

What does development cost?



Photo: IRIN



International Peace Bureau
December 2010

“Nothing is more useless in developing a nation’s economy than a gun, and nothing blocks the road to social development than the financial burden of war”

King Hussein of Jordan



**An IPB publication in support of the
Global Day of Action on Military
Spending**

International Peace Bureau
41 rue de Zürich
1201 Geneva
Switzerland
www.ipb.org
mailbox@ipb.org

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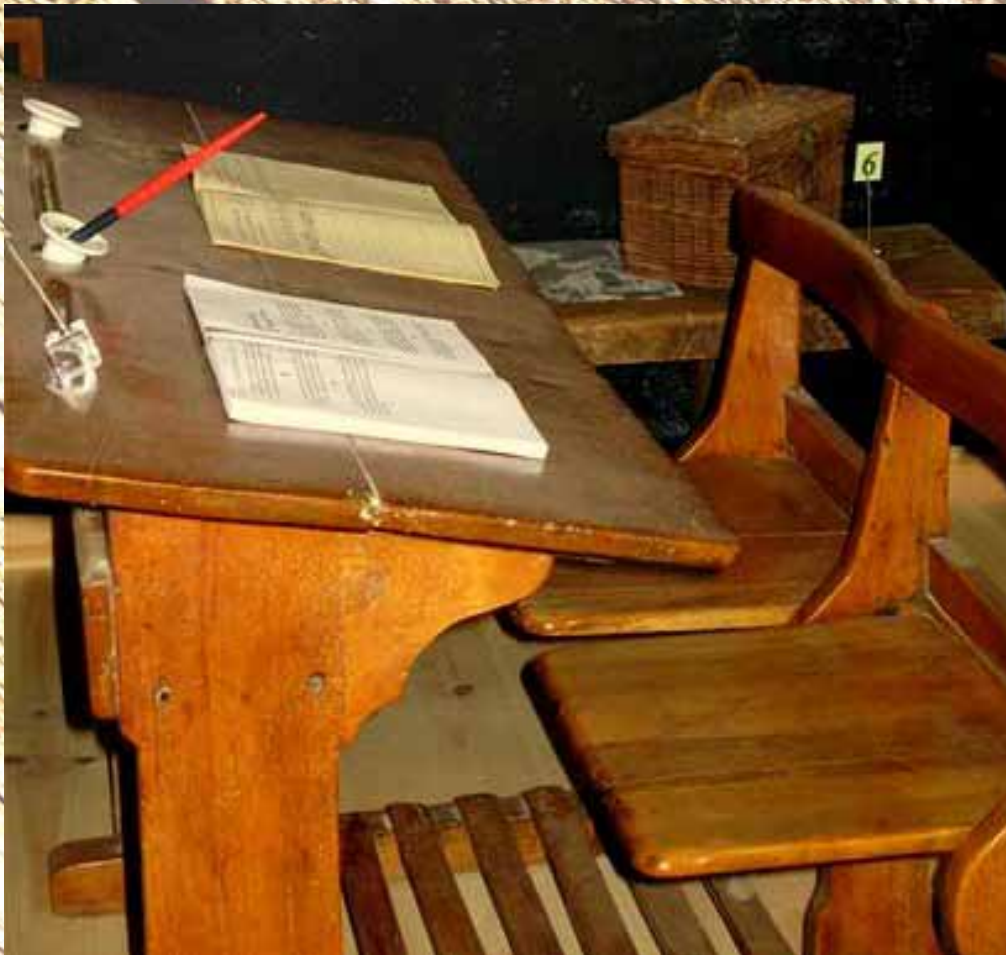
More than ever, large numbers of people are concerned about how to support sustainable development efforts. The media tell us that we live in a world where 1.4 billion people live on less than \$1.25 a day, 8 million children worldwide died before their 5th birthday in 2009 and 4 million newborn children worldwide are dying in the first month of life and so on.

Thousands of projects and organizations have been set up to change the situation. To provide a framework for this, the Millennium Development Goals have been agreed. The MDGs are the objectives (targets) for the reduction of poverty that were agreed upon by the world's governments at the Millennium Assembly in 2000. But how to find money to finance these goals?

Donor states are helping to fund these costs through Official Development Assistance (ODA) –those financial flows to developing countries and multilateral institutions provided by official agencies. But, the global development ODA in 2009 reached 126 USD billion, far from the 0,7% target, the commitment of the rich countries to commit 0,7% of Gross National Income to ODA.

The persistent lack of adequate funds for development and the variability of ODA have driven states to think about other funding sources: innovative sources for financing development such as global environmental taxes, airline ticket tax, International Finance Facility, etc.

But, are these costs so high that new financial sources are needed? What level of costs are we talking of? Let's see some examples.



LEVEL ONE

A rural school in Nicaragua

Rural communities have recently settled in the Ríos de Bluefields area. The population density is less than 10 inhabitants per square kilometre, so it can be considered very low. The population is very poor. Nineteen communities in the town of Kukra have schools in bad conditions and in some cases don't even have schools. That's why some children have to walk long distances in order to attend school, or they don't attend at all.

To build a rural school of 65 m² made of wood and to pay all the material and teachers' salary for a year would cost

15,135.88 USD

LEVEL TWO

Annual education budget in Nicaragua

The Education Ministry in Nicaragua has six programmes which include preschool education, primary and secondary education, adult training, special education and teacher training; with more than 50,000 teachers in all.

The annual education budget in Nicaragua for 2009 was

243,054,652.18 USD

Source: 2009 Nicaraguan budget



Photo: IRIN

LEVEL THREE

Millennium Development Goals

In September 2010, in the UN Summit on Millennium Development Goals, the need to find more funds to achieve the MDGs by 2015 was stressed. The annual extra effort for meeting the Millennium Development Goals, for 2015, has been calculated at **\$329 billion** in 2009. This is the amount of extra money needed annually to reach the goals, in addition to existing government budgets.

The extra cost of each goal is:

Reduce child mortality and improve maternal health

USD 10 billion /year

Ensure environmental sustainability

USD 155.6 billion/year

Eradicate extreme poverty and hunger

USD 102 billion/year

Develop a global partnership for development

USD 40 billion/year

Combat HIV/AIDS, malaria and other diseases

USD 14.2 billion/year

Achieve universal primary education and promote gender equality and empower women

USD 7.2 billion/year

LEVEL FOUR

On the other hand, during the last year, the world spent

1,531 USD billion on the military

The comparison between military spending and development costs shows some shocking conclusions:

| Development opportunities | USD billion | Military spending | USD billion |
|--|-------------|---|-------------|
| Construction and annual budget for a rural school in Nicaragua | 0.000012 | 2 Cluster Bombs | 0.000017 |
| Annual education budget in Nicaragua | 0.243 | A C-17 Globemaster Transport | 0.232 |
| Ensure environmental sustainability ¹ | 155.60 | US military personnel in 2010 | 155.0 |
| Develop a global partnership for development ¹ | 40 | Saudi Arabia annual military spending (2009) | 41,27 |
| Eradicate extreme poverty and hunger ¹ | 102 | China annual military spending (2009) | 100.4 |
| Combat HIV/AIDS, malaria and other diseases ¹ | 14.2 | Israel annual military spending (2009) | 14.3 |
| Achieve universal primary education and promote gender equality and empower women ¹ | 7.2 | 6 Astute Class Submarines | 7.4 |
| Reduce child mortality and improve maternal health ¹ | 10 | 4 Aircraft Carriers | 11.28 |
| Extra money needed annually to reach all the Millennium Development Goals ¹ | 329 | Total military expenditure in Western and Central Europe in one year (2009) | 326 |

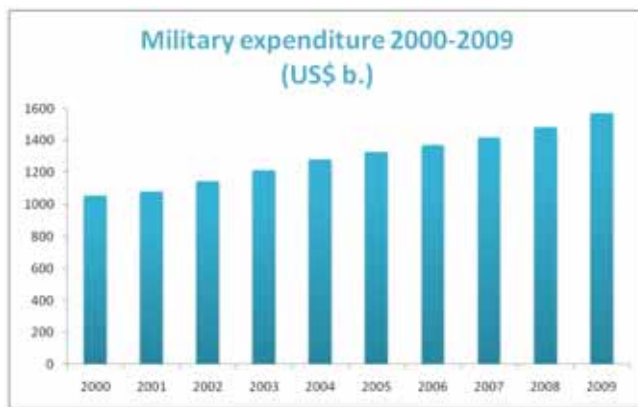
Sources: Share the World Resources, SIPRI and A. Dueck (IPB).

1. This is the amount of extra money needed annually to reach the goals, in addition to existing government budgets.

The amount of extra money required for achieving the MDGs is about 21% of world military spending in 2009.

What does the world spend on the military?

The greatest taboo in the development field is the silence regarding the costs of militarism. Global military spending levels – stimulated by the war on terrorism – have climbed back to the heights they reached during the Cold War. After dropping substantially during the early 1990s, now, some 20 years after the fall of the Berlin Wall, **the world's military bill in 2009 comes to \$1531 billion** (SIPRI, 2010). The current total military expenditure is a colossal sum of money; one that – if it could be re-allocated - would be sufficient to achieve the Millennium Development Goals five times over. Unfortunately, none of the UN reports on financing the MDGs has ever mentioned the words “military spending”.



Source: SIPRI Yearbook 2010

The world's military spending in 2009

- Exceeds the Cold War peak of 1987-88
- Accounts for 2.7% of global gross domestic product (GDP)
- As a global average corresponds to \$ 224 per capita
- Almost 50% higher than in 2000
- An increase of 5.9 % compared with 2008

IPB urges that renewed attention be urgently devoted to the challenge of ‘wrong priorities’. The “war on terror” has offered a whole new set of justifications for states to increase their arsenals, including weapons of mass destruction – just at the time when intense pressure is needed to persuade all states to accelerate progress towards the Millennium Development Goals.

IPB argues that the development community– government departments, agencies, NGOs, academics –need to recognise that excessive military budgets not only often render civilians less secure, they also offer an important set of resources that could – if political will can be found – be contributed to the anti-poverty work so desperately needed.



Although the United States of America is by far the highest military spender, the global increase is shared by almost all regions and subregions.

The top 5 military spenders accounted for 61,2% of global military expenditure.

This can be attributed mainly to the significant increase in military investments in the USA and in China.



Military spending in the light of the economic crisis

The economic crisis was first perceived in late 2007 and is still affecting countries all over the world. Most developed and some larger developing countries have boosted public spending to tackle the recession using large economic stimulus packages. However, the economic crisis had little effect on global military spending during 2009.

Even so, during 2010 various states announced cuts in their military budget. In states such as United States, Greece, Turkey, United Kingdom, Spain, France and Italy, military spending has had to take its share of the general public expenditure reductions.

But is difficult to know at what point these cuts are going to create a new trend in global military spending. For example, the relationship between China and United States is very important. The economic crisis could make it more difficult, for both sides, to continue an arms competition; but it also could become a source of increasing friction in Sino-American relations over the next several years (Friedberg, 2010).

What's important is that now a "window of opportunity" has opened to change the current trend in military spending. Military budget cuts could be defended as a way to overcome the crisis, investing this money in real human needs.

Driving forces that promote militarisation

There are many reasons why governments invest so heavily in the military. Much has to do with history, tradition, colonial heritage and the armed conflict (usually male) mindset. In addition we can identify specific factors such as:

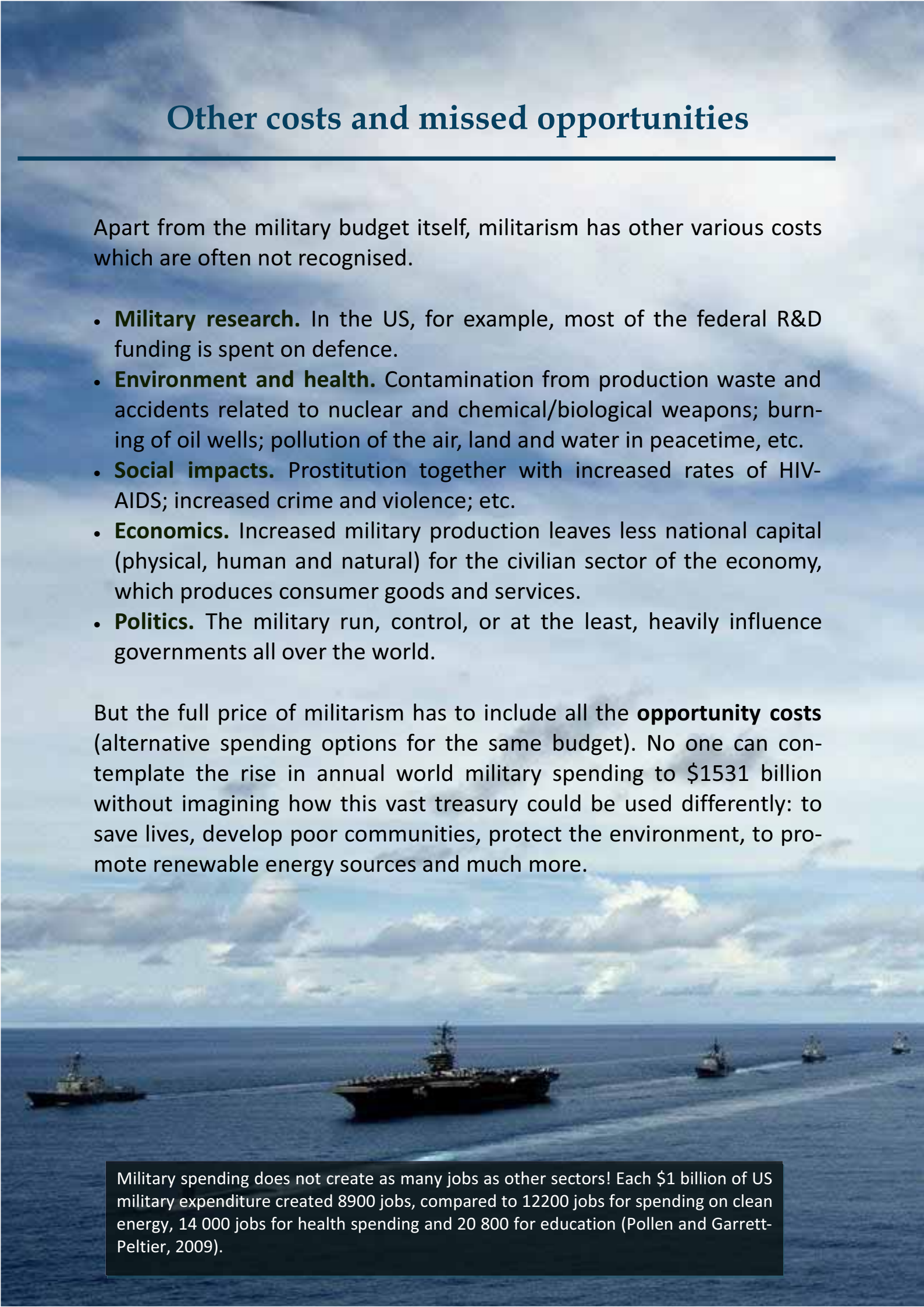
- The wars in Iraq and esp. Afghanistan/ the counter-terrorism argument. However despite billions of dollars spent, and the loss of hundreds of thousands of lives, little progress can be shown for the military means used.
- Increases in public spending (including the military sector) as part of stimulus packages. The jobs issue. In fact it seems the defence industry has benefited more than most from such packages. These kinds of measures are often called "Military Keynesianism" and were used to powerful effect to 'cure' the 1930s Depression.
- Influence of lobbyists and vested interests (esp. arms industry and military communities). Since governments are usually their prime customers, the health of the national defence budget is of great concern to them. In cases where national orders are dropping, the shortfall in income is frequently replaced by arms sales abroad, often fuelling conflict and supporting unsavoury regimes.
- National defence preparedness - the reasoning given by almost all countries. However wider geopolitical and strategic interests (power-projection) may also be key factors. This is linked to issues of competition for natural, esp. energy resources in an era of growing scarcity: a problem partially related to climate change. This is a crucial long term argument for military planners in all the major economies and in middle and small states too. The challenge is to find diplomatic ways of sharing resources without recourse to war.

Other costs and missed opportunities

Apart from the military budget itself, militarism has other various costs which are often not recognised.

- **Military research.** In the US, for example, most of the federal R&D funding is spent on defence.
- **Environment and health.** Contamination from production waste and accidents related to nuclear and chemical/biological weapons; burning of oil wells; pollution of the air, land and water in peacetime, etc.
- **Social impacts.** Prostitution together with increased rates of HIV-AIDS; increased crime and violence; etc.
- **Economics.** Increased military production leaves less national capital (physical, human and natural) for the civilian sector of the economy, which produces consumer goods and services.
- **Politics.** The military run, control, or at the least, heavily influence governments all over the world.

But the full price of militarism has to include all the **opportunity costs** (alternative spending options for the same budget). No one can contemplate the rise in annual world military spending to \$1531 billion without imagining how this vast treasury could be used differently: to save lives, develop poor communities, protect the environment, to promote renewable energy sources and much more.

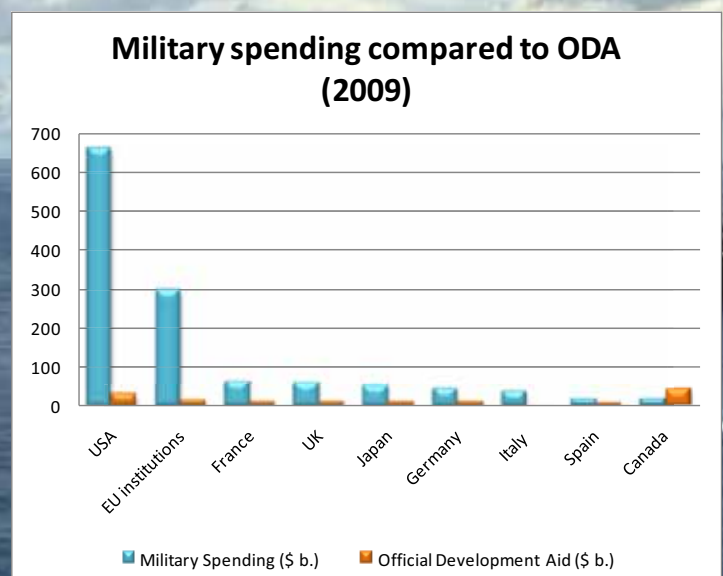
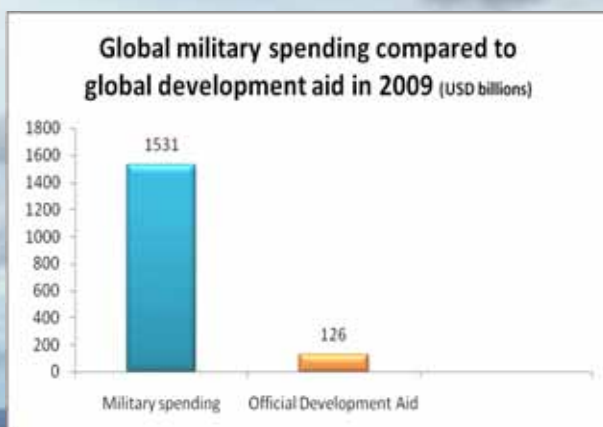


Military spending does not create as many jobs as other sectors! Each \$1 billion of US military expenditure created 8900 jobs, compared to 12200 jobs for spending on clean energy, 14 000 jobs for health spending and 20 800 for education (Pollen and Garrett-Peltier, 2009).

"Human security is a child who did not die, a disease that did not spread, a job that was not cut, an ethnic tension that did not explode in violence, a dissident who was not silenced. Human security is not a concern with weapons - it is a concern with human life and dignity" (Pax Christi International, 2009).

The world faces a wide range of serious crises and instabilities such as climate change, HIV-AIDS, weapons of mass destruction, mass poverty and famine, ethnic conflict, genocide, mass rape, etc. These deep-rooted and interlocking threats can scarcely be addressed at all with traditional notions of national security, which pay little attention to social and political conditions, and none to the protection of the environment. Many analysts have recognised that attention must therefore shift from the state to people (human security perspective). So, the budget priorities must be changed too.

Even a small share of the military expenditure of the rich would, if appropriately attributed, make a substantial difference to the struggle against poverty in the developing world.





MOBILIZATION
Against
WAR &
OCCUPATION

STOP
THE CANADIAN
WAR
DRIVE!

SELF-DETERMINATION
FOR
INDIGENOUS
NATIONS!

END THE
OCCUPATION
OF
AFGHANISTAN

WAR NO MO

Developing campaigns on spending priorities

What should be considered?

- **The importance of the national level.** The most accessible decisions take place at national level - and therefore most of the campaign work needs to be focussed there.
- **Pressure parliaments and parties.** The focus of lobbying efforts and pressure groups work is normally on parliamentarians and the political parties who set the agendas and approve policies.
- **The arms lobby.** The powerful defence lobbies' influence (the armed forces, their supporters and the arms companies) exercised behind closed doors must be exposed.
- **Focus on the military system as a whole.** Campaigners could be encouraged to focus not only on "easy targets", such as arms trade scandals; the whole military system should be help up to scrutiny.
- **The strategy.** To develop a successful campaign it is necessary to have:
 - A good communication (effective campaigns are usually better prosecuted by showing rather than arguing, by motivation rather than education, and by mobilisation rather than accumulation of knowledge);
 - Clear campaign planning (to define the objective and the obstacles, to understand social "weather conditions", identify campaign assets, to know what we want to communicate);
 - Good media coverage (also using new social networks).
- **Hidden spending.** Official figures given for military spending are not always reliable. In many cases military expenses are hidden within non-defence budgets or do not appear at all.

Suggestions for campaigners

Threat perceptions. It's a good idea if campaigners start contesting the assumed threat perceptions, and making the case for a human security budget – one where the government's resources are devoted to the people's needs - with the priority assigned to vulnerable and marginalized groups.

Making reductions. Campaigners could push to scale down military activities. One of the most important factors here is the question of what should be cut. As part of their initial demands, campaigners could prioritize unacceptable weapon systems: cluster bombs, landmines, nuclear weapons and reductions in military bases (in the US case¹).

Alternative expenditures. showing to politicians that our spending priorities have to change: from the military machine towards specific health, education, employment, transport, environment programmes.

1. The US National Commission on Fiscal Responsibility and Reform proposed to close a third of U.S. military bases overseas (November, 2010).

Global Day of Action on Military Spending

12th April 2011

In 2009, global military spending surged to an all-time high of US \$1.53 trillion. Given the numerous crises facing the planet -- economic, environmental, health, diplomatic -- it is imperative that we create a global movement to shift this money to human needs. Thousands of organizations and millions of individuals support this point of view. Because of the global economic crisis, governments are even beginning to cut military spending. But they won't sustain these cuts unless we pressure them to do so. We need to begin a serious mobilizing effort on a global scale to make visible our demands to feed people not the military-industrial complex.

Together with many partners, **International Peace Bureau** and **Institute for Policy Studies** are organizing a **Global Day of Action on Military Spending on 12th April 2011** to coincide with the release of the Stockholm International Peace Research Institute's annual figures on military expenditures. On this day, people all over the world will join together in joint actions to focus public, political, and media attention on the costs of military spending and the need for new priorities. Such events will help us to build the international network around this issue.



While each location will craft its own approach, we hope there will be a common focus on calling attention to the overall size of global military spending. This would need in most cases to be linked to a related national (or local) issue, such as the Afghanistan war, arms trade deals, work against small arms, resources for nonviolent conflict resolution, Article 9 campaign, military bases, etc. We very much hope that peace groups will use this as an opportunity to connect up with anti-poverty, environmental, pro-democracy organizations and others who share our perspective.

As for types of actions: a whole range is possible -- from street theatre/demonstrations and erecting banners to seminars, signature collection and much more. We plan to issue a Toolkit before long to assist organizers. We will compile an album of pictures from around the world and post them online to document the global movement and to use to accompany news stories about the SIPRI report and our own actions.

We hope you agree that this is an exciting and important project. Join us!

For more information: www.demilitarize.org and also on Facebook <http://www.facebook.com/group.php?gid=100733129991763>



International Peace Bureau



Institute for Policy Studies

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Stockholm International Peace Research Institute (SIPRI)
<http://www.sipri.org/>

Women's International League for Peace and Freedom
<http://www.wilpf.org/>



International Peace Bureau

The International Peace Bureau is dedicated to the vision of a World Without War. We are a Nobel Peace Laureate (1910); over the years, 13 of our officers have been recipients of the Nobel Peace Prize.

Our 320 member organisations in 70 countries, together with individual members, form a global network, bring together expertise and campaigning experience in a common cause. Our current main programme centres on **Sustainable Disarmament for Sustainable Development**. The main themes of the programme are 1) military and social spending; 2) the impact of weapons on development; and 3) militarism and the driving forces that maintain it.

IPB was born in 1891, even before the UN's predecessor, the League of Nations. As an organisation we have consistently argued that the international community needs a strong United Nations in order to tackle the many global problems facing it. At the same time we have been critical of the way in which both the League and the UN have been manipulated by big states and powerful interests.

IPB has had Consultative Status with the Economic and Social Council since 1977. We also have Associate Status with the Department of Public Information. We act as the Secretariat of the NGO Committee for Disarmament, Geneva.

IPB has a democratic structure, with an elected Board and Council. The IPB Assembly meets every 3 years.

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INTERNATIONAL PEACE BUREAU (IPB)

Headquarters: 41 rue de Zurich, CH-1201 Geneva

Tel: (022) 731 64 29 Fax: (022) 738 94 19

Email: mailbox@ipb.org Website: <http://www.ipb.org>