN HALL

HEIDI PELTIER, DIRECTOR OF “20 YEARS OF WAR,”
PART OF THE **COSTS OF WAR** PROJECT AT BROWN AND BOSTON
UNIVERSITIES

U.S. military spending is greater than spending by the next ten countries combined



“Militarized
budget”
over \$1T

(POGO’s
estimate:
\$1.25T)

Start with DoD \$721B

plus atomic activities in DOE and “other
defense” (\$36B)

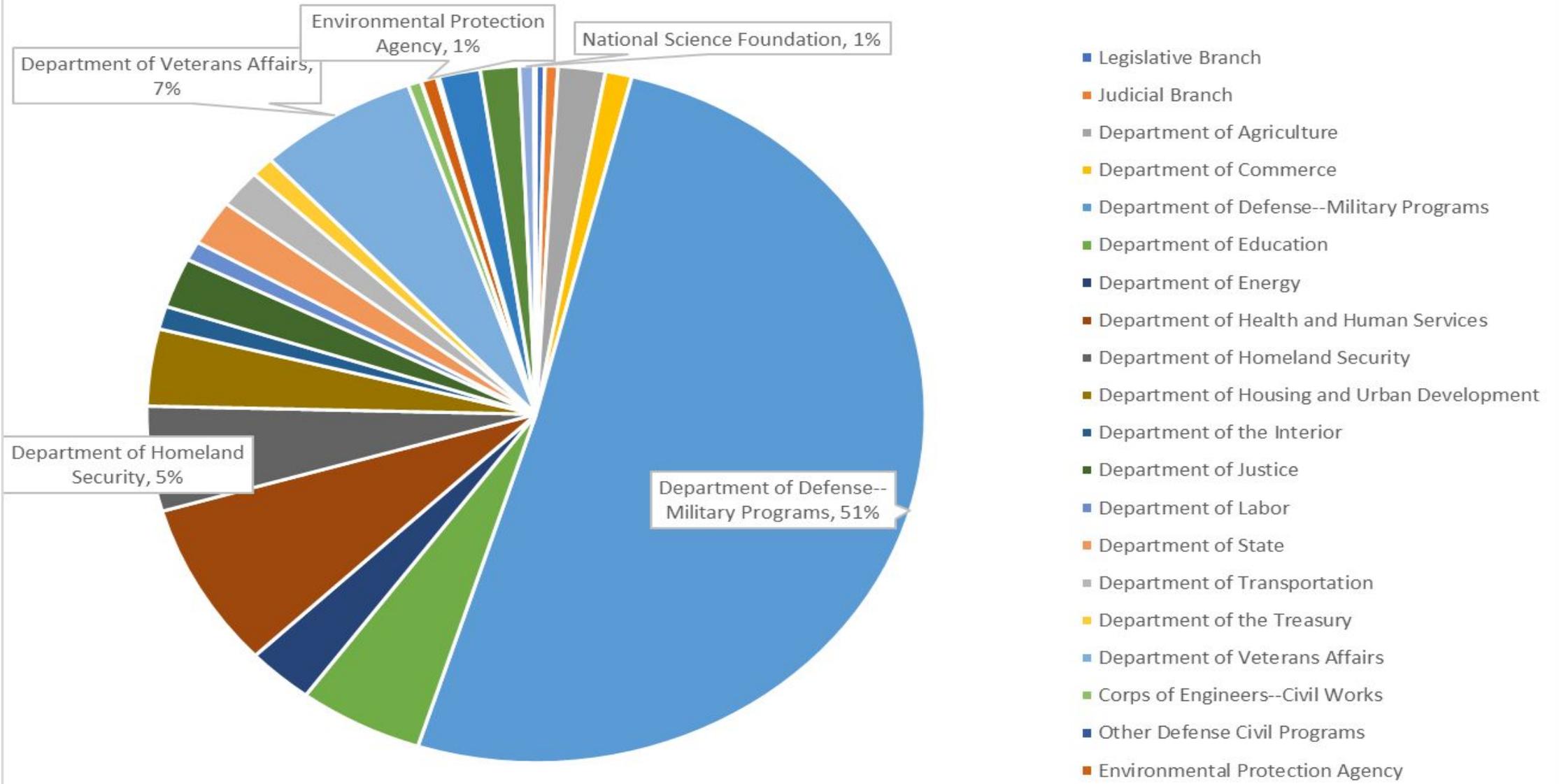
plus Veterans’ Benefits and Services (\$214B in
FY2020)

plus Homeland Security (about \$70B)

plus intelligence across various agencies
(\$80B)

plus the cost of public debt attributable to
military spending (up to \$150B per year)

Discretionary Budget Authority, FY 2020 (from OMB Table 5.4)



Spending Alternatives

CUT MILITARY SPENDING

Defense Spending Reduction Caucus (U.S. Congress):

10% Defense budget cuts (about \$74 billion based on FY2021 NDAA of \$741 billion)

SHIFT SPENDING TO...

Infrastructure (ASCE: \$260B/yr for 10 years to restore infrastructure)

Healthcare (\$149B to extend coverage to uninsured Americans)

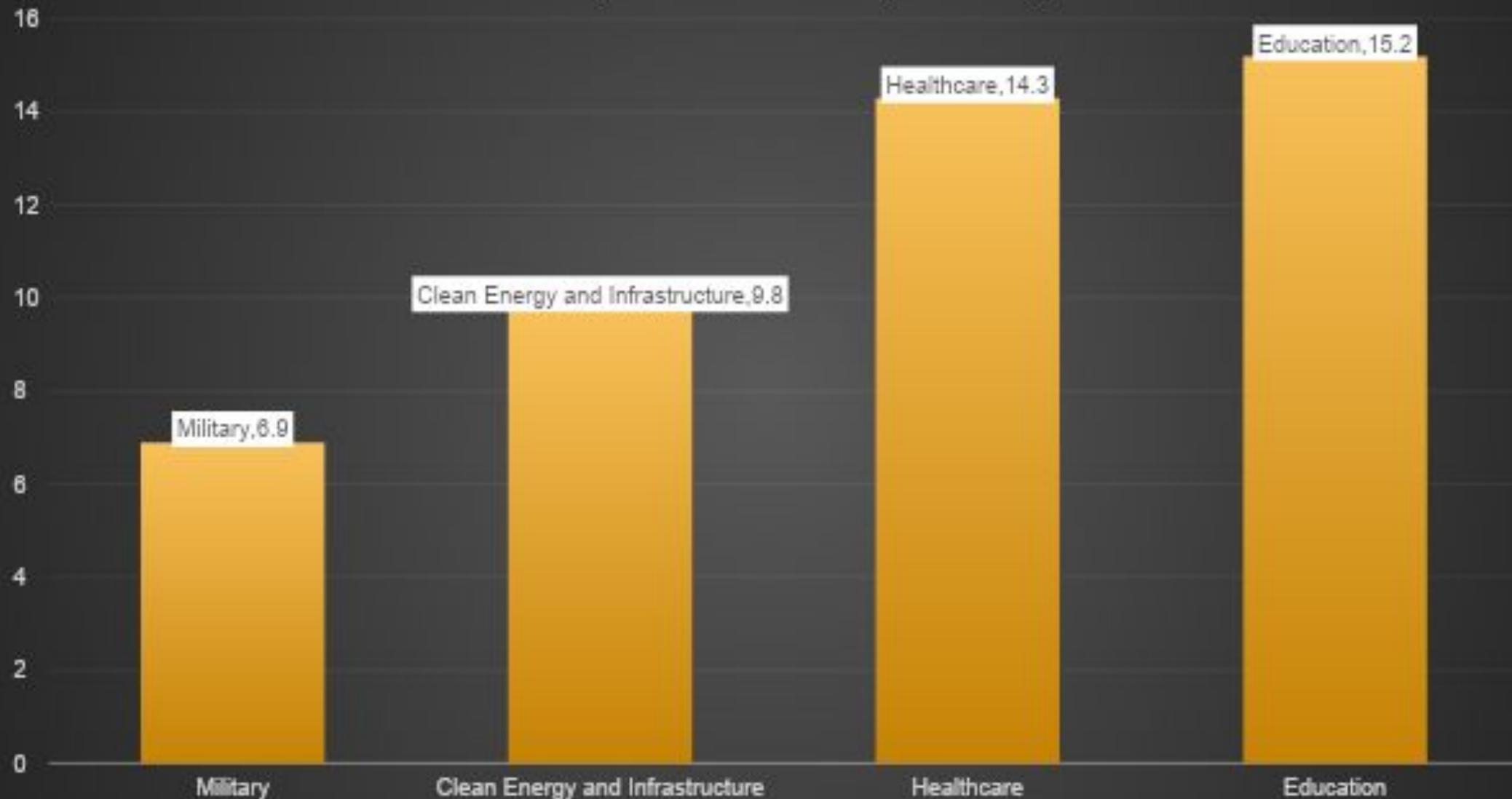
Education (\$41B to subsidize pre-K for poor families)

Green Growth (\$200B/yr to reduce emissions 40% over 20 years)

Shifting Spending Creates Jobs

- ▶ The employment impacts can be measured using an input-output (I-O) model. Estimate direct and indirect jobs in any industry and its supply chain. See [Peltier \(2019\)](#).
- ▶ military spending creates 6.9 jobs per \$1 million
- ▶ clean energy industry and infrastructure each support 9.8 jobs
- ▶ healthcare supports 14.3
- ▶ education supports 15.2.
- ▶ So for the same amount of spending, **clean energy and infrastructure create 40 percent more jobs than the military, healthcare creates 100% more, and education 120% more.**

Jobs per \$1 million spending



A Green Shift: \$200B from Military to Green

- ▶ U.S. has spent on average \$270B/yr on the post-9/11 wars (see [Crawford 2019](#))
- ▶ Ending war spending and shifting \$200B/yr to Green Growth would lower emissions 40% over 20 years (see [Pollin et al 2014](#))
- ▶ \$200B/yr would create close to 2 million jobs (see [Peltier 2019](#))
- ▶ The net job change (+clean energy – military) would be about 600,000 jobs GAINED

- ▶ Green investments could be targeted to communities that are most likely to face job losses from military spending reductions

Military and Veteran Employment – Opportunities for Transitions to Green

- ▶ Data from BLS show that of enlisted personnel, about ¼ (23%) work in “Electronic and Electrical Equipment Repair” and “Engineering, Science, and Technical” occupations
- ▶ Another 12% work in “Transportation and Material Handling” occupations, and 13% as “Vehicle and Machinery Mechanics”
- ▶ Among officers, 21% are in EST, 18% Transportation, 13% “Executive, Administrative, and Managerial” occupations
- ▶ All of these are occupations that are needed for the green economy

DOL – Transition Military to Civilian (incl. green)

- ▶ “Career OneStop” Veterans Job Matcher

<https://www.careeronestop.org/Toolkit/Jobs/match-veteran-jobs.aspx>

- ▶ O*NET “My Next Move” for Veterans (civilian version also exists)

<https://www.mynextmove.org/vets/>

- ▶ O*NET Crosswalks

<https://www.onetonline.org/crosswalk/>

Takeaways

- ▶ **Cutting military spending** could CREATE jobs if the funds are shifted into other domestic spending priorities, including clean energy
- ▶ Job loss may occur for some individuals and communities – need to think about JUST TRANSITION and about targeting investments (like Green Growth) to certain communities
- ▶ Need to counter the old narrative that military spending is necessary for jobs

Thank you!

See more at **CostsofWar.org**