

It's Jobs or Wars, Not Both

By [David Swanson](#)

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The Washington Post's David Broder [thinks](#) more war will bring us more jobs. Unlike in Germany, where the president was forced out of office earlier this year for suggesting that war in Afghanistan could benefit the German economy, Americans don't seem to have serious moral qualms about slaughtering human beings for no good reason. We've got three significant wars and a variety of secretive military actions going on now without the slightest mention in our elections. A majority of Americans tell pollsters that the wars should end, but virtually no one tells candidates. However, one has to assume — for the sake of one's own sanity — that even Americans, if they knew, would seriously object to further damaging our economy through war and allowing people like David Broder to paper over that process with demonstrably false claims.

Contrary to partisan myths and stereotypes, U.S. military spending has been on the rise these past two years. And military towns have seen a [boom](#) this past decade. But spending money on the military, even in the United States, hurts the U.S. economy. Spending money on foreign wars is even worse, but all military spending is economically destructive. It's worse, economically, than doing nothing. Failing to spend that money and instead cutting taxes would create more jobs than investing it in the military. Investing it in useful industries like mass transit or education would have a much stronger impact and create many more jobs. But even nothing, even cutting taxes, would do less harm than military spending. And that's domestic military spending; spending on foreign wars, [funding](#) the Taliban, [funding](#) Karzai, [misplacing](#) \$17 billion, etc., all does even more economic harm.

Yes, harm. Every military job, every weapons industry job, every war-reconstruction job, every mercenary or torture consultant job is as much a lie as any war justification. It appears to be a job, but it is not a job. It is the absence of more and better jobs. It is public money wasted on something worse for job creation than nothing at all and much worse than other available options.

Robert Pollin and Heidi Garrett-Peltier, of the Political Economy Research Institute, have collected the data. Each billion dollars of government spending invested in the military creates about 12,000 jobs. Investing it instead in tax cuts for personal consumption generates approximately 15,000 jobs. But putting it into healthcare gives us 18,000 jobs, in home weatherization and infrastructure also 18,000 jobs, in education 25,000 jobs, and in mass transit 27,700 jobs. In education the average wages and benefits of the 25,000 jobs created is significantly higher than that of the military's 12,000 jobs. In the other fields, the average wages and benefits created are lower than in the military (at least as long as only financial benefits are considered), but the net impact on the economy is greater due to the greater number of jobs. The option of cutting taxes does not have a larger net impact, but it does create 3,000 more jobs per billion dollars.

There is a common belief that World War II spending ended the Great Depression. That seems very far from clear, and economists are not in agreement on it. What I think we can say with some confidence is, first, that the military spending of World War II at the very least did not prevent recovery from the Great Depression, and second, that similar levels of spending on other industries would very likely have improved that recovery.

We would have more jobs and they would pay more, and we would be more intelligent and peaceful if we invested in education rather than war. But does that prove that military spending is destroying our economy? Well, consider this lesson from post-war history. If you had that higher paying education job rather than the lower paying military job or no job at all, your kids could have the free quality education that your job and your colleagues' jobs provided. If we didn't dump over half of our discretionary government spending into war, we could have free quality education from preschool through college. We could have several life-changing amenities, including paid retirements, vacations, parental leave, healthcare, and transportation. We could have guaranteed employment. You'd be making more money, working fewer hours, with greatly reduced expenses. How can I be so sure this is possible? Because I know a secret that is often kept from us by American media: there are other nations on this planet.

Steven Hill's new book "Europe's Promise: Why the European Way Is the Best Hope in an Insecure Age" has a message we should find very encouraging. The European Union (EU) is the world's largest and most competitive economy, and most of those living in it are wealthier, healthier, and happier than most Americans. Europeans work shorter hours, have a greater say in how their employers behave, receive lengthy paid vacations and paid parental leave, can rely on guaranteed paid pensions, have free or extremely inexpensive comprehensive and preventative healthcare, enjoy free or extremely inexpensive educations from preschool through college, impose only half the per-capita environmental damage of Americans, endure a fraction of the violence found in the United States, imprison a fraction of the prisoners locked up here, and benefit from democratic representation, engagement, and civil liberties unimagined in the land where we're teased that the world hates us for our rather mediocre "freedoms." Europe even offers a model foreign policy, bringing neighboring nations toward democracy by holding out the prospect of EU membership, while we drive other nations away from good governance at great expense of blood and treasure.

Of course, this would all be good news, if not for the extreme and horrible danger of higher taxes! Working less and living longer with less illness, a cleaner environment, a better education, more cultural enjoyments, paid vacations, and governments that respond better to the public — that all sounds nice, but the reality involves the ultimate evil of higher taxes! Or does it?

As Hill points out, Europeans do pay higher income taxes, but they generally pay lower state, local, property, and social security taxes. They also pay those higher income taxes out of a larger paycheck. And what Europeans keep in earned income they do not have to spend on healthcare or college or job training or numerous other expenses that are hardly optional but that we seem intent on celebrating our privilege to pay for individually.

If we pay roughly as much as Europeans in taxes, why do we additionally have to pay for everything we need on our own? Why don't our taxes pay for our needs? The primary reason is that so much of our tax money goes to wars and the military.

We also funnel it to the wealthiest among us through corporate tax breaks and bailouts. And our solutions to human needs like healthcare are incredibly inefficient. In a given year, our government gives roughly \$300 billion in tax breaks to businesses for their employee health benefits. That's enough to actually pay for everyone in this country to have healthcare, but it's just a fraction of what we dump into the for-profit healthcare system that, as its name suggests, exists primarily to generate profits. Most of what we waste on this madness does not go through the government, a fact of which we are inordinately proud.

We are also proud, however, of shoveling huge piles of cash through the government and into the military industrial complex. And that is the most glaring difference between us and Europe. But this reflects more of a difference between our governments than between our peoples. Americans, in polls and surveys, would prefer to move much of our money from the military to human needs. The problem is primarily that our views are not represented in our government, as this anecdote from Europe's Promise suggests:

"A few years ago, an American acquaintance of mine who lives in Sweden told me that he and his Swedish wife were in New York City and, quite by chance, ended up sharing a limousine to the theatre district with then-U.S. Senator John Breaux from Louisiana and his wife. Breaux, a conservative, anti-tax Democrat, asked my acquaintance about Sweden and swaggeringly commented about 'all those taxes the Swedes pay,' to which this American replied, 'The problem with Americans and their taxes is that we get nothing for them.' He then went on to tell Breaux about the comprehensive level of services and benefits that Swedes receive in return for their taxes. 'If Americans knew what Swedes receive for their taxes, we would probably riot,' he told the senator. The rest of the ride to the theater district was unsurprisingly quiet."

Now, if you consider debt meaningless and are not troubled by borrowing trillions of dollars, then cutting the military and enlarging education and other useful programs are two separate topics. You could be persuaded on one but not the other. However, the argument used in Washington, D.C., against greater spending on human needs usually focuses on the supposed lack of money and the need for a balanced budget. Given this political dynamic, whether or not you think a balanced budget is helpful in itself, wars and domestic issues are inseparable. The money is coming from the same pot, and we have to choose whether to spend it here or there. As the Washington Post tries to sell us another war, you will see the same Washington Post push cuts to Social Security.

Earlier this year, Rethink Afghanistan created a tool on FaceBook that allows you to re-spend, as you see fit, the trillion dollars in tax money that had, by that point, been spent on the wars on Iraq and Afghanistan. I clicked to add various items to my "shopping cart" and then checked to see what I'd acquired. I was able to hire every worker in Afghanistan for a year at \$12 billion, build 3 million affordable housing units in the United States for \$387 billion, and provide healthcare for a million average Americans for \$3.4 billion and for a million children for \$2.3 billion.

Still within the \$1 trillion limit, I managed to also hire a million music/arts teachers for a year for \$58.5 billion, and a million elementary school teachers for a year for \$61.1 billion. I also placed a million kids in Head Start for a year for \$7.3 billion. Then I gave 10 million students a one-year university scholarship for \$79 billion. Finally, I decided to provide 5 million residences with renewable energy for \$4.8 billion. Convinced I'd exceeded my spending limit, I proceeded to the shopping cart, only to be advised:

“You still have \$384.5 billion to spare.” Geez. What are we going to do with that?

A trillion dollars sure does go a long way when you don’t have to kill anybody. And yet a trillion dollars was merely the direct cost of those two wars up to that point. On September 5th economists Joseph Stiglitz and Linda Bilmes published a column in the Washington Post, building on their earlier book of a similar title, “The True Cost of the Iraq War: \$3 Trillion and Beyond.” The authors argued that their estimate of \$3 trillion for just the War on Iraq, first published in 2008, was probably low. Their calculation of the total cost of that war included the cost of diagnosing, treating and compensating disabled veterans, which by 2010 was higher than they had expected. And that was the least of it:

“Two years on, it has become clear to us that our estimate did not capture what may have been the conflict’s most sobering expenses: those in the category of ‘might have beens,’ or what economists call opportunity costs. For instance, many have wondered aloud whether, absent the Iraq invasion, we would still be stuck in Afghanistan. And this is not the only ‘what if’ worth contemplating. We might also ask: If not for the war in Iraq, would oil prices have risen so rapidly? Would the federal debt be so high? Would the economic crisis have been so severe?

“The answer to all four of these questions is probably no. The central lesson of economics is that resources — including both money and attention — are scarce.”

That lesson has not penetrated Capitol Hill, where Congress repeatedly chooses to fund wars while pretending it has no choice.

On June 22nd House Majority Leader Steny Hoyer spoke in a large private room at Union Station in Washington, D.C. and took questions. He had no answers for the questions I put to him.

Hoyer’s topic was fiscal responsibility, and he said that his proposals — which were all pure vagueness — would be appropriate to enact “as soon as the economy is fully recovered.” I’m not sure when that was expected.

Hoyer, as is the custom, bragged about cutting and trying to cut particular weapons systems. So I asked him how he could have neglected to mention two closely related points. First, he and his colleagues had been increasing the overall military budget each year. Second, he was working to fund the escalation of the war in Afghanistan with a “supplemental” bill that kept the expenses off the books, outside the budget.

Hoyer replied that all such issues should be “on the table.” But he did not explain his failure to put them there or suggest how he would act on them. None of the assembled Washington press corpse (sic) followed up.

Two other people asked good questions about why in the world Hoyer would want to go after Social Security or Medicare. One guy asked why we couldn’t go after Wall Street instead. Hoyer mumbled about passing regulatory reform, and blamed Bush.

Hoyer repeatedly deferred to President Obama. In fact, he said that if the president’s commission on the deficit (a commission apparently designed to propose cuts to Social Security, a commission commonly referred to as the “catfood commission” for what it may

reduce our senior citizens to consuming for dinner) produced any recommendations, and if the Senate passed them, then he and House Speaker Nancy Pelosi would put them on the floor for a vote — no matter what they might be.

In fact, shortly after this event, the House passed a rule putting in place the requirement that it vote on any catfood commission measures passed by the Senate.

Later Hoyer informed us that only a president can stop spending. I spoke up and asked him "If you don't pass it, how does the President sign it?" The Majority Leader stared back at me like a deer in the headlights. He said nothing.

There are [115 incumbents](#) and [99 challengers](#) who will stop funding wars, and many more who will not. But how many Washington DC-area liberals will ever stop funding David Broder?

David Swanson is author of the forthcoming book "War Is A Lie," <http://warisalie.org> and author of "Daybreak: Undoing the Imperial Presidency and Forming a More Perfect Union"

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<http://warisacrime.org>

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