

# Military Spending and Homelessness

“The will of the people shall be the basis of the authority of government.”

*Universal Declaration of Human Rights, Article 21*

*Signed 10 December 1948*

“The American public as a whole takes a fairly coherent position. They favor redirecting a portion of defense spending to deficit reduction and social spending.”

*Stephen Kull, Director*

*Program on International Policy Attitudes*

“There is no way in which a country can satisfy the craving for absolute security, but it can bankrupt itself morally and economically in attempting to reach that illusory goal through arms alone.”

*President Dwight D. Eisenhower*

## **Summary of Recommendations:**

- **Invest 15% of current US military spending in affordable housing, comprehensive health care and other domestic priorities.**
- **Oppose the Administration’s proposed \$17.6 billion (4.4%) increase in military spending for FY 2006.**
- **Ensure ongoing review of the balance between military and domestic spending.**
- **Pursue peaceful solutions to conflicts in the Middle East and around the world.**

**Homelessness as we know it will end only when its root causes are attacked with the same vigor and financial investment with which we currently ensure our national defense.** Advocates for poor and homeless people recognize the connection between military spending increases and the prospects for social reinvestments in programs ensuring affordable housing, universal health care, and reduced income disparity between the very rich and the very poor. The Administration’s FY2006 budget proposes an allocation of \$453.5 billion for the national defense, a 4.8% increase from FY2005 and a 41% increase since 2001. Military spending would account for \$419.3 billion, and homeland security budget would be \$34.2 billion. Meanwhile the Administration calls for more than 150 reductions or terminations of non-defense discretionary programs, totaling approximately \$20 billion.<sup>1</sup> The Administration’s defense spending request, if approved by Congress, would consume 18% of the total Federal budget and 51% of all U.S. discretionary spending, i.e. that spending over which Congress has jurisdiction. This amount, not including an \$81.4 billion supplement for operations in Iraq and Afghanistan, exceeds total allocations to the following Federal agencies: the Departments of Veterans Affairs, Transportation, State, Labor, Justice, Interior, Housing and Urban Development (HUD), Health and Human Services (HHS), Energy, Education, Commerce, Agriculture, the Treasury, the Environmental Protection Agency (EPA), the National Aeronautics and Space Administration (NASA), and the Legislative and Judicial branches of the Federal government.<sup>2</sup>

**We oppose increases in the defense budget and advocate reductions in military spending.** Additional funding for the military results in fewer resources for all other discretionary programs, accounting for reductions or “flat funding” in most essential non-military categories. This diversion of resources undermines the Federal government’s ability to reduce the widening disparity between the very wealthy and the very poor, leaving our most vulnerable neighbors with few options other than shelters or the streets. Excessive military spending is not solely responsible for the growing number of homeless Americans, but it diverts resources necessary for the amelioration of homelessness. Widespread homelessness also results from the following Federal and State policy choices:

- Tax policies that redistribute wealth to benefit individuals with higher incomes at the expense of those with lower incomes;
- Reductions in affordable housing for low-income individuals and families;
- Market-based health insurance that rations health care according to financial capacity and excludes millions of Americans each year;
- A Federal “minimum wage” that lags far behind the cost of living.

<sup>1</sup> “Budget of the United States Government: Fiscal Year 2006.” *Office of Management and Budget (The White House)*. Feb 2005. <<http://www.whitehouse.gov/omb/budget/fy2006/budget.html>>

<sup>2</sup> “2006 Budget Proposal: Agency Breakdown.” *The Washington Post Company*. Feb 2005. <<http://www.washingtonpost.com/wp-srv/politics/interactives/budget06/budget06Agencies.html>>

The growing military budget coupled with a deficit of \$427 billion this year, precludes investment in these other pressing Federal priorities.

**As the Administration furthers its military agenda, military spending will only continue to increase beyond the president's requests, further compromising the economic security of millions of Americans.** This year, Congress will appropriate \$81.4 billion (in addition to the Pentagon's already massive budget) to fund the cost of operations in Iraq and Afghanistan. Such continuing expenditures for war aggravate a growing deficit and can only cause deeper cuts to social programs than those currently proposed. In addition, war disproportionately affects low-income Americans, like those seen by Health Care for the Homeless projects. Poor individuals voluntarily enlist in greater numbers in an effort to escape the circumstances of poverty – an “economic draft.” Military endeavors— such as those in Vietnam and the 1991 conflict in the Persian Gulf— leave many returning veterans on the streets, without a regular place to stay and without necessary medical, mental health, and addiction treatment services. As military conflict continues, we can expect to see many more cases of homelessness among service men and women who return home to lost jobs and a failing economy.

### Recommendations

- 1. Invest 15 percent of current US military spending in affordable housing, comprehensive health care for uninsured persons, and other domestic priorities.** According to the most recent data available on international military spending, the U.S. Defense Department's budget is five times that of Russia or China and is more than forty times the combined military expenditures of Cuba, North Korea and Iran. Many organizations and analysts, including Business Leaders for Sensible Priorities, recommend a conservative 15% reduction in military spending.<sup>3</sup> Fifteen percent of the current discretionary military budget is \$60.26 billion; for FY2006, it would amount to \$63 billion. Just a portion of these savings, applied over the next ten years, would adequately fund initiatives for health care, housing, and other programs to prevent and end homelessness. We urge Congress to divert this funding to domestic priorities, including increasing the stock of affordable housing and increasing access to comprehensive health care for uninsured persons.
- 2. Oppose the Administration's proposed \$17.6 Billion increase in Pentagon spending for FY2006, pending a thorough, independent review of Pentagon programs and spending.** There is little Congressional or public oversight related to military spending. Indeed, the Pentagon continues to resist an independent financial audit. Until the Pentagon complies with Federal law requiring a satisfactory financial audit and the public is assured that these dollars are spent effectively, no additional resources should be allocated to the Department of Defense. We urge Congress to initiate such an audit and redirect the appropriate dollars to domestic priorities.
- 3. Ensure ongoing review of the balance between military and domestic spending.** Given the large proportion of discretionary spending dedicated to the military, even small increases can shift billions of dollars from domestic priorities to military purposes. Through rigorous oversight and frequent evaluation, Congress should ensure ongoing review of the Department of Defense to maintain fiscally responsible operations and ongoing reductions in wasteful or unnecessary spending. The notion of security should receive an objective evaluation, defining the roles of the military and of social programs. We urge Congress to regularly and thoroughly evaluate the Defense Department's operational efficiency and its proclaimed need for increased military spending.
- 4. Pursue peaceful solutions to conflicts in the Middle East and around the world.** We urge Congress and the Administration to pursue peaceful resolutions to conflicts abroad and increased diplomatic efforts with members of the world community.

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<sup>3</sup> “The FY 2005 budget: Defense spending out of control.” *Business Leaders for Sensible Priorities*.  
<[http://www.sensiblepriorities.org/budget\\_analysis.htm](http://www.sensiblepriorities.org/budget_analysis.htm)>