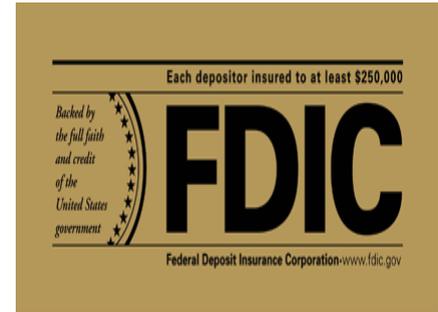


Move The Money

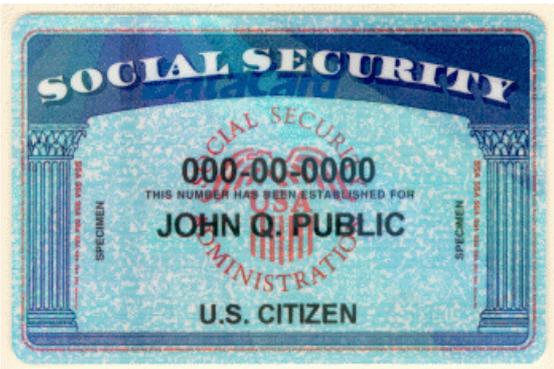
Pentagon Budget 101

Presented by Peace Action and National Priorities Project

The Role of the Federal Government



PUBLIC SAFETY



Money In, Money Out



*You, the
Taxpayer*

In your community...

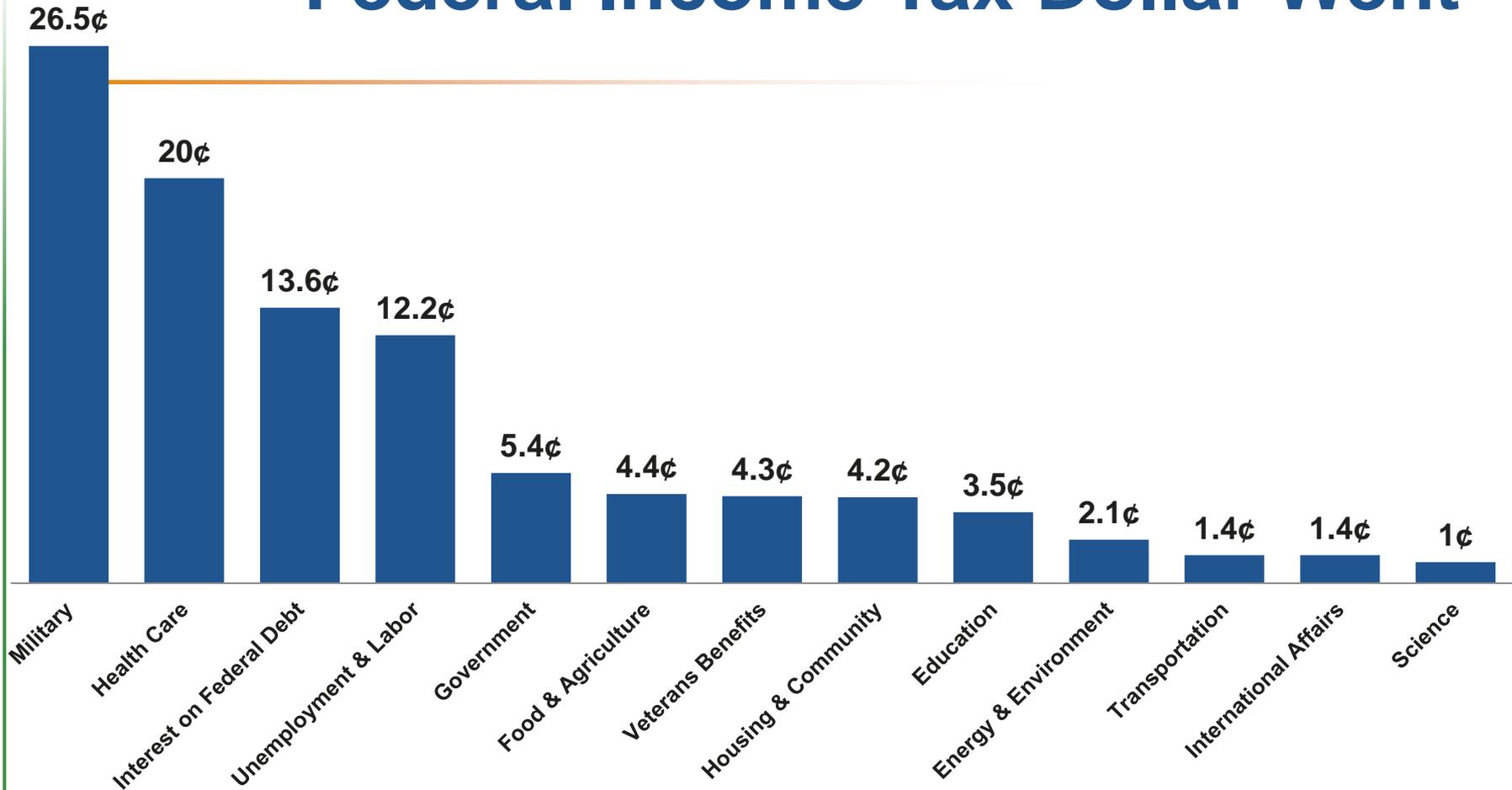
- Provide examples of federal programs that are making a difference in your community
- NPP can help! Check out our Federal Priorities Database



How Federal Funds Affect Local Communities

- ◆ Aid to states – A significant portion of each state’s budget comes directly from the federal government.
- ◆ Direct payments to individuals – Social Security, Medicare, Unemployment Compensation, SNAP (food stamps)
- ◆ Federal programs – Head Start, Section 8 Housing
- ◆ Business contracts – transportation infrastructure, defense programs

Where Your 2012 Federal Income Tax Dollar Went



The Budget Process

As It's Supposed to Go: Five Steps

1. Every February the president submits a budget request to Congress for the upcoming fiscal year



2. Congress carries out a series of evaluations to pass a *budget resolution*

February



Early Spring



The Budget Process: Five Steps

3. Congressional subcommittees “markup” appropriation bills



4. The House and Senate vote on appropriation bills and reconcile differences



5. The president signs the bills passed by Congress, and the budget is enacted

Late Spring



Early Fall



September 30th



Discretionary vs. Mandatory

FY2014 Total Budget Request – \$3.8 Trillion

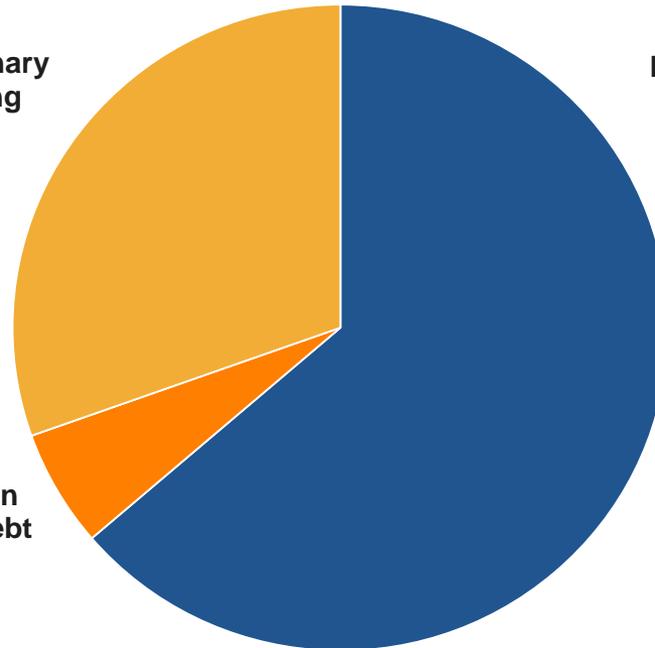
Discretionary Spending:

Energy,
Environment,
Science,
Military,
Education

Funding
determined on
an annual
basis

Discretionary
Spending
30%

Interest on
Federal Debt
6%



Mandatory
Spending
64%

Mandatory Spending:

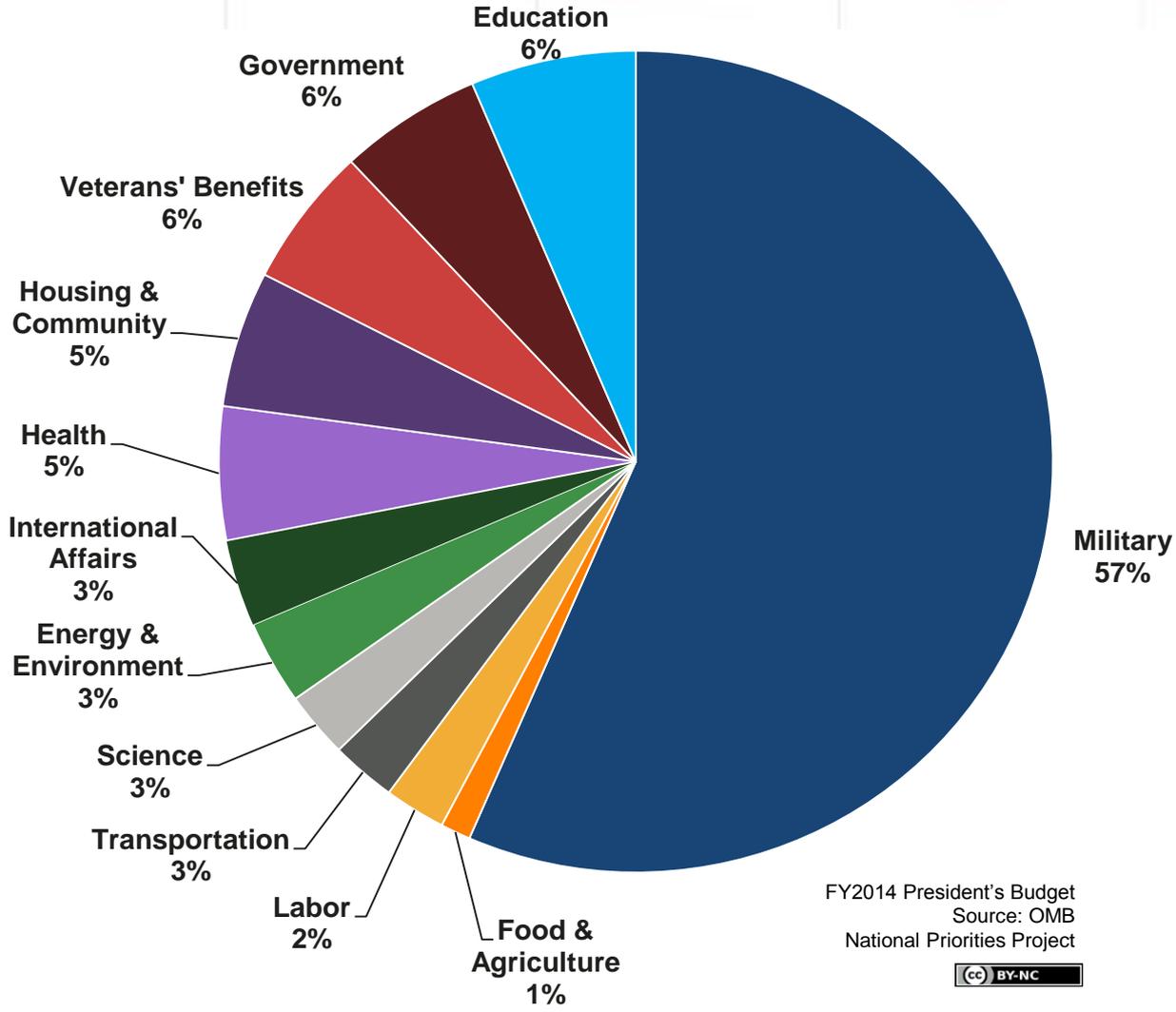
Social Security,
Medicaid,
Medicare,
Food Stamps,
CHIP

Funding is
need-based &
non-negotiable

Source: OMB
National Priorities Project



Why is the discretionary budget important to you?



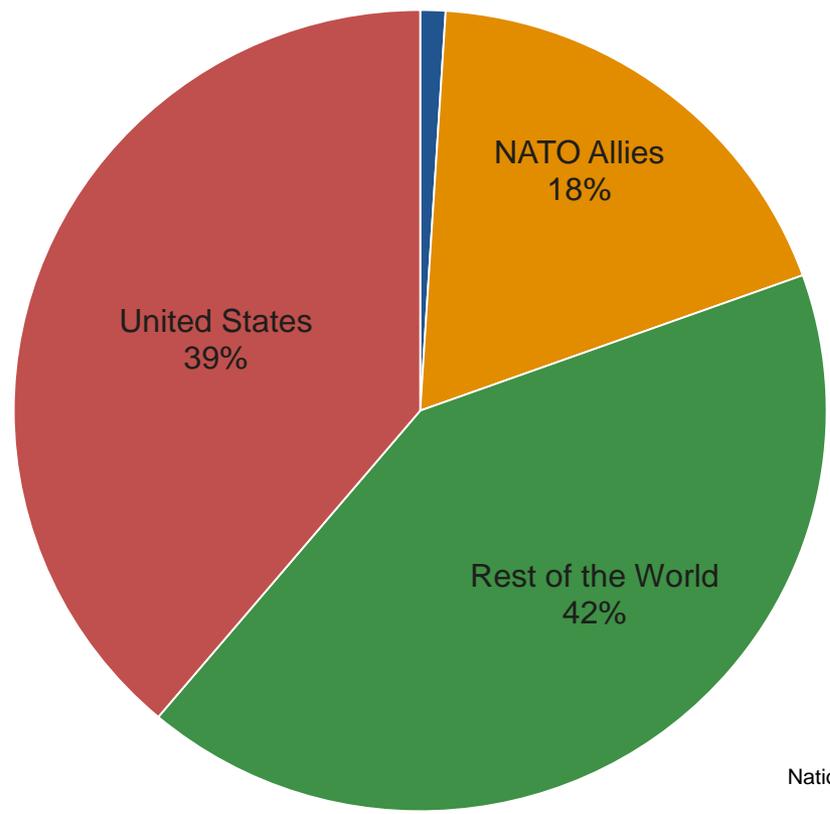
FY2014 President's Budget
Source: OMB
National Priorities Project



YOU can have an impact!

U.S. Military Spending v. the World, 2012

Cuba, Iran, N. Korea, Somalia, Sudan, Syria 1%



Source: SIPRI
National Priorities Project



How Much Security Spending Since 9/11? (9/11 - FY2013)

\$8,830,000,000,000,000
(inflation adjusted)

- ◆ Wars: \$1.44 trillion
- ◆ Pentagon: \$6.35 trillion
- ◆ Homeland Security: \$587 billion
- ◆ Nuclear Weapons: \$245 billion

Notes:

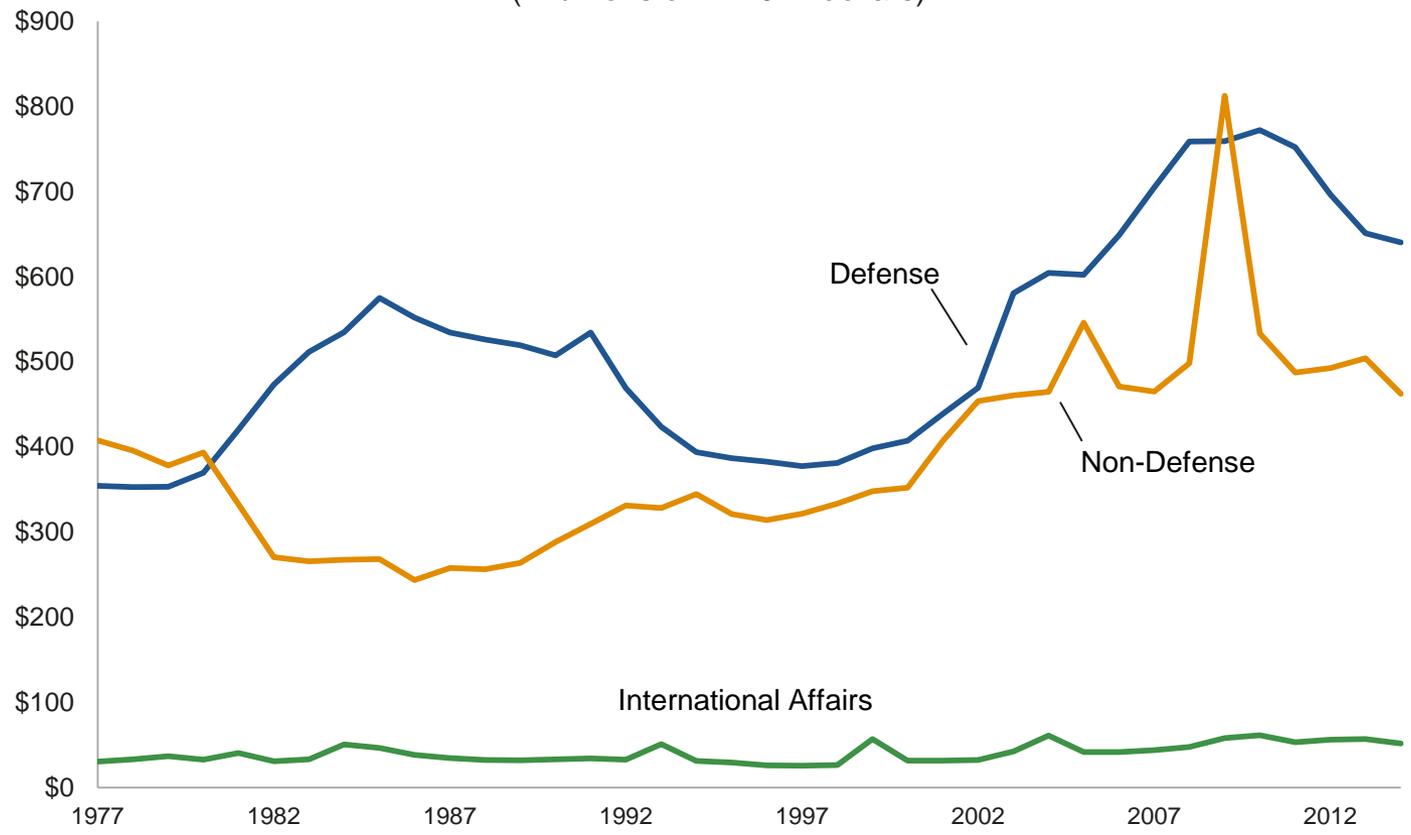
Overall total, Pentagon, Homeland Security, and Nuclear Weapons in constant 2014 dollars; war total (\$1.44 trillion) reported in nominal dollars to match Cost of War

Figures do not reflect sequestration in 2013

www.nationalpriorities.org

Discretionary Budget Crossroads

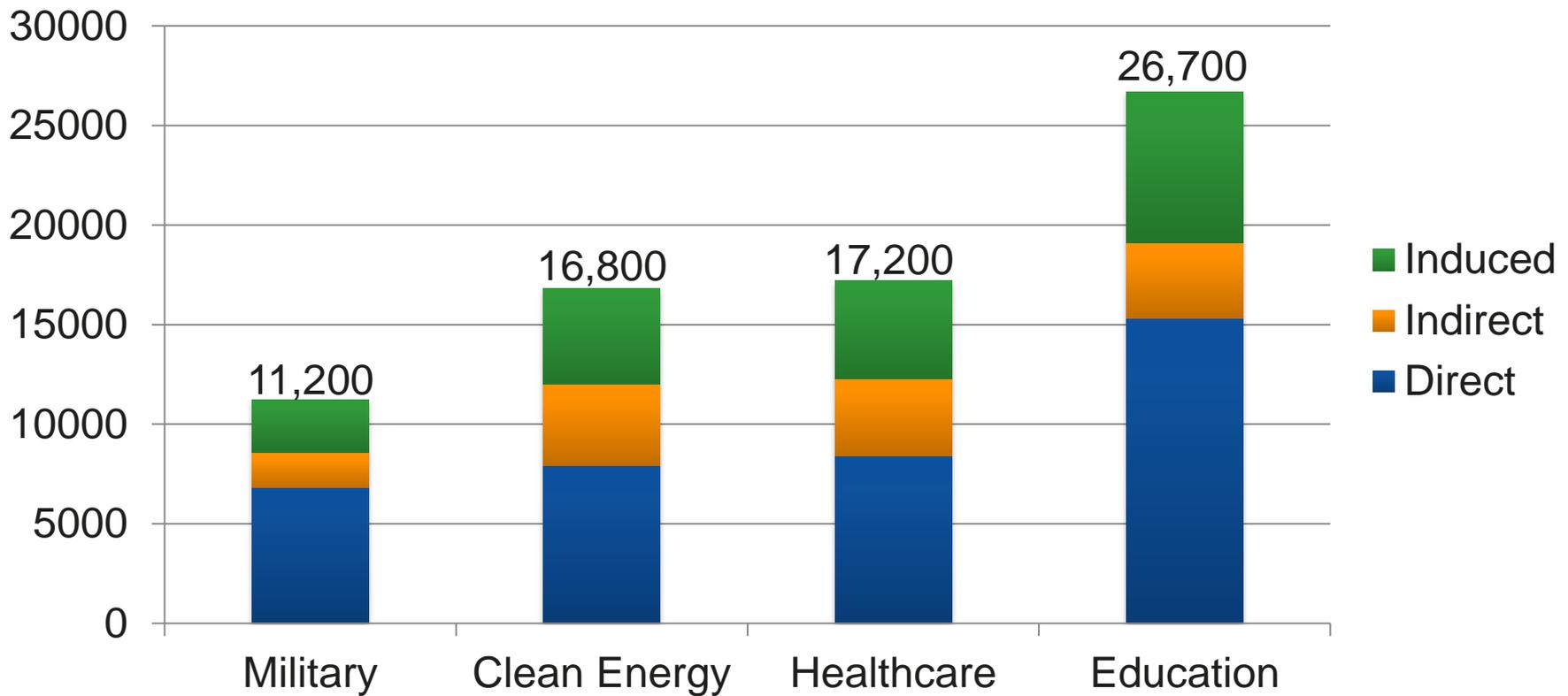
Discretionary Spending 1977-2014
(in billions of FY2014 dollars)



Source: Budget of the U.S. Government, Fiscal Year 2014, Historical Table 5.6
National Priorities Project

Impact: Employment

What does \$1 billion get us in terms of jobs?



Source: PERI 2011

Impact of Federal Spending on Communities of Color

Quick Facts...

- ◆ Cutting public sector jobs has greater impact on communities of color
- ◆ High unemployment in Black and Latino communities increase their dependence on social safety net programs

Wealth...

- ◆ Between 2005 and 2009, the median white household's wealth dropped by 16 percent (to \$113,149)
 - Median Black household wealth dropped 53 percent (to \$5,677)
 - Median Latino household wealth dropped 66 percent (to \$6,325)

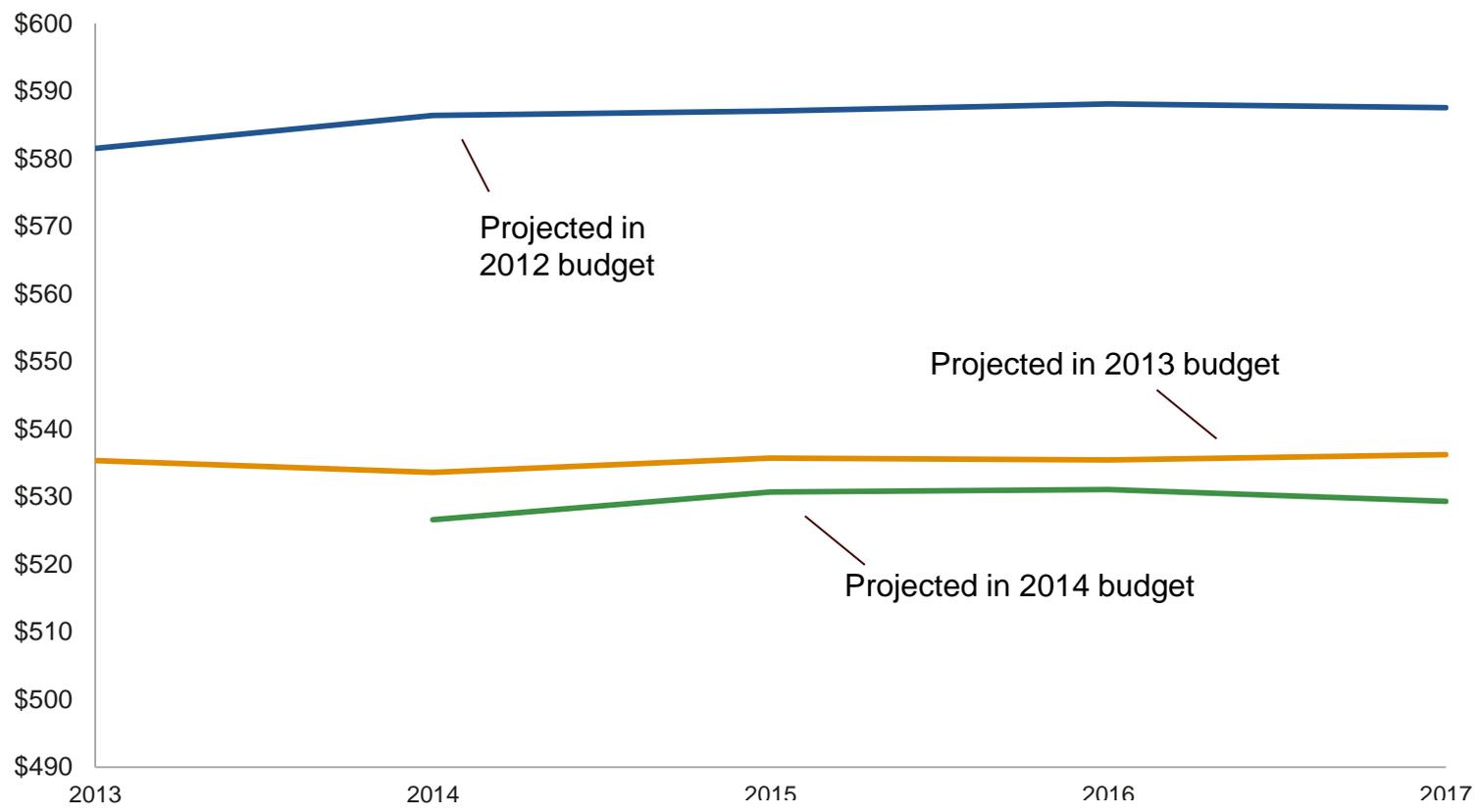
Impact of Federal Spending on Communities of Color

- ◆ **Unemployment** (July, 2012)
 - ◆ National Average – 8.3%
 - White – 7.4%
 - Black or African American – 14.1%
 - Women, 20 years and over – 11.5%

- ◆ **Poverty** (2010)
 - White – 12.5%
 - Black or African American – 27.1%
 - American Indian and Alaska – 28.4%
 - Hispanic or Latino (any race) – 24.8%

“Pentagon Spending is Being Cut”

Comparison of Pentagon Funding Projections
(in billions of FY2014 dollars)



Source: OMB
National Priorities Project



Impact on Security: Sensibly Saving \$1 trillion *for example*

- ◆ Reduce number of nuclear weapons **\$194 billion**
- ◆ Cancel Cold War and ill-performing weapons research, development and procurement **\$139 billion**
- ◆ Reduce active-duty troops in Europe & Asia & similar cuts in Air Force and Navy **\$394 billion**

How can NPP help you to become more engaged in the budget process?

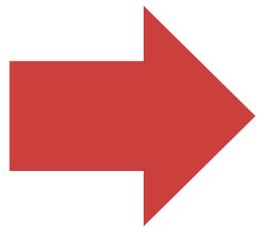
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Tools

Resources

Blogs

Social Media



Build a Better Budget, NPP database, tax chart

Federal Budget 101 in detail, more webinars

Blog updates on the federal budget and government programs



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