

National Security Goals, the Federal Budget, and the National Debt

human capital **debt** safety net reform **trade-off**
deficit GDP **priorities** spending Medicare
 mandatory **budget** **Social Security** revenue **health care**
 governance **discretionary** baby boomers **economic growth**
 infrastructure

ESSENTIAL DILEMMA

Can the United States make a decision to reduce or modify spending on defense without jeopardizing the country's security goals?

INTRODUCTION

I think that our rising debt level . . . poses a national security threat, and it poses a national security threat in two ways. It undermines our capacity to act in our own interest, and it does constrain us where constraint may be undesirable. And it also sends a message of weakness internationally.

—Former Secretary of State Hillary Clinton (Council on Foreign Relations, 2010)

How safe is the United States? Since September 11, 2001, the perceived threat of terrorism has loomed large in Americans' minds; however, what Americans worry about the most fluctuates with world events and the state of the economy: in a December 2015 poll by Gallup, many Americans identified terrorism as the top issue facing the United States (Riffkin, 2015). Nonetheless, as recently as 2014, 59% of Americans reported being worried about the economy "a great deal," and 58% worried a great deal about federal spending and the budget deficit, whereas only 39% worried a great deal about the possibility of future terrorist attacks in the United States (Riffkin, 2014). As of August 2014, 43% of Americans felt the United States did not spend enough on national security, significantly up from previous years (Rasmussen Reports, 2014). These rapidly changing perceptions highlight the importance of both economic and security issues and the challenging trade-offs that must be made between them.

A significant portion of the federal budget is allocated to spending on defense (16% of the 2015 budget, or \$602 billion, according to the Center on Budget and Policy Priorities [2016]). As the economy continues to struggle and political leaders from both parties agree that the debt and deficit present, at the very least, a long-term threat to economic growth and national security, defense is being added to the list of programs with budgets facing scrutiny. In this lesson, students will consider the counterintuitive possibility that too much spending on defense could endanger national safety. They will examine the effect federal spending on national defense has on the economy as a whole.

KEY TERMS

The following terms and concepts are used in this lesson and appear in the online glossary:

Deterrent, Discretionary spending, Expenditures, Gross state product (GSP), Poverty rate

STUDENTS WILL UNDERSTAND

- A wide range of positions exist in the debate about federal defense spending and its effect on the economy.
- Solutions to the problem of the deficit and national debt involve trade-offs and may affect groups differently.

STUDENTS WILL BE ABLE TO

- Examine economic data and assess the costs and benefits of certain economic decisions according to various perspectives.

RELATED CURRICULUM STANDARDS

Common Core State Standards (CCSS) Initiative¹

CCSS.ELA-Literacy.RI.9-10.8. Delineate and evaluate the argument and specific claims in a text, assessing whether the reasoning is valid and the evidence is relevant and sufficient; identify false statements and fallacious reasoning.

CCSS.ELA-Literacy.RH.9-10.6. Compare the point of view of two or more authors for how they treat the same or similar topics, including which details they include and emphasize in their respective accounts.

CCSS.ELA-Literacy.RH.11-12.7. Integrate and evaluate multiple sources of information presented in diverse formats and media (e.g., visually, quantitatively, as well as in words) in order to address a question or solve a problem.

1. National Governors Association Center for Best Practices, Council of Chief State School Officers. *Common Core State Standards*. Washington, DC. Copyright 2010.

The College, Career, and Civic Life (C3) Framework for Social Studies State Standards²

D2.Civ.6.9-12. Critique relationships among governments, civil societies, and economic markets.

D2.Civ.13.9-12. Evaluate public policies in terms of intended and unintended outcomes, and related consequences.

NCSS's National Curriculum Standards for Social Studies³

6. Power, Authority, and Governance. Social studies programs should include experiences that provide for the study of how people create, interact with, and change structures of power, authority, and governance.

Council for Economic Education's Voluntary National Content Standards in Economics⁴

Content Standard 20: Fiscal and Monetary Policy. Federal government budgetary policy and the Federal Reserve System's monetary policy influence the overall levels of employment, output, and prices.

Center for Civic Education's National Standards for Civics and Government⁵

I.A. What Are Civic Life, Politics, and Government? Why are government and politics necessary? What purposes should government serve?

II.D. What Are the Foundations of the American Political System? What values and principles are basic to American constitutional democracy?

III.B. How Does the Government Established by the Constitution Embody the Purposes, Values, and Principles of American Democracy? How is the national government organized and what does it do?

LIST OF LESSON RESOURCES

The following resources are used in this lesson and can be downloaded online:

1. Cartoon: "Pentagon Cuts"
2. "National Debt Poses Security Threat, Mullen Says"
3. Group Activity: Four Excerpted Articles

2. National Council for the Social Studies (NCSS). *The College, Career, and Civic Life (C3) Framework for Social Studies State Standards: Guidance for Enhancing the Rigor of K-12 Civics, Economics, Geography, and History*. Silver Spring, MD. Copyright 2013.

3. National Council for the Social Studies (NCSS). *National Curriculum Standards for Social Studies: A Framework for Teaching, Learning, and Assessment*. Silver Spring, MD. Copyright 2010.

4. Council for Economic Education. *Voluntary National Content Standards in Economics*. New York, NY. Copyright 2010.

5. Directed by the Center for Civic Education. *National Standards for Civics and Government*. Copyright 1994, Center for Civic Education.

DAY 1 of 2

ENTRY

Present students with the cartoon “Pentagon Cuts” (**Resource 1**) and ask them to consider its meaning. After students have studied the cartoon for several minutes, ask students what they notice, drawing them out on the detail of what they see. If students jump to an interpretation of the cartoon, ask them for the basis of the interpretation and ask other students if they agree or disagree.

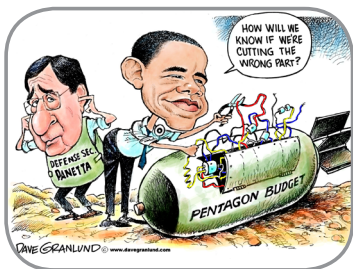
If students are having difficulty getting into the cartoon, ask them more directed questions, such as:

- ▶ Who are the individuals in the cartoon?

[Former U.S. Secretary of Defense Leon Panetta and U.S. President Barack Obama. Teachers may need to explain to students that the Secretary of Defense is appointed by the President and oversees all branches of the armed forces. Leon Panetta served as Secretary of Defense during President Obama’s administration from 2011 to 2013.]

- ▶ What is Barack Obama doing in the cartoon?

[President Obama is defusing a bomb labeled “Pentagon Budget.” Teachers may need to explain to students that the Pentagon is the headquarters of the Department of Defense and that the phrase “the Pentagon” often refers to the Defense Department.]



See Resource 1 online

- ▶ What point is this artist making about cuts to the defense budget?

[The artist is pointing out that it is difficult to know what to cut from the defense budget. If we cut the wrong thing, it could have disastrous effects for our national security. Hence, the metaphor of defusing a bomb—if the President cuts the wrong wire, the bomb could explode.]

Ask students whether they believe the public would generally agree or disagree with the artist’s opinion, and support the range of points of view students express. Consider introducing findings from the Gallup and Rasmussen surveys referenced in the introduction to this lesson.

LESSON STRATEGIES AND ACTIVITIES

Identifying Threats to National Security

Explain to students that national security is generally defined as the effort to protect the survival of a country as an independent nation-state with sovereignty over its own affairs. Divide the students into small groups and ask each group to identify which of the following issues they would judge to be the biggest threat to our national security: foreign terrorism, domestic terrorism, nuclear war, conventional

war, unemployment, national debt, climate change, environmental disasters, or illegal immigration. Ask students within each group to try to reach a consensus about which one presents the greatest challenge to the country's national security and explain why that issue is the most pressing. When each group has reached an agreement, lead the class in a discussion exploring the choices made by each group and the reasons behind those choices.

Inform students that on August 26, 2010, then-Chairman of the Joint Chiefs of Staff, Navy Admiral Mike Mullen, identified the national debt as the single biggest threat to national security. Based on their discussions, ask students to speculate about Mullen's reasoning behind this statement and why he believes the debt threatens our sovereignty.

National Debt as a Threat to National Security

Provide students with a copy of the article "National Debt Poses Security Threat, Mullen Says" (**Resource 2**), and ask them to read the article individually or as a class. Depending on students' reading level, consider defining specialized terms such as *procurement*, *leverage*, and *fiscal*. When the students have finished reading the article, instruct them to work with a partner to answer the questions that follow the article. As students work, walk from pair to pair, answering questions and ensuring student comprehension.

- ▶ How does the amount of interest taxpayers will owe on the national debt relate to the amount of money budgeted to national defense?

[The interest owed is equal to the total defense budget. From the article: "American taxpayers are going to pay an estimated \$600 billion in interest on the national debt in 2012. . . . 'That's one year's worth of defense budget,' he noted. . . ." Note to students that in light of the recovering economy and reduced government spending in the sequester,⁶ net interest (interest paid on the debt excluding the portion the government pays to itself, because much of the debt is money the federal government owes to other government funds) was \$223 billion in 2015, according to the Fix the Debt Coalition (n.d.).

- ▶ According to Mullen, spending within the defense budget has not been prioritized as well as it should have been, and leaders have not had to make tough decisions about which programs and procurements are a priority and which are not. Why was this the case in the past? What has changed to force this prioritization and these tough decisions?

[Students' answers will vary, but may include: 1) In the past, the economy was strong and the defense budget was not limited; as the economy entered into a recession, cuts were required across all areas including defense. 2) Conservative administrations were more likely to cut social services to preserve defense spending whereas liberal administrations were more likely to take the opposite approach. 3) The threat of the Soviet Union required massive amounts of spending on nuclear technology and missile defense; modern threats to the United States cannot be addressed with the same military hardware. 4) In the aftermath of 9/11, national security was a top priority.]

6. The sequester consists of automatic, across-the-board budget cuts that began in 2013 due to the failure of Congress and the White House to reach an agreement on deficit reduction.

- ▶ What actions did the Defense Department consider to protect itself from future budget cuts?

[Former Defense Secretary Robert Gates sought to find \$100 billion in savings in overhead by closing bases and other facilities and by reducing funding for contractors to ensure that the defense budget would grow no more than 2–3% each year. From the article: “For industry and adequate defense funding to survive [Chairman Mullen] said, the two must work together. Otherwise, he added, ‘this wave of debt’ will carry over from year to year, and eventually, the defense budget will be cut just to facilitate the debt.”]

- ▶ How might Mullen’s positions of Navy Admiral and Chairman of the Joint Chiefs of Staff at the time the article was written have influenced his opinion about the national debt? Why might he have been concerned about employment opportunities for returning veterans?

[Students’ answers will vary, but may include: Mullen’s primary concern is national defense. He may ignore (intentionally or unintentionally) problems elsewhere in the economy to address military needs and defense spending. Although it is not spelled out in this article, Mullen’s concern about jobs for veterans might have to do with maintaining the appeal of an all-volunteer army.]

- ▶ What additional information would you need to determine whether you agree with Mullen’s argument?

[Students’ answers will vary, but may include: additional information about the United States’ defense priorities, the amount of money that is spent in specific areas (troop deployment, research and development, etc.), the estimated long-term costs of our current military engagements, and alternate ways of meeting the same objectives at a lower cost.]

DAY 2 of 2

Review of Previous Day’s Activity

Explain to students that today’s lesson will build upon what they learned yesterday about the defense budget and its relationship to the federal budget deficit and national debt. Open class with a group discussion guided by the following questions:

- ▶ The issues raised in yesterday’s discussion about potential cuts to the United States’ defense budget are often considered “off-limits” by politicians. Why are some politicians reluctant to discuss cuts to defense spending?

[Students’ answers will vary, but may include: Many people are employed by the military and in civilian positions that support the military. Cutting spending could cause these people to lose their jobs. Additionally, politicians are hesitant to appear weak on national defense, because it opens them up for criticism from their political opponents.]

- ▶ Sixteen percent of the 2015 federal budget, or \$602 billion, was spent on defense (Center on Budget and Policy Priorities, 2016). What are some arguments for and against allocating that much of the budget to defense?

[Students' answers will vary, but may include: The high level of defense spending has helped the United States to become the world's military superpower. Because of our military might, we are in a position to protect our allies and ourselves. However, money spent on the military is money that is not spent on education, poverty, and social programs. Military spending (in addition to other government spending) has also led to budget deficits and added to the national debt.]

Inform students that they will read articles that discuss the level of government spending on national defense. Explain that each article represents a different point of view on the issue and that it is important that they understand these perspectives. The arguments they take from these articles will be used to inform their fiscal policy recommendations.

Students will participate in what is sometimes called a “jigsaw” (<http://www.jigsaw.org>) to become familiar with the information in each article.

Group Activity

Students will begin work in groups of four students each. Distribute one of the four articles from **Resource 3** to each group. More than one group may be assigned the same article. Following each article are several questions for the students to answer as a group. Tell them to read and discuss their article carefully and be ready to explain its point of view to students in other groups. When the students fully understand the article and have answered the questions, shuffle the groups so that each new group has an “explainer” (an expert) for each of the other articles. Ask the explainers to teach their article to others in the group. As the students discuss these articles, walk from group to group, answering questions and ensuring student comprehension.

See the Teacher’s Guide in Resource 3 for terms that may be unfamiliar to students. These words may need to be defined before distributing the articles. Additionally, key points have been identified for each article to help students understand the concepts presented.

Class Discussion

After the groups are familiar with all four articles, lead a class discussion guided by the following questions to further assess students’ understanding. Encourage students to cite evidence from the readings to support their views about each question.

- ▶ Are increases in the level of defense spending sustainable over the long term?

[Students' answers will vary, but may include the following: Increased defense spending will require increases in taxes, reductions in spending in other areas, or increases in the national debt.]

CIVICS/GOVERNMENT | Lesson 2.3

- ▶ Are increases in defense spending good or bad for the U.S. economy?

[Students' answers will vary, but may include the following: Money used for defense could be better spent in other areas to help the economy; or military spending, like all spending, helps the economy.]

- ▶ What else do you need to know to answer these questions with more authority?

[Students' answers will vary, but may include the following: Data showing the relationship between defense spending and the health of the economy overall.]

CLOSURE

To conclude this activity, instruct students to write a brief essay based on the following situation:

Imagine you are a member of the President's economic advisory committee. The economy is just emerging from a recession, and many are concerned that the recovery will falter and slip back into decline. The President has asked you for an opinion about military spending. Will you recommend that military spending be increased or decreased? The President expects you to take the arguments on both sides of the issue into consideration when you present your own point of view. The committee has research assistants that you are expected to use. What else would you want to know before making your recommendation?

[Though their answers will vary, students should identify the points of view in the lesson they find most persuasive and be realistic about what more they would need to know in order to speak with authority.]

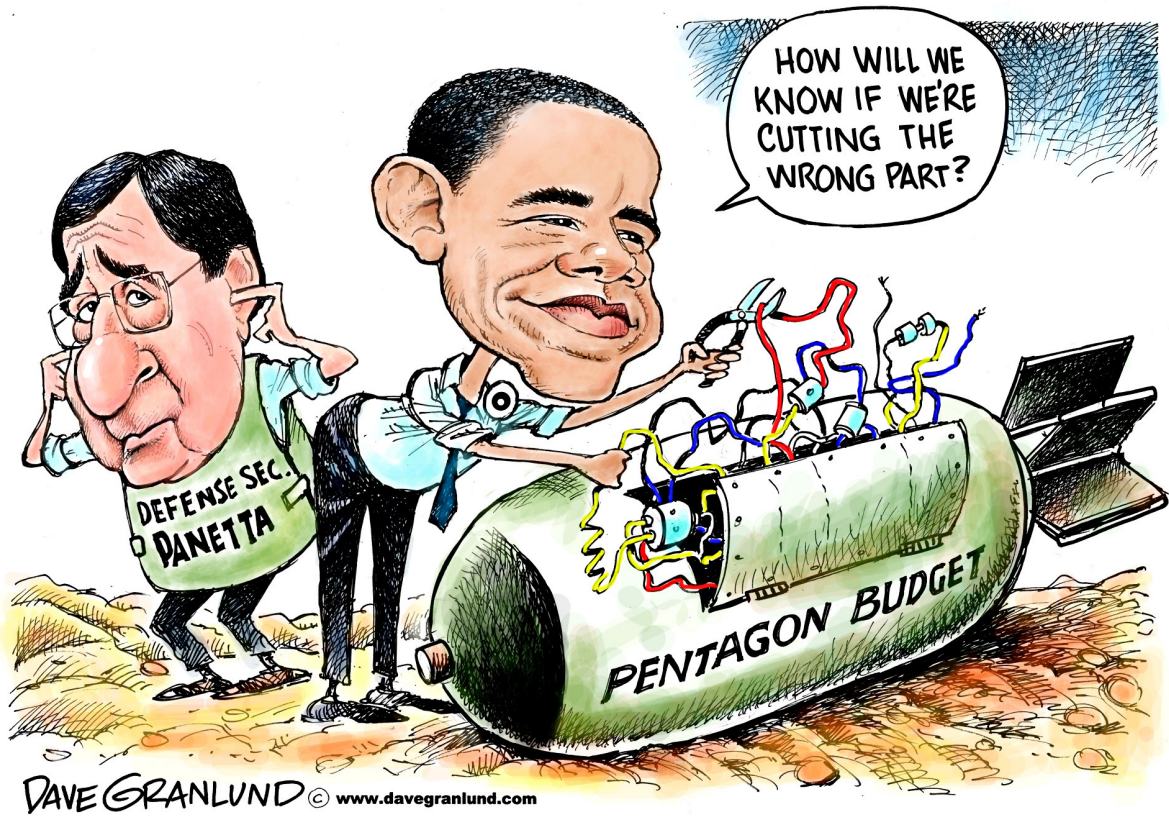
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Resource 1

Cartoon: "Pentagon Cuts"



by Dave Granlund, politicalcartoons.com

Resource 2 (1 of 2)**“National Debt Poses Security Threat, Mullen Says”**

By Army Sgt. 1st Class Michael J. Carden
American Forces Press Service

DETROIT, Aug. 27, 2010—The single biggest threat to national security is the national debt, the chairman of the Joint Chiefs of Staff said yesterday, underscoring the importance of good fiscal stewardship and a need to stimulate economic growth.

American taxpayers are going to pay an estimated \$600 billion in interest on the national debt in 2012, Navy Adm. Mike Mullen told local leaders and university students here.

“That’s one year’s worth of defense budget,” he noted, adding that the Pentagon is going to have to work to “cut the fat” from its overhead spending.

“We’re going to have to do that if it’s going to survive at all,” he said, “and do it in a way that is predictable.” The Defense Department must be more fiscally responsible to prevent future appropriation cuts, the admiral explained.

Mullen addressed several venues here yesterday, including Detroit’s Economy Club, Detroit’s Regional Chamber and Wayne State University students. He noted that Detroit is one of the hardest-hit cities as the nation struggles to overcome a faltering economy.

The chairman called for a strong defense industry that seeks veterans for employment. A more fiscally responsible Pentagon, coupled with a growing veteran work force in the defense industry, could create jobs and prevent wasteful spending, he said.

“I need the defense industry, in particular, to be robust,” he said. “My procurement budget is over \$100 billion, [and] I need to be able to leverage that as much as possible with those [companies] who reach out [to veterans].”

Mullen asked industry leaders to help in this endeavor. Industry leaders need to be more vocal and offer meaningful ideas to streamline their efforts, he said. Also, business leaders, the federal government and local communities need to determine better ways to integrate veterans into society and into their local work force.

Ultimately, industry, community and military leaders share the same goals, he said.

“I have found that universally, [industry workers] care every bit as much about our country, are every bit as patriotic and wanting to make a difference . . . as those who wear the uniform and are in harm’s way,” he said.

Defense Secretary Robert M. Gates earlier this month called for reform in the way the Pentagon does business by working to eliminate duplicative, unnecessary overhead costs. Since 2000, the defense budget has doubled. The fiscal 2010 budget is \$664 billion, compared to roughly \$300 billion before the wars in Iraq and Afghanistan.

Earlier this year, Gates tasked the services to find \$100 billion in overhead savings over the next five years. He also authorized the services to consider consolidation or closure of excess bases and other facilities.

Another immediate step Gates announced is the reduction in funding for support contractor personnel by 10 percent a year for the next three years. Gates is looking for ways to ensure the defense budget grows 2 to 3 percent each year.

Resource 2 (2 of 2)**“National Debt Poses Security Threat, Mullen Says”**

That’s what is needed for the Defense Department to sustain itself, Gates said Aug. 9, but President Barack Obama can ensure only 1 to 2 percent growth of future budgets.

The Defense Department is determined to save money, Gates said, but it will be a challenge.

Mullen agreed.

“We’re not a business,” he said. “Part of us does this really well. Parts of us have never had to, plus our budget has doubled over the last 10 years.” Defense spending has not been prioritized as well as it should have, he explained, and leaders have not had to make tough decisions about programs and procurements. The Pentagon must return to more responsible fiscal practices, he added.

“A lot of those skills have to be sharpened,” Mullen acknowledged.

For industry and adequate defense funding to survive, the chairman said, the two must work together. Otherwise, he added, “this wave of debt” will carry over from year to year, and eventually, the defense budget will be cut just to facilitate the debt.

“It’s the responsibility of both sides,” Mullen said. “We have to gird ourselves for some pretty significant challenges, given the national security challenges that we have as well as the responsibility to steward every dollar that we have.”

Mullen was in Detroit as part of a three-day “Conversation with the Country” tour across the Midwest. The trip is geared toward urging community and business leaders and the academic community to step up in honing veterans’ skills and life experience. He met with business and community leaders in Chicago Aug. 25 and will be in Cleveland today.

Source: Carden, M. J. (2010, August 27). National debt poses security threat, Mullen says. American Forces Press Service. Retrieved from <http://www.defense.gov/news/newsarticle.aspx?id=60621>

Questions:

- ▶ How does the amount of interest taxpayers will owe on the national debt relate to the amount of money budgeted to national defense?
- ▶ According to Mullen, spending within the defense budget has not been prioritized as well as it should have been, and leaders have not had to make tough decisions about which programs and procurements are a priority and which are not. Why was this the case in the past? What has changed to force this prioritization and these tough decisions?
- ▶ How was the Defense Department seeking to protect itself from future budget cuts?
- ▶ How might Mullen’s positions of Navy Admiral and Chairman of the Joint Chiefs of Staff at the time this article was written influence his opinion about the national debt? Why might he have been concerned about employment opportunities for returning veterans?
- ▶ What additional information would you need to determine whether you agree with Mullen’s argument?

Resource 3 (1 of 6)**Group Activity: Four Excerpted Articles**

Excerpt 1: From “Strong and Sustainable: How to Reduce Military Spending While Keeping Our Nation Safe,” Introduction and Summary

By Lawrence J. Korb and Laura Conley
Center for American Progress, September 2010

Unlike most other federal agencies, the base or the regular defense budget is projected to grow by about 5 percent in real terms over that period [2011–2015]. . . .*

The defense budget can and should be substantially reduced without harming national security for three reasons:

First, we can afford to make cuts. . . .

. . . the portion of the world’s military expenditures the United States consumes compared to our potential adversaries has grown from 60 percent to 250 percent. This means that even if the United States were to cut its spending in half it would still be spending more than its current and potential adversaries. . . .

Second, the global security environment has changed, which allows us to change our spending priorities. The need for permanently deployed U.S. forces in Europe to act as a direct deterrent has steadily declined in the two decades since the end of the Cold War. . . .

And third, significant technological advances make our fighting forces far more efficient than even in the near past. The extension of precision-guided munitions and the introduction of night-fighting and all-weather capabilities to the entire air combat force have resulted in a more flexible, effective force. . . .

Source: Korb, L. J., & Conley, L. (2010). Strong and sustainable: How to reduce military spending while keeping our nation safe. Center for American Progress. Retrieved from https://cdn.americanprogress.org/wp-content/uploads/issues/2010/09/pdf/defensecuts_execsumm.pdf

* *Note:* Although these projections were accurate at the time this article was written, the defense budget actually declined approximately 15% between 2011 and 2015. This is due to the withdrawal of troops from Iraq and Afghanistan and the budget sequestration of 2011, according to PolitiFact (Jacobson & Sherman, 2015).

Questions:

- ▶ What changes have occurred concerning global security that will allow the United States to reduce its military spending while remaining secure?
- ▶ Which of the reasons for reducing the national defense budget is the strongest? Why?

Resource 3 (2 of 6)**Group Activity: Four Excerpted Articles**

Excerpt 2: From “Why We Must Reduce Military Spending”

By Rep. Barney Frank (D-Mass.) and Rep. Ron Paul (R-Tex.)
The Huffington Post, July 6, 2010

. . . For decades, the subject of military expenditures has been glaringly absent from public debate. Yet the Pentagon budget for 2010 is \$693 billion -- more than all other discretionary spending programs combined. Even subtracting the cost of the wars in Iraq and Afghanistan, military spending still amounts to over 42% of total spending.*

It is irrefutably clear to us that if we do not make substantial cuts in the projected levels of Pentagon spending, we will do substantial damage to our economy and dramatically reduce our quality of life. . . .

Immediately after World War II, with much of the world devastated and the Soviet Union becoming increasingly aggressive, America took on the responsibility of protecting virtually every country that asked for it. Sixty-five years later, we continue to play that role long after there is any justification for it and currently American military spending makes up approximately 42% of all such expenditures worldwide. The nations of Western Europe now collectively have greater resources at their command than we do, yet they continue to depend overwhelmingly on American taxpayers to provide for their defense. . . .

Source: Frank, B., & Paul, R. (2010, July 6). Why we must reduce military spending. Huffington Post. Retrieved from http://www.huffingtonpost.com/rep-barney-frank/why-we-must-reduce-milita_b_636051.html

* *Note:* As of 2015, this figure had declined to 38% of world spending according to the International Institute for Strategic Studies World Military Balance.

Questions:

- ▶ Measured as a percentage of military spending worldwide, how big was the U.S. military budget in 2010, and how big was it in 2015?
- ▶ What is notable about the authors' relationship, and what does that imply about this issue? What more might you want to know about the authors to understand their point of view?
- ▶ Why might we “do substantial damage to our economy” if we do not reduce the projected levels of Pentagon spending?

Resource 3 (3 of 6)**Group Activity: Four Excerpted Articles**

Excerpt 3: From “Defense Spending Would Be Great Stimulus”

By Martin Feldstein

Wall Street Journal, December 24, 2008

. . . A 10% increase in defense outlays for procurement and for research would contribute about \$20 billion a year to the overall stimulus budget. A 5% rise in spending on operations and maintenance would add an additional \$10 billion. That spending could create about 300,000 additional jobs. And raising the military’s annual recruitment goal by 15% would provide jobs for an additional 30,000 young men and women in the first year.

. . . A substantial short-term rise in spending on defense and intelligence would both stimulate our economy and strengthen our nation’s security.

[Martin] Feldstein, chairman of the Council of Economic Advisers under President Reagan, is a professor at Harvard and a member of The Wall Street Journal’s board of contributors.

Source: Feldstein, M. (2008, December 24). Defense spending would be great stimulus. *Wall Street Journal*. Retrieved from <http://online.wsj.com/article/SB123008280526532053.html>

Questions:

- ▶ How much money does Feldstein project it would cost to create 300,000 additional jobs?
- ▶ What would be the benefit of increasing the military’s annual recruitment goal by 15%?
- ▶ What might the downside be to increasing military spending?

Resource 3 (4 of 6)**Group Activity: Four Excerpted Articles**

Excerpt 4: From “UAB Study Confirms Military Spending Helps States Survive Poor Economy”

University of Alabama at Birmingham, June 17, 2010

The researchers found, for example, that an increase in a state’s dependence on military spending, from 5 to 10 percent of its total GSP, increased employment about 1 percent—despite nationwide declines in manufacturing—and a \$14,000 per household increase in median family income. . . . Poverty rates fell about 2 percent.

Source: University of Alabama-Birmingham. (2010, June 17). UAB study confirms military spending helps states survive poor economy. Retrieved from <https://www.uab.edu/newsarchive/78097-uab-study-confirms-military-spending-helps-states-survive-poor-economy>

Questions:

- ▶ How do increases in military spending related to gross state product (GSP) affect a state’s employment rate?
- ▶ Why might military spending be related to employment, median family income, and poverty rates?

Resource 3 (5 of 6)**Group Activity: Four Excerpted Articles**

TEACHER'S GUIDE**Excerpt 1: From “Strong and Sustainable: How to Reduce Military Spending While Keeping Our Nation Safe,” Introduction and Summary**

Define: expenditures, deterrent

Key Points:

- We spend significantly more on defense than our adversaries do.
- The end of the Cold War and improvements in military technology have created a new security environment that requires different attitudes about spending.

Questions and Answers (including evidence from the article):

- ▶ What changes have occurred concerning global security that will allow the United States to reduce its military spending while remaining secure?

[We spend much more on defense than do our potential enemies, the Cold War has ended, and improvements in technology have reduced the need for combat troops.]

- ▶ Which of the reasons for reducing the national defense budget is the strongest? Why?

[Student answers will vary. Students should be encouraged to justify their answers with logical arguments.]

Excerpt 2: From “Why We Must Reduce Military Spending”

Define: discretionary spending

Key Points:

- American military spending represented 42% of worldwide military spending as of 2010, although that figure had declined to 38% by 2015.
- Representatives from both the Democratic and Republican parties are concerned about military spending.

Questions and Answers (including evidence from the article):

- ▶ Measured as a percentage of military spending worldwide, how big was the U.S. military budget in 2010, and how big was it in 2015?

[“Currently (as of 2010) American military spending makes up approximately 42% of all such expenditures worldwide.” By 2015, that figure had declined to 38%.]

- ▶ What is notable about the authors’ relationship, and what does that imply about this issue? What more might you want to know about the authors to understand their point of view?

[Rep. Barney Frank is a Democrat and Rep. Ron Paul is a Republican; the two have very different political ideologies. This issue is important to both parties.]

Resource 3 (6 of 6)**Group Activity: Four Excerpted Articles**

- ▶ Why might we “do substantial damage to our economy” if we do not reduce the projected levels of Pentagon spending?

[Student answers will vary, and may mention increases in taxes or debt to pay for the spending.]

Excerpt 3: From “Defense Spending Would Be Great Stimulus”

Define: procurement, stimulus

Key Points:

- Increasing spending on the military could create over 300,000 new jobs.
- Increasing the military’s annual recruitment goal could create 30,000 additional jobs.

Questions and Answers (including evidence from the article):

- ▶ How much money does Feldstein project it would cost to create 300,000 additional jobs?

[It would cost \$20 billion for procurement and research plus \$10 billion for operations and maintenance for a total of \$30 billion for 300,000 jobs.]

- ▶ What would be the benefit of increasing the military’s annual recruitment goal by 15%?

[Creating 30,000 jobs]

- ▶ What might the downside be to increasing military spending?

[Student answers will vary. We could look hostile to other nations and we would have to continue this spending indefinitely or else we would lose the jobs we created.]

Excerpt 4: From “UAB Study Confirms Military Spending Helps States Survive Poor Economy”

Define: GSP (gross state product), poverty rate

Key Point:

- As a state’s dependence on military spending increases, employment rises, family income rises, and poverty rates fall.

Questions and Answers (including evidence from the article):

- ▶ How do increases in military spending related to gross state product (GSP) affect a state’s employment rate?

[A 5–10% increase in a state’s dependence on military spending increases employment by about 1%.]

- ▶ Why might military spending be related to employment, median family income, and poverty rates?

[As spending increases, more jobs are needed to meet the demand. As more individuals are hired, family income increases and poverty rates fall.]