



PEACE ECONOMY PROJECT

Policy Brief

Sinking Billions: What America Could Build Instead of More Warships

Executive Summary

In June 2025, the Pentagon awarded a \$5 billion contract to six defense companies to accelerate shipbuilding for the U.S. Navy. This contract, part of the Maritime Acquisition Advancement Contract (MAAC), could reach up to \$10 billion over the next five years. At a time of urgent domestic need, this allocation of funds reinforces a militarized economic structure instead of investing in infrastructure, education, healthcare, and renewable energy. This policy brief outlines alternative, peace-oriented investments that could better serve the American public, comparing the per-job cost of military vs. civilian infrastructure investment and offering policy recommendations for reallocation of federal funds.

What \$5 Billion Could Fund Instead

Housing:

- Build approximately 166,000 units of affordable housing (based on \$30,000 per unit in federal subsidies).

Education:

- Hire over 78,000 public school teachers for one year (based on an average salary of \$63,000).

- Erase student debt for 125,000 low-income graduates (assuming average debt of \$40,000).

Clean Energy:

- Install solar panels on 2.5 million homes (at \$2,000 per home in federal subsidies).
- Fund 80,000 new clean energy jobs (at ~\$62,000 per job).

Healthcare:

- Cover a year of health insurance for 1.6 million people under ACA marketplace premiums (~\$3,100 average annual premium).
- Fund 10,000 rural clinics for a year (\$500,000 annual budget each).

Military vs. Renewable Jobs: Cost and Impact

Sector	Average Cost Per Job Created	Jobs Per \$1B Investment	5-Year Jobs from \$5B
Military	~\$140,000	~7,140	~35,700
Clean Energy	~\$62,000	~16,130	~80,650
Education	~63,000	~15,870	~79,350
Healthcare	~70,000	~14,280	~71,400

Sources: Brown University's Costs of War Project; Political Economy Research Institute (PERI)

Opportunity Cost: Building a Peace Economy

The decision to invest in warship production instead of public goods reflects a deeper problem: U.S. economic priorities remain entangled in military-industrial interests. Every billion allocated to defense contracts is a billion not spent creating thriving, resilient communities. The MAAC award, which includes parts for nuclear-powered submarines, continues a legacy of pouring funds into technologies of destruction instead of systems of care.

Policy Recommendations

1. **Divest and Redirect:** Phase out indefinite military contracts like MAAC and reallocate funds toward civilian infrastructure and care-based sectors.

2. **Establish a Peace Impact Budgeting Office:** A congressional watchdog office to analyze the social return on investment for all federal contracts.
3. **Promote a Just Transition:** Offer support to workers and communities currently dependent on defense industries to move toward green and care economies.
4. **Increase Transparency:** Require annual reporting on opportunity costs of defense spending.



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Conclusion

America does not face a shipbuilding crisis—it faces a moral and economic crisis. With urgent needs in housing, health, education, and climate resilience, we must ask: Why continue to fund destruction when we can fund renewal? Peace Economy Project calls on lawmakers, advocates, and the public to demand a reinvestment in life-affirming priorities.

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