Politicians Beware: Defense Increases Could Carry an Unpleasant Kick

Government officials interested in winning public support by increasing defense expenditures may want to think twice.

At the very least, they should read Public Preferences and Decisions on Levels of Military Spending, written by ECAAR Australia Chairman David Throsby and economist Glen Withers.

In this study about public spending preferences, the two economists show why 420 or 70 percent of 600 survey participants from Sidney, Australia, believe defense spending in their country benefits them and their so-called community at large “little or not at all.” In addition, it shows that 50 percent of those surveyed said they preferred a reduction in defense spending, 34 percent said it should stay the same, and 17 percent indicated it should increase.

The study, which included a comprehensive, across-the-board survey on government spending, showed that many Australians believe their government could reduce defense spending by as much as 20 percent. “Now this might be too high to take seriously as a number,” Throsby cautioned in May while speaking about the research project at the home of ECAAR’s NGO United Nations Observer Dorrie Weiss, “but it does indicate the direction of change.”

He noted that even a 10 percent reduction in defense expenditures would go a long way to replenish the coffers of health, education and transportation, to name only a few of the possible beneficiaries of a scaled back defense budget. But defense spending was only part of the survey. “We were interested in finding out what people would pay for a whole range of government expenditures across the board,” he explained, noting the importance of identifying spending in context of the overall budget and not in isolation to avoid “skewed results.”

He said the respondents identified two general areas where the Australian national budget could be reduced: general government administration and defense. “There was a general feeling that the cost of running the government was too high . . . . But defense spending in Australia at the time we did the survey also stood out as too high.” He pointed out that at the time the survey was done, the Cold War had ended, and it was clear there wasn’t a serious regional threat. “In other words, there appeared to be the prospect of some sort of peace dividend.”

He cautioned the audience not to take the results of the study at “face value.” But he did say the survey results should be “thrown into the ring to be evaluated.” In his opinion, the study raised important issues “about how far, on the one hand, government should be go to be responsive to public sentiment and, on the other hand, how far you can expect the public to be well informed about these things to make decisions and choices which should be relied upon.”

Throsby said he was not advocating that this sort of thing should be poll driven. “I’m suggesting something a little deeper than that in terms of what economists have a responsibility for, that is to be able to articulate what the economy is, what the demand looks like, how far we can rely on it, how far it is empirically stable, and then what it tells us about the sorts of decisions that should be made in the public interest.”
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