

WOMEN take action!

FINDING NEW WAYS TO CREATE JOBS



THE MILITARY INDUSTRY STAYS IN BUSINESS BECAUSE IT CREATES MILLIONS OF JOBS.

But other projects can do even better. It's time to reinvest our public monies.

ALMOST EVERY DEBATE ABOUT CUTTING THE MILITARY BUDGET CIRCLES BACK TO THE ISSUE OF *JOBS*. The military establishment is good at creating jobs, *and* at educating Congress about how those jobs are central to our economy. What this means is that every Member of Congress who guards the jobs in a district ends up protecting the military projects that generate these jobs.

When Congress considers the prospect of cutting a military project — e.g., a weapons systems or a military base — they have to consider how many jobs will be lost. Losing jobs means losing votes; defying the military means losing support.

How, then, can we begin to scale back the enormous military machine that our country has built since World War II? It's a daunting task.

However, it is far from impossible. In fact, it's almost simple; we can create jobs *in other areas*. The truth is, when we invest federal funds in projects other than military, we generate not just the same number of jobs — but *more* jobs. Substantially more.

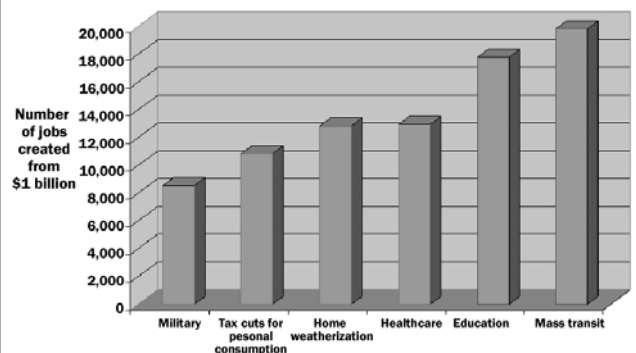
In late 2007, economists at the University of Massachusetts published a report¹ that compares the number of jobs generated by investing \$1 billion...

- 1) Investing \$1 billion in the military creates **8,500 jobs**.
- 2) Allocating \$1 billion of tax revenue to tax cuts for personal consumption generates approximately **10,800 jobs**.
- 3) Investing \$1 billion in construction for home weatherization and infrastructure creates **12,800 jobs**; in health care, **12,900 jobs**; in education, **17,700 jobs**; in mass transit, **19,800 jobs**.

The Bottom Line

Investing public dollars in areas other than the military (health care, education, mass transit, or home weatherization) creates **significantly more jobs** than investing that same amount in the military. Investing in education and mass transit creates **twice as many jobs** as investing in the military.

How various sectors generate jobs from \$1 billion investment



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WAND Education Fund:
www.WANDEducationFund.org

Women Legislators' Lobby:
www.willwand.org



2008



Women's Action for New Directions
Education Fund

WAND Education Fund educates the public and opinion leaders about the need to reduce violence and militarism in society, and redirect excessive military spending to unmet human and environmental needs.

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WHY THE DIFFERENCES IN NUMBERS? WHAT'S THE NATURE OF THE NEW JOBS?

JOBS IN THE MILITARY SECTOR TEND TO PAY RELATIVELY WELL; this is part of the reason why fewer jobs are created per dollar of expenditure. But the military is not the only sector that pays well. In fact, studies have shown that investing in education creates higher-paying jobs, *and* more than twice the number of jobs.

It is true that investing in some other areas — health care, mass transit, and home weatherization — creates jobs at a lower average level of pay than the military. But these three areas create a substantially higher *number* of jobs than the military; and the overall level of pay, combining all workers' paychecks and benefits, is higher than the military.

Moreover, a substantial majority of the jobs generated in health care, mass transit or construction will pay more than \$32,000 per year (a rough threshold for a minimally decent income level). The majority of jobs pay between \$32,000 and \$64,000, a rough middle-income pay range. Health care, mass transit, home weatherization, and infrastructure repair are also high priority areas.

Investing in these areas could be combined with improving the average level of pay, while still creating more jobs per dollar of expenditure than the military. A rising demand for construction workers to work on home weatherization projects, for example, is likely to produce rising wages in that industry.



“America, the richest and most powerful nation in the world, can well lead the way in this revolution of values. There is nothing, except a tragic death wish, to prevent us from reordering our priorities, so that the pursuit of peace will take precedence over the pursuit of war. There is nothing to keep us from molding a recalcitrant status quo with bruised hands until we have fashioned it into a brotherhood.”

—Martin Luther King, Jr.

What about “greener” jobs?

“Job Opportunities for the Green Economy: A State-by-State Picture of Occupations that Gain from Green Investments,” Robert Pollin & Jeannette Wicks-Lim, Political Economy Research Institute University of Massachusetts, Amherst | 2008

If we want to explore jobs in other areas that add to the greater good, where do we turn? One option: “green” jobs. The folks who wrote the jobs study recently published another report that explores the concept of green jobs.

Put simply, a green job is one that is contributing to fighting global warming and building a green economy. Train operators who currently deliver furniture could also deliver wind turbine component parts, meaning that their work would contribute to a green economy that solves global warming and builds healthier communities.

At the same time, it is important to link the idea of green jobs with decent employment opportunities: jobs that pay at least a living wage, and offer career ladders, training opportunities and some measure of security. A green economy should be one that is sustainable along two equally important dimensions: for the environment itself, of course; but also in terms of people’s ability to live at a decent material standard and to enjoy basic rights and opportunities at their workplaces. From the data in this study it is clear that pursuing solutions to climate change can produce good

jobs that are broadly based throughout our economy.

We focus on six key strategies for attacking global warming and highlight some of the major “green jobs” associated with each.

The six green strategies we examine are:

- building retrofitting
- mass transit
- energy-efficient automobiles
- wind power
- solar power
- and cellulosic biomass fuels.

We show that the vast majority of jobs associated with these green strategies are in the same areas of employment that people already work in today, across the country. For example, constructing wind farms creates jobs for sheet metal workers, machinists and truck drivers, among many others. Increasing the energy efficiency of buildings through retrofitting relies, among others, on roofers, insulators and building inspectors.

What is clear from this report is that millions of U.S. workers—across a wide range of familiar occupations, states, and income and skill levels — will all benefit.

FROM UMASS REPORT

HOW CAN WE CHANGE OUR PRIORITIES? WHERE ARE THE FUNDS?

Much of this action guide is taken directly from a policy report.

“The U.S. Employment Effects of Military and Domestic Spending Priorities,” Robert Pollin and Heidi Garrett-Peltier, Department of Economics and Political Economy Research Institute University of Massachusetts, Amherst, October 2007 www.ips-dc.org/reports/071001-jobcreation.pdf

MANY PEOPLE HOLD ONTO THE NOTION THAT THE MILITARY BUDGET IS A CORNERSTONE OF THE U.S. ECONOMY. The Pentagon is said to be a major underwriter of, and stimulus to, important technical innovations. It is also often cited as a major employer, providing good jobs — jobs that are stable and at least decently paid — to millions of Americans.

At one level, these claims cannot help but be true. If the U.S. government is spending upwards of \$600 billion** on maintaining and strengthening the military, how could the necessary expenditures on building technologically sophisticated weapons, along with transportation and communications systems, fail to encourage technical innovations that are somehow connected to these instruments of warfare? It is true that investments in military technology have produced important spin-offs for civilian purposes, the Internet being the most spectacular such example. At the same time, channeling \$600 billion into areas such as renewable energy, mass transportation and health care would also create a hothouse environment supporting new technologies.

Parallel considerations arise in assessing the impact of the military budget on employment in the U.S. The \$600 billion military budget creates approximately five million

jobs, both within the military itself and in all the civilian industries connected to the military. And precisely because of the high demands for technologically advanced equipment in the military, a good proportion of the jobs created by the military budget are well-paying and professionally challenging. But again, this will also be true when funds are spent in other areas that entail using and developing new technologies, such as for health care, energy conservation, or renewable energy.

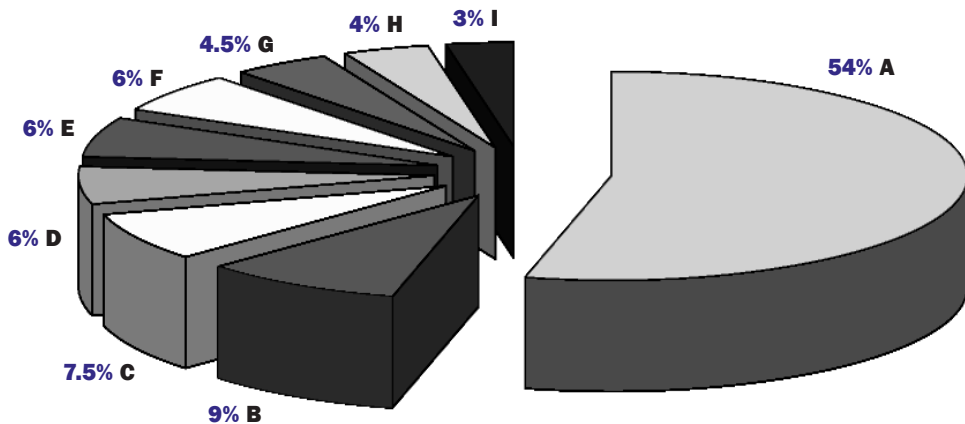
Thus, if we want to give a balanced account of the impact of military spending on the U.S. economy, including the employment situation, the only appropriate way to do this is to examine the issue in relative terms — i.e., what is the impact of spending a given sum of money on the military versus spending the same funds on some combination of non-military alternatives?

“This conjunction of an immense military establishment and a large arms industry is new in the American experience. The total influence — economic, political, even spiritual — is felt in every city, every State house, every office of the Federal government. We recognize the imperative need for this development. Yet we must not fail to comprehend its grave implications. Our toil, resources and livelihood are all involved; so is the very structure of our society.”
 —Dwight D. Eisenhower, 1961

**Budget analysts calculate the U.S. military budget in a variety of ways. The figures in the text on this page are for FY08; spending has gone up significantly in FY09.

The chart below outlines spending in all sectors of the discretionary federal budget for FY09. WAND puts military spending at \$541 billion (counting the Department of Defense and nuclear weapons). If you add \$170 billion for the wars in Iraq and Afghanistan, you get **\$711 billion**.

FY 2009 DISCRETIONARY U.S. BUDGET: \$997,338,000,000 (\$997 BILLION)



- A. 54% Pentagon — Department of Defense & nuclear weapons (\$541 b)
- B. 9% Education & training, Community Development (\$91 b)
- C. 7.5% Natural resources; Science; Agriculture; Energy (\$75 b)
- D. 6% Justice; Government (\$62 b)
- E. 6% Income security (\$59 b)
- F. 6% Health (\$58 b)
- G. 4.5% Veterans' services (\$45 b)
- H. 4% International (\$39 b)
- I. 3% Transportation; Commerce (\$27 b)

* Wars in Iraq & Afghanistan (\$170 b)



SO LET'S INVEST IN DIFFERENT PUBLIC PROJECTS ALREADY...

What's holding us back? A lot of people and corporations have hugely vested interests in keeping that money where it is.

"What makes lobbying in the defense base different than other areas is the amount of money that is on the table," said Steve McBee of McBee Strategic Consulting LLC. "It is hard to get your arms around it as opposed to other areas where the playing field is smaller," he said.²

The numbers say a lot. In 2007, 27 cents of each tax dollar went to the military.³ In that year alone, the defense sector spent \$127,514,836 on lobbying activities.⁴ One corporation, Boeing Co, spent over \$10 million. (By contrast, Council for a Livable World — a partner of WAND that advocates for rational arms control and nuclear disarmament — spent \$80,000.)

In 2006, defense corporations spent \$18 million in campaign contributions. Lockheed Martin, the nation's top defense contractor, contributed over \$2 million.

Add to this the prospect of closing a manufacturing plant and losing jobs in the short run, and you have a Congress that has a lot of reasons to keep funnelling money toward Pentagon projects in their districts.

"Until the latest of our world conflicts, the United States had no armaments industry. American makers of plowshares could, with time and as required, make swords as well. But now we can no longer risk emergency improvisation of national defense; we have been compelled to create a permanent armaments industry of vast proportions.... We annually spend on military security more than the net income of all United States corporations."

—Dwight D. Eisenhower, 1961

SPREADING THE JOBS AROUND: THE V-22 OSPREY... A CASE STUDY

TAKE THE V-22 OSPREY HELICOPTER. PLEASE. For over 20 years, it's been sucking up billions of dollars, lumbering along through research and development; to flawed test flights that killed 30 people (including 26 U.S. Marines); to deployment in Iraq, where the engines are now failing at an astonishing rate.

How did it get that far? Not because the Pentagon wanted it: in 1983, the



Pentagon's office of program analysis and evaluation concluded that the plane's concept was flawed. Not because the administration wanted it: in the late 1980s and early '90s, Dick Cheney, the Secretary of Defense at the time, tried to cancel it. The people who advocated for it all those years: Members of Congress who wanted to protect the money and jobs for their home districts.

How many districts? Well, the thing gets parts from 2,000 suppliers across 40 states. Imagine the number of people employed making the bits.

V-22 OSPREY: A FLYING SHAME

Time magazine, Sep. 26, 2007 | Mark Thompson

"...Sensing weakness at the Pentagon, congressional supporters, largely from the V-22's key manufacturing states of Texas (Bell Helicopter) and Pennsylvania (Boeing), created the Tilt-Rotor Technology Coalition to keep the craft alive, despite Cheney's opposition. **They were aided by nearly 2,000 V-22 suppliers, in more than 40 states, who pressured their lawmakers to stick with the program...**

"The Osprey has taken years to design, build, test and bring to the field. All that time meant plenty of money for its prime contractors, Bell Helicopter and the Boeing Co. As the plane took shape and costs increased, some of its missions were shelved or sidelined. And yet, with the U.S. spending almost \$500 billion a year on defense — not counting the nearly \$200 billion annually for operations in Iraq and Afghanistan — there's plenty of money for marginal or unnecessary programs. Pentagon reform and efficiency are far less of a cause among lawmakers today than during the years of Ronald Reagan's comparatively modest defense-spending boom."

Notes

- 1 "The U.S. Employment Effects of Military and Domestic Spending Priorities," Robert Pollin and Heidi Garrett-Peltier, Department of Economics and Political Economy Research Institute University of Massachusetts, Amherst, October 2007 www.ips-dc.org/reports/071001-jobcreation.pdf
- 2 "Defense lobbying is different because of 'the amount of money on the table'" Roxana Tiron, *The Hill* | 07/19/05
- 3 National Priorities Project, "Where Do Your Tax Dollars Go?"
- 4 OpenSecrets.org monitors spending on campaigns, lobbying, and more.