Reduction of Military Budgets

A military budget is the amount a state is willing to invest to either increase or maintain its armed forces.

Factors affecting military expenditure:

<table>
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<th>Economic strength</th>
<th>Countries maintaining large military budgets are considered to be great powers, such as China, United States and Russia. Military expenditure often covers intelligence, financing other government agencies, administrative costs and weapons procurement. Generally excluded are internal law enforcement systems and veteran care services.</th>
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<td>Willingness of the people and the government to fund military activity</td>
<td>Case study: The US spends roughly $660 billion dollars on military expenditure during the fiscal year, which is more than double of what Russia, China and Iran combined spends. Although cost controlling tools such as the 2011 Budget Control Act and budget sequestrations (a fiscal process to reduce spending and decrease deficits), the Pentagon's five year plan will still exceed the spending cap set, by about $164 billion by 2020. It is highly debated whether these defense investments are economically sustainable and whether they prevent the nation from funding beneficial public programs.</td>
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<td>Security threats</td>
<td>Countries need to strategically reassess the current world situation to ensure that military presence and intervention, especially abroad, is used only when necessary.</td>
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Consequences of the Issue

A large military expenditure means that less is available to invest in education, infrastructure and renewable energy, for example, which could create new employment opportunities to provide economic stimulus that is both short term and long term. For countries of greater military
power, the importance of military dominance is what leads to overspending and inefficiency as there is a lack of prioritization in goals. Although a reduction in expenditure must not cause detriment to national security, it must also be prevented from causing fiscal deficits.

Potential Solutions/Guiding Questions

1. Redirecting the current military personnel and resources available to address the new threats being faced instead of increasing expenditure.

2. Implementing legislative budgetary restraints (as well as other possible cost controlling reforms) with fiscal pressure in order to promote efficient management.

3. Agreeing to lowering caps not only on expenditure, but also on weapons procurement and personnel number.

4. Promoting transparency, which has already been done through the use of Standardized Instrument called the UN Report on Military Expenditures. Countries submit a report to show how much they have invested in their defense costs in that fiscal year.