

Resource 4 (1 of 2)**Proposals for Altering National Security Spending**

1. Reduce defense spending by a predetermined percentage each year, until defense spending as a percentage of GDP matches the global average. Groups should decide what else the money should be spent on (including cutting taxes and/or reducing the deficit and paying down the debt) and what specific areas of the defense budget should be cut.
2. Keep the defense budget the same, allocated in the same way.
3. Change the priorities of the defense budget from preparing for armed conflict and deterrence to displays of strength toward building peace. This could mean moving money from weapons systems to poverty alleviation, nation-building (this entails providing support for weak emerging governments and civil institutions in the developing world, such as the operation in Afghanistan), additional funding for international organizations to support international education, tolerance-building, conflict mediation, or some other proposal. Keep in mind, however, that peace investments will not necessarily be cheaper than investments in weapons.
4. Increase defense spending. Students choosing this proposal should describe which specific areas should be increased, the reasons why, and where the money should come from (what other programs should be cut, which taxes should be increased, or how to obtain money through increased borrowing).
5. Keep defense spending at current levels for now, but implement reforms to create incentives to spend it more efficiently, possibly saving money in the future. Reforms proposed by the Congressional Task Force on defense spending include: eliminating “cost-plus” contracts, which guarantee profits to contractors and transfer risks to the government; requiring more competition for funding among the different branches of the Armed Services to reward and encourage efficiency; and creating an independent commission to evaluate weapons systems and find ways to move money from priorities of the past to potential needs of the future.
6. Find a way to address the international “free rider” problem, in which countries around the world benefit greatly from U.S. spending on defense. This could include increased investment in international organizations, or it could mean the opposite—cutting strategic alliances such as NATO that commit U.S. defense resources overseas.

Source: Adapted from Sustainable Defense Task Force. (2010). Debt, deficits, & defense: A way forward. Retrieved from <http://www.comw.org/pda/fulltext/1006SDTFreport.pdf>

Resource 4 (2 of 2)

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Criteria, Questions, and Evidence

- ▶ Thinking about the economic concepts of benefits, costs, and efficiency, what are the criteria by which you would evaluate a proposal to reform national security policy in the United States?
- ▶ Rank the criteria you listed in order of importance. How much weight would you give each one? Why?
- ▶ For each criterion, what questions would you ask and what evidence would you seek to determine whether the reform meets the criteria?

Criteria	Questions	Evidence