Budget Violence

Ways to Challenge Institutionalized Violence Created by Our Spending Choices

Leslie Woods
Representative for Domestic Poverty and Environmental Issues
PC(USA) Office of Public Witness
President’s FY15 Discretionary Spending

President's Proposed Discretionary Spending (Fiscal Year 2015)

- Military: 55%
- Education: 6%
- Veterans' Benefits: 6%
- Government: 6%
- Housing & Community: 5%
- Medicare & Health: 5%
- Social Security, Unemployment & Labor: 5%
- Energy & Environment: 3%
- International Affairs: 3%
- Science: 3%
- Transportation: 2%
- Food & Agriculture: 1%

Source: OMB National Priorities Project
President’s FY15 Revenue

Projected Tax Revenue (Fiscal Year 2015)

- Individual Income Taxes: 46%
- Payroll Taxes: 32%
- Corporate Income Taxes: 13%
- Excise Taxes: 3%
- Customs Duties: 1%
- Misc.: 5%

Source: OMB National Priorities Project
Your 2013 Income Tax Dollar

Source: National Priorities Project
Can Corporations Afford to Pay More?

![Graph showing U.S. corporate profits vs. corporate taxes as a percentage of GDP from FY 1950 to 2012.](source: Bureau of Economic Analysis; Office of Management and Budget)
Investments in War

BUDGET VIOLENCE
Investments in War

• In 2012, the United States spent an estimated $682,000,000,000 on the military and related services.
  • More than any other nation in the world
  • Over 50% of discretionary budget
  • Roughly 40% of the world’s military spending
Top 5 World Military Spenders

- USA: $682,000,000,000
- China: $166,000,000,000
- Russia: $90,000,000,000
- UK: $60,000,000,000
- Japan: $59,000,000,000

Source: Stockholm International Peace Research Institute; graph: Planetizen
Global Military Spending - 2012

2012, $bn
(% change 2011-12, increase/decrease)

- United States 682.5 (-6.0)
- China* 166.1 (7.8)
- Russia* 90.7 (16.0)
- Britain 60.8 (-0.8)
- Japan 59.3 (-0.6)
- France 58.9 (-0.3)
- Saudi Arabia 56.7 (12.0)
- India 46.1 (-0.8)
- Germany* 45.8 (0.9)
- Italy* 34.0 (-5.2)
- Brazil 33.1 (-0.5)
- South Korea 31.7 (1.9)
- Australia 26.2 (-4.0)
- Canada 22.5 (-3.9)
- Turkey 18.2 (1.2)
- Rest of world 320.3

Total: $1.75trn (-0.5)

Source: Stockholm International Peace Research Institute
World's Top Military Spenders:
U.S. Spends More Than Next Top 14 Countries Combined

- U.S.: 45% ($728 bn)
- Next Top 14 Spenders: 40% ($646 bn)
- Rest of the World: 15% ($238 bn)

* Figures are from 2010 in U.S. 2010 constant dollars and exchange rates

Source: Stockholm International Peace Research institute
Produced by: Veronique de Rugy, Mercatus Center at George Mason University
Can the Pentagon Afford a Cut?

Did the Sequester Actually Reduce Defense Spending?
Pentagon Sequester Cuts in FY13

- Instead of cutting weapons systems already identified as unneeded, Pentagon chose to enact these cuts by cutting civilian workers’ pay
- Most defense contractors are reporting profits this year
- Sequester did cut Pentagon funds to prevent wars

<table>
<thead>
<tr>
<th>Adjustments to Defense Sequestration in FY2013</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sequestration according to Budget Control Act</td>
<td>$54.6 billion</td>
</tr>
<tr>
<td>Reduction in cuts through American Taxpayer Relief Act and other adjustments</td>
<td>$17.4 billion</td>
</tr>
<tr>
<td>Cuts applied to &quot;prior year unobligated balances&quot;</td>
<td>$6 billion</td>
</tr>
<tr>
<td>Actual cut to FY2013 budget</td>
<td>$31.2 billion</td>
</tr>
<tr>
<td>Actual cut as percent of pre-sequester Budget Control Act defense cap</td>
<td>5.7%</td>
</tr>
</tbody>
</table>

Source: Friends Committee on National Legislation
# Sequester Cuts War Prevention

<table>
<thead>
<tr>
<th>Program</th>
<th>Final Appropriated FY2012</th>
<th>% Sequestrable</th>
<th>What would be left?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complex Crises Fund (CCF)</td>
<td>$40,000,000</td>
<td>8.2</td>
<td>$36,720,000</td>
</tr>
<tr>
<td>Conflict Stabilization Operations (CSO)</td>
<td>$43,500,000</td>
<td>8.2*</td>
<td>$39,933,000*</td>
</tr>
<tr>
<td>Contributions to Int'l Peacekeeping Activities (CIPA)</td>
<td>$1,828,182,000</td>
<td>8.2</td>
<td>$1,678,271,076</td>
</tr>
<tr>
<td>Contributions to International Organizations (CIO)</td>
<td>$1,551,000,000</td>
<td>8.2</td>
<td>$1,423,818,000</td>
</tr>
<tr>
<td>Transition Initiatives (TI)</td>
<td>$56,895,000</td>
<td>8.2</td>
<td>$52,046,010</td>
</tr>
</tbody>
</table>

*Note: A significant portion of CSO’s budget is not directly appropriated, but instead comes as a transfer from a larger pool. The CSO budget could be cut at a much higher rate given post-sequester competition for those funds.

Source: Friends Committee on National Legislation
### Pentagon Sequester Cuts FY14

<table>
<thead>
<tr>
<th>Adjustment</th>
<th>Amount</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sequestration according to Budget Control Act</td>
<td>$54.6 billion</td>
<td>Governing Printing Office</td>
</tr>
<tr>
<td>Reduction in cuts through Bipartisan Budget Act</td>
<td>$20.382</td>
<td>House Budget Committee</td>
</tr>
<tr>
<td>Non-war funding in 2014 war budget proposal, estimate</td>
<td>$20 billion</td>
<td>Center for Strategic and Budgetary Assessments</td>
</tr>
<tr>
<td>Additional funds added by appropriators</td>
<td>$10.8 billion</td>
<td>Project on Government Oversight</td>
</tr>
<tr>
<td>Actual cut to FY2014 budget</td>
<td>$3.4 billion</td>
<td></td>
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<tr>
<td>Actual cut as percent of pre-sequester Budget Control Act defense cap</td>
<td>0.62%</td>
<td></td>
</tr>
</tbody>
</table>

*Source: Friends Committee on National Legislation*
Systemic Poverty and Disinvestment

BUDGET VIOLENCE
Spending Cuts Do Violence

• Obvious and immediate:
  – Cuts to programs that serve victims of domestic violence
  – Cuts to programs that train law enforcement, fire & rescue, etc.
  – Failure to renew UI
  – Cuts in mental health and other services
  – Systemic shifts to “cost-saving,” private, for-profit prisons

• Long-term and systemic:
  – Generational poverty
  – Failure to invest in education
  – Hunger in the wealthiest nation in the world
  – Lack of preventative care and poor health comes – people really die because of budget cuts
  – Attempts to shift programs like SNAP, Medicare, and Medicaid into block grants or private systems
Investments, on the other hand...

Source: The Nation, UMass Study by Robert Pollin and Heidi Garrett-Peltier
What We Need

• Reprioritize, so as to reduce, military spending
• Invest in long-term, systemic poverty reduction
• Ensure that future budget cuts hold harmless the programs that serve people in distress
• NEW revenue
Please contact me:
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