

# People **not** Trident

the economic case against Trident replacement

**Jobs** not Trident

**NHS** not Trident

**Homes** not Trident

**Education** not Trident

**Climate** not Trident

**Wellbeing** not Trident

**Aid** not Trident



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# Britain cannot afford to waste £100 billion on Trident

**Michael Burke**

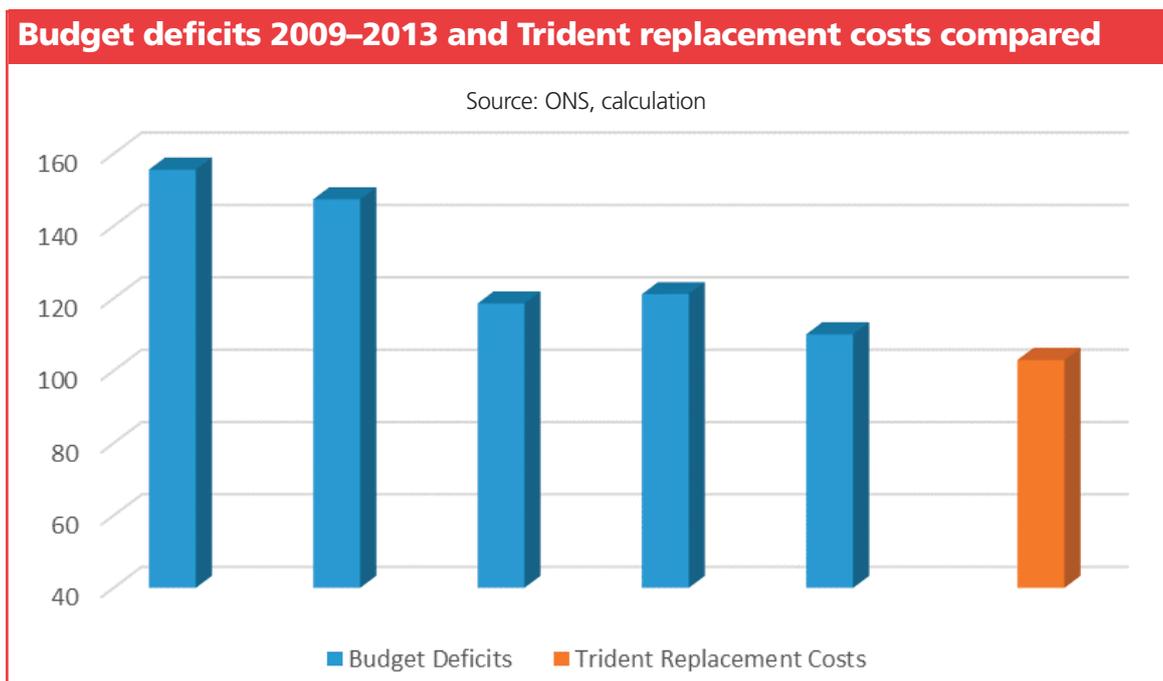
**B**RITAIN is living through an almost unprecedented period of austerity. Only those who were alive in the 1930s will have experienced a sharper economic crisis or deeper cuts in government spending. Almost no area of government spending has been spared from the axe. Housing, health, education and social security payments have all been cut. Pay and pensions, public sector jobs, even support for people with disabilities have been hit.

One important exception to this is the government's commitment to the replacement of the Trident nuclear weapons system, at a cost of £100 billion. Despite the enormous costs entailed, which include submarine procurement, missile leasing costs, extension of the current warheads' lives, servicing and decommissioning, both the government and the Labour Party seem intent on going ahead with the project.

This is remarkable given that the stated primary aim of the government's policy is to reduce the deficit and to bring down government debt. The system itself would have no useful function. It is not an independent deterrent and could only be used in the event of global nuclear conflagration. Unlike spending on houses or schools and other areas, spending on a replacement for Trident has no ultimate economic benefit. It can only cause devastation.

The level of waste involved is truly colossal. The chart below shows the total cost of replacing Trident compared to the annual government budget deficits of recent years.

In the most recent financial year the underlying deficit<sup>1</sup> was £110bn. Yet the government wants to spend £100bn on replacing Trident – almost exactly equivalent to a single year's budget deficit.



## THE ECONOMIC CASE AGAINST TRIDENT REPLACEMENT

The stated aim of the government has been to reduce that deficit. It had already fallen compared to the previous year by £12bn to £147bn in 2010, the year the coalition government took office and also the year of its first Comprehensive Spending Review in October. The deficit has since fallen to £110bn in 2013 (although this may be subject to revision).

An awful lot of pain and misery has been inflicted simply in order to reduce the deficit by £37bn over three years. In reality, £17bn of the deficit reduction has been through the simple (but very damaging) expedient of cuts in government investment, including on matters such as flood defences.

Yet the government seems willing to commit £100bn of public money to the hugely wasteful Trident replacement programme.

<b>The costs of replacing Trident</b>	
Submarine procurement	£26 billion (£20 billion at 2006 prices <sup>3</sup> )
Cost of missile extension programme	£250 million <sup>4</sup>
Replacement warheads from the 2030s onwards	£3 billion <sup>5</sup>
In service costs	£57 billion <sup>6</sup>
Conventional military forces directly assigned to support Trident	£900 million <sup>7</sup>
Decommissioning costs	£13 billion (£9.75 billion at 2006 prices <sup>8</sup> )
<b>TOTAL</b>	<b>£100 billion</b>

### **£100 billion in waste**

The costs of Trident replacement are incurred over a prolonged period. But this simply means that the costs are accumulated. It does not alter the fact that the total costs are incurred. In addition, the longer the period for borrowing to fund Trident the greater will be the accumulated interest on it, which itself requires further borrowing, further interest payments and so on.

Trident replacement is extremely controversial, which is well understood by the Ministry of Defence and government ministers. Therefore identifying the actual and itemised costs for the venture is made difficult by officials and our elected representatives. Despite the fact that this is public money, secrecy, not transparency is the norm<sup>2</sup>.

It is quite possible that these are underestimates. Typically most large projects experience cost over-runs. After a certain point in the project, the level of costs already incurred is so large that any new or unforeseen technical or other difficulties have to be met with increased expenditure. Contractors cannot be fired and replaced. This may not happen in the case of Trident replacement, but this risk serves to underline that these are conservative estimates. The MoD typically delivers major projects around 40% over budget.

## **What could be done with £100bn?**

The beneficial effect of spending £100bn collectively is great and enduring. Most of the chapters of this report are focused on a key area of spending that would benefit the whole of society. In truth, £100bn is such a large sum that many of these claims on additional spending could be funded simultaneously if Britain abandoned nuclear weapons of mass destruction.

There are two distinct ways in which the economy and society as a whole can benefit from the redirection of investment. The first way is directly, through the tangible change in the physical infrastructure. The second way is less tangible, through an improvement in the capacity of the economy which can benefit us all.

The clearest example of the former is by redirecting investment towards housing. A useful example of the latter is by redirecting investment towards education.

## **Investment in housing**

It is an undisputed fact that there is a housing shortage in Britain, although there are very sharp disagreements about the causes and remedies for that. The pace of new homebuilding remains close to all-time lows and continues to lag far behind the increase in the number of new homes that are needed (the rate of 'household formation'). This means that the shortage is increasing.

The consequences of this are plain. House prices and rents are soaring, too many people have no alternative but to live in substandard or overcrowded accommodation and a quarter of a million construction workers have lost their jobs since the end of 2008<sup>9</sup>.

The cost of construction of new houses varies throughout Britain, but the average cost is around £150,000<sup>10</sup>. This means that from the resources that are set to be wasted on Trident replacement, the government (in partnership with local authorities, housing associations and others) could build over 650,000 new houses.

This would make a significant dent in the structural housing shortage and so help rein in house price inflation and halt the upward spiral in rents. It would also re-employ a quarter of a million construction workers, as well as ancillary jobs, architects, surveyors and engineers. The investment would also boost employment and growth in the sectors which supply the construction industry such as building materials.

The beneficial effects on growth, jobs and on society as a whole would be tremendous. Crucially, there would also be a net benefit to government finances. The real cost to government of house building is naturally much lower than for any private firm (or even local authority). This is because only central government benefits from the tax revenue incurred in construction, primarily the income tax of those employed in the sector. As a result the net cost to government from constructing exactly the same property as a developer is much lower. The beneficial effects of reduced government outlays should also be factored in. These would include lower unemployment benefits and other social security payments or tax credits as people go back to work.

According to the UK Treasury the combined effect of these factors, higher tax revenues and lower outlays arising from economic growth, means that from every additional £1 in economic activity, the government benefits by 75p<sup>11</sup>. As a result, the net cost of construction for the government, after both tax revenues and lower outlays are taken into account, is just one-quarter of the gross cost, just £38,000.

As a result the government can build hundreds of thousands of houses at easily affordable rents. An affordable rent on a £150,000 house (which the developer will want to sell for £190,000 on average to make a profit) might be around £450 per month. This totals £5,400 per year.

Yet we have already noted that the government's borrowing costs are less than 3%, which would be £1,140 in interest payable on the net cost of building the new house. The government would be making a surplus on its investment in housing, which it could then use to build more houses, or be used in some other way to improve the economy and society.

None of this is true in relation to Trident replacement. Just as there is no useful purpose to a nuclear weapons system, so too there is no economic benefit either. The amount of money that has to be invested for each job provided is astronomical and does not make economic sense.

In some ways, investment in housing is the easiest way to demonstrate the effectiveness of real productive investment by the government versus the unproductive and potentially catastrophic waste on nuclear weapons. But simply because housing is a tangible asset and has an obvious monetary return (rent), that does not mean that there is not a similar benefit from other less tangible areas for investment.

### **Investment in education**

The Institute for Fiscal Studies estimates that spending on education will fall from 6.2% of GDP in 2010 to 4.6% in the current financial year<sup>12</sup>. This fall of 1.6% of GDP is equivalent to an annual decline of spending on education equivalent to around £26bn in today's terms.

This will have a real material impact on the long-run growth rate of the economy. So as well as blighting the lives of our youth and having a negative impact on the education of millions, it will also damage the prosperity of the overwhelming majority in society.

In a modern economy, developing the technical and communication skills of the workforce is decisive for economic development. A low-skill workforce is destined to be a low-paid one. There is also a huge negative cost that arises from declining education. This contributes to unemployment, homelessness, poorer health and a range of social ills that all incur a cost.

But the benefits of investment in education can also be quantified, particularly in relation to government finances. This varies by country and is examined in the work of the Organisation for Economic Cooperation and Development (OECD) and their regular publication *Education at a Glance*<sup>13</sup>. This shows that for every £1 invested in higher education by the British government the return on it is £5 over the working life of the graduate. This arises in the form of both higher tax revenues (mainly but not solely income tax) and lower outlays (including much less likelihood of

unemployment). As the OECD itself has said, investment in education boosts jobs and tax revenues<sup>14</sup>.

Therefore, the government could invest £26bn in education and see a fivefold return on that investment. None of these type of benefits arise from the enormous sums that are earmarked for Trident's replacement and this investment in education would be about one-quarter of its total cost.

## Conclusion

Funds redirected towards hard assets such as housing and to areas which improve productivity and living standards such as education have a very substantial benefit to all our lives.

CND and the Nuclear Education Trust have previously shown that the knock-on effects from the expenditure on Trident are low and that equally high-skilled jobs could be created in other sectors for a fraction of the cost<sup>15</sup>.

The same applies in a host of other areas, from health to jobs, to the challenge of climate change, to providing a decent retirement and supporting real international development through aid. Experts and campaigners in these fields will detail their proposals in the chapters of this report.

Investment in these areas all have costs. But it is foolish to talk about costs without talking about benefits. They all have a benefit, many with very large benefits for society as whole.

This is in sharp contrast to replacing Trident. The money saved by abandoning it is enormous, equivalent to wiping out the government budget deficit for one year. Redirecting it towards investment makes sense. Spending £100 billion on nuclear weapons of mass destruction is madness.

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- <sup>1</sup> These data are for underlying deficit. In line with Office for National Accounts practice they exclude two important accounting items; changes to the treatment of the Royal Mail Pension Fund and the impact of the purchase of UK government securities by the Bank of England
  - <sup>2</sup> In *The Three Trillion Dollar War*, Stiglitz and Blimes show that US administrations effectively keep two sets of books in order to disguise the extent of military spending. But by comparison, they argue, US accounting for military expenditure is a model of transparency compared to British government accounts.
  - <sup>3</sup> 'Securing Britain in an Age of Uncertainty: The Strategic Defence and Security Review', Presented to Parliament in October 2010 [http://www.direct.gov.uk/prod\\_consum\\_dg/groups/dg\\_digitalassets/@dg/@en/documents/digitalasset/dg\\_191634.pdf](http://www.direct.gov.uk/prod_consum_dg/groups/dg_digitalassets/@dg/@en/documents/digitalasset/dg_191634.pdf)
  - <sup>4</sup> 'The Future of the United Kingdom's Nuclear Deterrent', Presented to Parliament in December 2006 [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/27378/DefenceWhitePaper2006\\_Cm6994.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/27378/DefenceWhitePaper2006_Cm6994.pdf)
  - <sup>5</sup> 'In the Firing Line: An investigation into the Hidden Cost of the Supercarrier Project and Replacing Trident', Greenpeace, September 2009, [http://www.greenpeace.org.uk/files/pdfs/peace/ITFL\\_trident\\_report.pdf](http://www.greenpeace.org.uk/files/pdfs/peace/ITFL_trident_report.pdf)
  - <sup>6</sup> Calculated as 6% of the £40 billion defence budget each year from 2034-2058
  - <sup>7</sup> Parliamentary written answer, 8 March 2007 <http://www.publications.parliament.uk/pa/cm200607/cmhansrd/cm070308/text/70308w0007.htm>
  - <sup>8</sup> Parliamentary written answer 24 July 2006 <http://www.publications.parliament.uk/pa/cm200506/cmhansrd/vo060724/text/60724w1879.htm>
  - <sup>9</sup> Office for National Statistics data, February 2014 <http://www.ons.gov.uk/ons/rel/lms/labour-market-statistics/february-2014/dataset-labour-market-statistics.html>
  - <sup>10</sup> 'Self-build: Should people build their own homes?' BBC News, 19 July 2011 <http://www.bbc.co.uk/news/magazine-14125196>
  - <sup>11</sup> Treasury, Public Finances and the Cycle, Treasury Economic Working Paper No.5, November 2008
  - <sup>12</sup> 'Trends in education and school spending', IFS Briefing Note BN121, October 2011, <http://www.ifs.org.uk/bns/bn121.pdf>
  - <sup>13</sup> 'Education at a Glance 2013', Organisation for Economic Co-Operation and Development, [http://www.oecd.org/edu/eag2013%20\(eng\)--FINAL%2020%20June%202013.pdf](http://www.oecd.org/edu/eag2013%20(eng)--FINAL%2020%20June%202013.pdf)
  - <sup>14</sup> OECD press release Education at a Glance 2010 <http://www.oecd.org/education/skills-beyond-school/educationataglance2010oecdindicators.htm>
  - <sup>15</sup> 'Trident Alternatives Review and the Future of Barrow', Nuclear Education Trust, December 2012 [http://www.nucleareducationtrust.org/images/stories/grant\\_reports/VOLUME\\_1.pdf](http://www.nucleareducationtrust.org/images/stories/grant_reports/VOLUME_1.pdf)

## Jobs not Trident

### Invest in green spending • Create 2 million jobs

Britain's economy has not yet recovered after the recession, with stable unemployment figures hiding the reality of those under-working in part-time jobs and those on zero-hours contracts. A recent paper by Compass outlined how £55 billion investment in green and social infrastructure spending could generate up to one million jobs<sup>1</sup>, a number which outweighs the 7,000 jobs which replacing Trident at a cost of £100 billion would guarantee.

**COMPASS is a progressive pressure group which describes itself as a 'home for those who want to build and be a part of a Good Society'. It explains the difference that £100 billion could make to our society.**

“Our economy may be growing but we're still a long way from ensuring the economy works for everybody. If £100 billion was invested in sustainable economic infrastructure rather than replacing Trident we could transform our economy and equip it for the future. £100bn could create two million local full-time jobs and create an extra £36 billion of tax revenue<sup>2</sup>. This investment could hugely benefit society; we could bring millions of households out of fuel poverty by retrofitting homes and installing renewable energy. We could invest in flood defences to protect our homes from increasingly extreme weather. We could begin to build the hundreds of thousands of homes we need to ensure affordable accommodation for everyone. We could also start to invest properly in our social infrastructure; our aging society means that we need a national care service to allow all to live in dignity in old age.”

The latest statistics show 2.32 million people are looking for work; funds urgently need to be invested in training schemes, apprenticeships and support for the unemployed to get back to work.

Investing in flood defences, low energy transport, energy efficiency and housing would not only provide jobs and increase tax revenue for the government, but would also contribute to a long-term economic recovery and a better future. There are many government programmes which have been launched to deal with long-term unemployment. But not enough is invested in ensuring there is sustainable work for everyone.

**YOUTH EMPLOYMENT UK is a campaign and membership body dedicated to tackling youth unemployment. It lobbies and campaigns for a Youth Friendly UK. It explains here how £100 billion could be invested in tackling youth unemployment.**

“Youth unemployment has been rising since 2005. The emotional damage caused is staggering, with young people who experience long-term unemployment at a high risk of experiencing long-term mental health problems.

Youth Employment UK CIC is dedicated to tackling youth unemployment and we recommend the government invest financial support to systemically reduce youth unemployment. Secondary schools should be provided with a ring-fenced budget of a minimum of £50,000 each to ensure a quality careers and employability education for all students. Small businesses should be offered grants of £5,156 for the first year of taking on an apprentice, as in Wales. Full benefits and travel costs could be provided to young people undertaking traineeships or free public transport could be provided. University fees for degree subjects linked to skill shortages should be lowered.

Providing support to young people would see an increase in skills and applicants where the UK economy needs them the most.”

<sup>1</sup> 'Invest to grow – a spending review to get Britain moving', Compass [http://www.compassonline.org.uk/wp-content/uploads/2013/06/C1\\_Compass\\_InvestPaperv4.pdf](http://www.compassonline.org.uk/wp-content/uploads/2013/06/C1_Compass_InvestPaperv4.pdf)

<sup>2</sup> If we take the IMF lower bound multiplier estimate of (0.9) then this investment would create an extra £90bn of GDP of which around 40% would be taxed. Share of wages is currently around 54% so this extra GDP could create upwards of 2 million median wage (£26k) jobs.

# NHS not Trident

## Fully fund all A&E services in hospitals for 40 years • Employ 150,000 new nurses

We rely on the NHS but this invaluable public service is under threat from government cuts. The NHS in England has been told it needs to make £20 billion worth of cuts over four years<sup>1</sup>. If Trident was scrapped and its replacement cancelled, at least £2.4 billion a year could be invested in our public health service instead. £100 billion could fully fund all A & E services in hospitals for 40 years<sup>2</sup>, build 180 new

state-of-the-art hospitals<sup>3</sup> or employ 150,000 new nurses for the next 30 years<sup>4</sup>.

The number of older people in Britain is increasing and the challenge is to help them to live an active life for as long as possible. The average cost of

### Keep our NHS Public, a grassroots campaign against privatisation of the NHS, explains the value of £100 bn.

“We could have a well-researched programme designed to prevent disease and enhance good health, which would significantly increase life expectancy amongst the poorest, narrowing the current shocking gap of nearly 20 years between rich and poor. We would have enough left to pay off Private Finance Initiative debts, which would reduce local hospital closures, enabling elderly and vulnerable people to be cared for in hospitals close to their homes.

Currently, staff are burning out because they are working too many shifts or because their jobs are threatened. £100 billion would pay for enough staff to ensure a high quality health service.”

installing basic adaptations such as monitors and facilities for virtual consultations is £6,000 per home<sup>5</sup>. A fraction of £100bn could enable thousands to live independently for longer.

331,000 people were diagnosed with cancer in the UK in 2011. While survival rates continue to improve, cancer remains a major cause of death. More funding for research would make an incredible difference. The National Cancer Research Institute, of which the Department for Health is a member, spent £504 million on research in 2012<sup>6</sup>, a fifth of what the Ministry of Defence spent on Trident.

### Medact is a British charity which campaigns on global health, working on issues related to conflict, poverty and the environment. It explains here how scrapping Trident could improve our NHS.

“In the coming years, the provision of health and social care in the UK faces serious threats. Continued funding cuts from central government in the context of chronic under-investment is probably the greatest threat of all. If expenditure is to stay much the same as today, it is estimated that there will be a funding gap in the NHS of up to £54bn by 2022<sup>7</sup>. By 2050 – when the Trident replacement will be coming to the end of its life – the funding gap could be well in excess of the estimated £100bn costs.

If Trident is scrapped and those funds reallocated to the health budget, pressure on the NHS and social care would no doubt be lightened – and the suffering of those denied proper access to health and social care would be alleviated.”

<sup>1</sup> Information from Unison website <http://www.unison.org.uk/at-work/health-care/key-issues/fighting-cuts-and-privatisation-in-the-nhs/the-facts/>

<sup>2</sup> Based on £2.5 billion annual cost of Accident and Emergency care as stated in latest Department of Health accounts [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/229996/Annual\\_Report.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/229996/Annual_Report.pdf)

<sup>3</sup> Based on the £545 million cost of the new Queen Elizabeth Hospital (QEH) in Birmingham

<sup>4</sup> Based on starting wage of £21,388 for nurses <http://www.nhs-careers.nhs.uk/working-in-the-nhs/pay-and-benefits/agenda-for-change-pay-rates/>

<sup>5</sup> 'Technology and Older People Evidence Review', ageUK [http://www.ageuk.org.uk/Documents/EN-GB/For-professionals/Research/Evidence\\_Review\\_Technology.pdf?dtrk=true](http://www.ageuk.org.uk/Documents/EN-GB/For-professionals/Research/Evidence_Review_Technology.pdf?dtrk=true)

<sup>6</sup> Information from Cancer Research UK's website <http://scienceblog.cancerresearchuk.org/2011/06/29/near-doubling-of-uk-cancer-research-funding-in-less-than-10-years/>

<sup>7</sup> 'A decade of austerity?', Nuffield Trust [http://www.nuffieldtrust.org.uk/sites/files/nuffield/121203\\_a\\_decade\\_of\\_austerity\\_full\\_report\\_1.pdf](http://www.nuffieldtrust.org.uk/sites/files/nuffield/121203_a_decade_of_austerity_full_report_1.pdf)

<sup>8</sup> [http://www.nuffieldtrust.org.uk/sites/files/nuffield/121203\\_a\\_decade\\_of\\_austerity\\_full\\_report\\_1.pdf](http://www.nuffieldtrust.org.uk/sites/files/nuffield/121203_a_decade_of_austerity_full_report_1.pdf)

## Homes not Trident

Build 1.5 million affordable homes • Support all homeless people  
Provide emergency short-term shelter for all those in need

With house prices continuing to rise, many families and young people across the country are unable to buy their own home, with the number of people still living with their parents into their thirties staggeringly high. Homeownership is falling for the first time in a hundred years. A lot of this problem is caused by the shortage of affordable homes in the UK.

The government should be investing in building new homes. This investment would also provide an economic stimulus to the construction sector and provide jobs. Shelter estimates that an additional £3 billion a year is needed to build 50,000 new, genuinely affordable, homes if we are serious about solving the housing shortage<sup>1</sup>. £100 billion spent over 30 years would build 1.5 million homes.

“Almost one in ten people say they have been homeless in their lives, with a fifth of these people saying it happened in the last five years<sup>2</sup>. The government estimates that around 2,309 people sleep outside on an average night in England<sup>3</sup>. ”

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The economic crisis of the last five years and the government’s welfare reforms have seen the number of homeless people rising<sup>4</sup>.

Homelessness can be particularly dangerous for women – 28% have formed an unwanted sexual partnership and 20% have engaged in sex work to get a roof over their heads<sup>5</sup>.

The government has spent £20 million on a Homelessness Transition Fund, which has offered advice to 14,000 people on accommodation, jobs and health<sup>6</sup>. A small share of £100 billion would mean that assistance and support could be offered to all homeless people in the UK.

The real answer to tackling homelessness is to build more affordable and social housing. But in the meantime, there should be sufficient emergency accommodation for those who need it. £100 provides safe housing for a homeless family for two weeks<sup>7</sup>. Thousands upon thousands of families could be sheltered for short-term periods using a small proportion of the Trident replacement’s £100 billion budget.

<sup>1</sup> ‘Until there’s a home for everyone, Obstacles and opportunities, Solving England’s housing shortage’, Shelter [http://england.shelter.org.uk/\\_data/assets/pdf\\_file/0010/751942/Obstacles\\_and\\_opportunities\\_-\\_Shelter\\_2014.pdf](http://england.shelter.org.uk/_data/assets/pdf_file/0010/751942/Obstacles_and_opportunities_-_Shelter_2014.pdf)

<sup>2</sup> Heriot Watt University and the University of York (2012) The Homelessness Monitor, Crisis and JRF

<sup>3</sup> DCLG (2012) Total Streetcounts and Estimates Autumn 2011

<sup>4</sup> Crisis information sheet

<http://www.crisis.org.uk/data/files/publications/Crisis%20homelessness%20briefing%20January%202014.pdf>

<sup>5</sup> Reeve, K. (2011) The hidden truth about homelessness: experiences of single homelessness in England, Crisis UK

<sup>6</sup> Information from Homelessness Transition Fund website [http://homeless.org.uk/fund#.Uw4d5eN\\_spk](http://homeless.org.uk/fund#.Uw4d5eN_spk)

<sup>7</sup> For more information, see <http://www.barnardos.org.uk>

## Education not Trident

Reinstate EMA • Cover tuition fees for four million students • Pay for ten years of early childhood education • Build 2,000 new primary schools every year

Investing in our young people's future should be a top priority for any government. Instead, the government is cutting the education budget, forcing schools and colleges to cut courses. Tuition fees have trebled, class sizes are growing while teachers' pay has gone down in real terms. Students are protesting and teachers are striking. As well as the importance of offering young people the means to a brighter future, investing in education is key to economic growth and prosperity. It is ludicrous that we can spend £100 billion on nuclear weapons but not on schools and students.

The average cost of building a primary school in England is £3.7 million<sup>1</sup>. The money spent on replacing Trident could build as many as 30,000 new primary schools, ensuring all children receive the attention they deserve. Or fewer schools could be built and others refurbished. Or the money could be spent on reinstating the Educational Maintenance Allowance (EMA) scrapped by the government. The money spent

**The National Union of Teachers (NUT) is a trade union for school teachers. It is affiliated to CND and has supported anti-Trident protests in the past. NUT General Secretary Christine Blower explains why her union supports cancelling the planned Trident replacement and re-investing the £100 billion cost in education.**

“The NUT believes that high quality, publicly funded early childhood education (ECE) is of great value to all children and should be available to all. It provides a sound basis for future development not just in terms of academic study but also all aspects of social and emotional development. Quality education is a human right and a public good which should be available and accessible to all.

In order for ECE to be accessible to the largest possible number of children, it needs to be organised within the framework of a free publicly-funded education service. Currently, receiving early childhood education is a postcode lottery. It is estimated that to provide universal ECE would cost just over £9bn a year, meaning that scrapping Trident would pay for ten years of early education, a far better investment in our country's future. ”

**The National Union of Students (NUS) represents more than seven million students. Rachel Wenstone, NUS Vice President, explains why the government should reconsider its spending commitments.**

“The National Union of Students (NUS) believes that the government should seriously reprioritise its spending commitments and invest in young people.

Higher and further education has suffered unprecedented cuts over the course of the last three years. In 2010, the government cut the higher education budget. The entire cost of a degree was forced onto students with the trebling of tuition fees, creating an unsustainable system of debt. £100 billion could pay the tuition fees for almost four million students<sup>2</sup>.

The most vulnerable students have been forced to bear the brunt of the government's harshest cut: the scrapping of the educational maintenance allowance (EMA), a national scheme supporting young people from lower-income families. For many 16 to 19-year-olds, this grant of up to £30 a week enabled them to afford books, college materials and transport. It was the vital lifeline they needed to remain in further education. £100 billion could be spent on reinstating EMA for 60 years. ”

on replacing Trident would easily cover the cost of granting EMA to all 650,000 eligible students. Another alternative would be investment in early years education. All are much more worthwhile than nuclear weapons.

<sup>1</sup> Information from Department of Education's Targeted Basic Need Programme <http://media.education.gov.uk/assets/files/pdf/t/tbn%20information%20note.pdf>

<sup>2</sup> Based on the current estimated average tuition fee of £8,507 over a period of three years for 3,921,541 students.



## Wellbeing not Trident

Fund thousands of food banks • Enable cheaper bills • Insulate 15 million homes • End fuel poverty

Even though Britain is one of the richest countries in the world, many are currently struggling to eat and keep warm. Hundreds of thousands of people now rely on food banks, a damning indictment of the government's priorities. In a letter to the *British Medical Journal* in 2013, a group of health experts warned that food poverty should be seen as a 'public health emergency'<sup>1</sup>. Malnutrition can lead to severe health problems, which costs the National Health Service at least £4 billion each year<sup>2</sup>. It is clear that the government could save billions by tackling preventable diseases caused by food poverty.

The Trussell Trust, which runs 400 food banks across the UK, is now helping 350,000 people<sup>3</sup>. It is estimated by Oxfam and Church Action on Poverty that over half a million people in total rely on food parcels. It is estimated that the average cost of running a food bank for 3,000 people is around £14,000<sup>4</sup>. A small proportion of the cost of replacing Trident could run thousands of food banks in the UK.

The increasing number of people in poverty follows drastic cuts in the government's welfare payments. The changes in repayable crisis loans (CLs), increased conditionality on benefit payments and reassessments are just some of the measures which have affected low-income families. The 'bedroom tax' and the introduction of universal credit will affect many more. There are 3.5 million children growing up in poverty today<sup>5</sup>, including in households where adults are working. Too many people are trapped in part-time work or earning the minimum wage, which is not high enough. The cost of living is rising far higher than wages and welfare payments. And cancelling the Trident replacement would save the government twenty times more money than saved by the tax credit reforms<sup>6</sup>.

Cold weather kills around 20,000 people in the UK each year. Thousands more suffer in cold homes as they can't afford to turn on the heating. And yet the government is reducing its spending on fuel poverty. The campaigning group Energy Bill Revolution is calling for a new energy efficiency programme which could remove the vast majority of fuel poor households from fuel poverty<sup>7</sup>. £4 billion a year is needed to adapt 600,000 homes a year. £100 billion would pay to insulate over 15 million households. This investment would also create jobs as well as ending fuel poverty and bringing down energy bills.

<sup>1</sup> British Medical Journal letter, 4 December 2013 <http://www.bmj.com/press-releases/2013/12/04/food-poverty-uk-%E2%80%9CChas-all-signs-public-health-emergency%E2%80%9D-warn-experts>

<sup>2</sup> 'The cost of food-related ill-health', The Agrifood Network [www.sustainweb.org/agrifood/meeting\\_2\\_the\\_cost\\_of\\_food\\_related\\_ill\\_health](http://www.sustainweb.org/agrifood/meeting_2_the_cost_of_food_related_ill_health)

<sup>3</sup> Information from the Trussell Trust website <http://www.trusselltrust.org/foodbank-projects>

<sup>4</sup> Information from Church Urban Fund's website <http://www.cuf.org.uk/resources-projects/ready-to-go/foodbanks>

<sup>5</sup> Households Below Average Income, An analysis of the income distribution 1994/95 – 2011/12, Tables 4.1tr and 4.3tr. Department for Work and Pensions, 2013

<sup>6</sup> 'Food Banks and Food Poverty', House of Commons Library Note [www.parliament.uk/briefing-papers/sn06657.pdf](http://www.parliament.uk/briefing-papers/sn06657.pdf)

<sup>7</sup> Information from Energy Bill Revolution website <http://www.energybillrevolution.org/resources/>

## Aid not Trident

Provide safe water for all • Help Syrian refugees • Support reconstruction efforts following natural disasters

International aid funding saves and transforms lives. Money is invested to provide communities in the developing world with basic essentials such as clean water, food and education. Funds are also used to improve the economy in many places, by providing financial capital for new businesses and skills training. Improving a country's economy can have benefits for the wider region and the international community, as trading partnerships develop. The aid is also spent on resolving conflict, creating a safer world for everyone.

**Leading anti-poverty charity War on Want campaigns on the premise that 'poverty is political'. The charity lobbies governments to tackle the root causes of poverty. Its Executive Director John Hilary explains the difference £100 billion could make.**

“When it comes to the international arena, the sums destined to be spent on Trident could be used for long-term good in halting conflict and building the prospects for long-term development across the world. The total annual budget for all UN peacekeeping forces across the world is £5 billion, for example, while the UN Development Programme has a budget of £3 billion.

Despite the international ban on landmines achieved in 1997, there are still thousands of new casualties each year from the tens of millions of landmines that lie active around the world. The cost of demining can be as much as £500 for each mine laid, yet funding to clear war zones of landmines runs at just under £500 million annually.

Around £40 billion extra a year is required to meet the Millennium Development Goals, according to most figures. ”

£100 billion could save lives if invested in improved hygiene conditions, food supplies, hospitals, immunisations and schools. The list of how we could help those in need across the globe is in stark contrast to the damage we would cause should a nuclear bomb be detonated.

768 million people in the world don't have access to safe water, an issue which kills around 200 children a day. Many more suffer from diseases as a result of drinking or cleaning themselves with dirty water. Others walk for miles every day just to pick up water for themselves and their families. This can often prevent them from getting an education or a job. Water Aid spent £40 million on delivering water and sanitation measures to 1.7 million people in 2013<sup>1</sup>. £100

billion would provide everyone in the world with access to water.

Delivering a World Food Bank programme in Uganda cost the British government £20 million, the same sum that the government currently spends on Trident in three days. Britain has spent £316 million on humanitarian assistance in Syria so far and donated £39 million to the reconstruction efforts following the tsunami in Indonesia in 2004. £24 million has been spent on a Children and AIDS initiative in Sub-Saharan Africa. Increasing the funds available for projects such as these would improve the lives of countless people.

<sup>1</sup> 'Trustees' Annual Report and Financial Statements 2012-13'; Water Aid, <http://www.wateraid.org/uk/~media/Publications/annual-reports-and-strategies/Trustees%20Annual%20Report%20and%20Financial%20Statements%20201213%20screen%20res%20FINAL.pdf>

CND would like to thank the following organisations for their contributions to this report. Please do get in touch with them if you would like more information on the great work that they do.

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**Greenpeace UK**

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**Keep our NHS Public**

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**National Union of Students (NUS)**

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**National Union of Teachers (NUT)**

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**Socialist Economic Bulletin**

<http://socialisteconomicbulletin.blogspot.co.uk/>

**War on Want**

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