

Jobs, the Economy and Military Spending

Argument: Cutting the Pentagon will cost jobs.

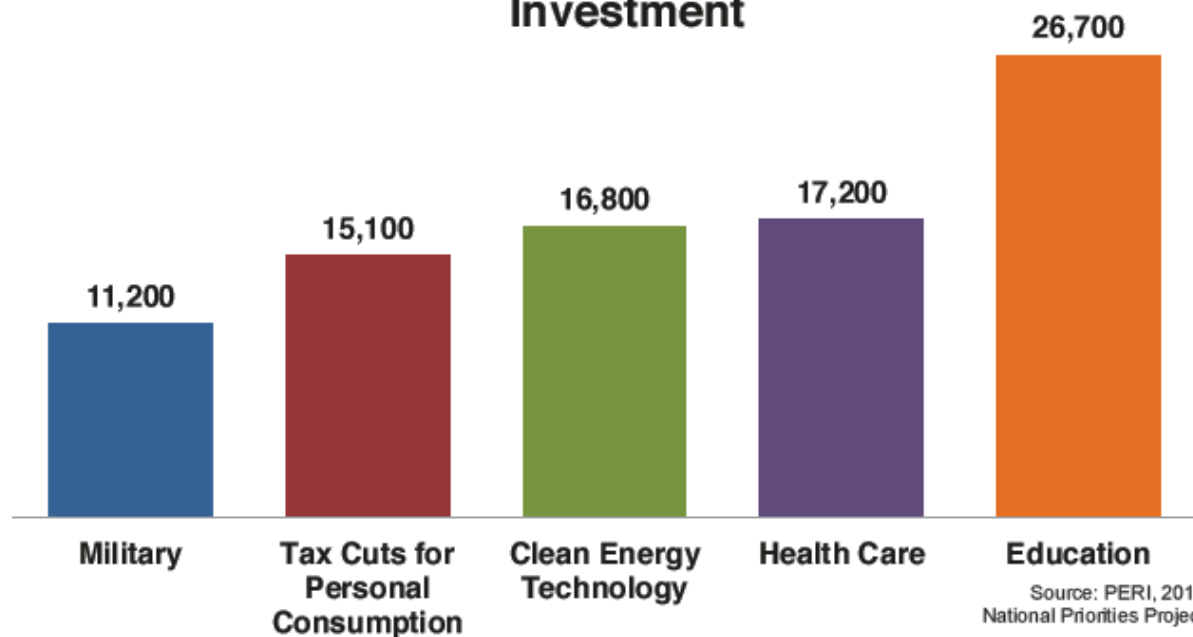
Fact #1: While true, this statement tells only part of the story. Virtually all federal investment creates jobs. Yet as a study by the Political Economy Research Institute (PERI) at the University of Massachusetts shows, when it comes to job creation, the military is a poor investment compared to other areas of the economy. As the chart below shows, every \$1 billion of federal investment in the military sector of the economy generates 11,200 jobs. Similar investments in other economic activities, however, generate even more jobs.

Quick Facts



- Federal investment in the military produces fewer jobs than equal investment in a range of domestic initiatives.
- Cuts in domestic programs eliminate more jobs than similar cuts to the military.

Jobs Created Per \$1 Billion in Federal Investment



[NOTE: Employment estimates include direct jobs (essentially contractors) indirect jobs, (their subcontractors) and induced jobs (those resulting from the economic activity stimulated in the community by direct and indirect employment)].