



The Year in Review – Mixed Progress as Usual Lots of Continuing Challenges for 2011

By Charlie Kindleberger

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Banner art by Molly Rose Freeman, www.mollyrosefreeman.com.

The first decade of the 21st century ended with a wonderful holiday present – ratification of the New START Treaty by the necessary two thirds of the United States Senate, including 13 Republicans. Passage didn't seem possible after the November elections, given the loud claims by Senator Kyle (R-Arizona) that 18 hearings since last spring had not given the Senate enough information or time, and the anger expressed by Senator McCain (R-Arizona) and others regarding elimination of the military's Don't Ask, Don't Tell policy (another holiday gift).

The good news for PEP members and the nation is that there will be modest continuing cuts in the number of nuclear warheads and launch vehicles (1550 and 700 respectively are the new ceilings), renewed verification inspections by both countries, and presumably better relations with Russia. The bad news is that it all comes at a cost. President Obama has reportedly promised \$85 billion over the next ten years for nuclear weapons "modernization" and a commitment to keep working on missile defense.

Given the sharp tilt to the right in the Congress, it is hard to predict what happens next. One of the many Republican concerns about START was that it didn't address tactical nuclear weapons in Europe. The Obama administration needs to push hard on a new agreement that would in fact reduce this risk, and to continue exploring still further cuts in warheads and launch vehicles. Ratification of the Comprehensive Test Ban Treaty is probably still too hard in the near future, but for PEP members it needs to stay on the table (See In Memoriam, Louise Reiss).

NUCLEAR PROLIFERATION. The news during 2010 was mixed. Ukraine agreed to relinquish its highly enriched uranium, and at the end of the year Belarus agreed to ship 465 lbs of highly enriched uranium back to Russia where it is to be transformed into a less purified grade.

However, the dangers of nuclear warfare remained high. The Bulletin of Atomic Scientists Doomsday Clock was still on 6 minutes before midnight. Iran boasted that it continued to make progress on its enrichment of nuclear fuel (claiming it to be solely for peaceful uses) despite the efforts of the UN Security Council, the International Atomic Energy Agency, and a disruptive computer worm. They also continued work on longer-range missiles and drones. The Shahab 3 reportedly has a range of 1250 miles, enough to reach Israel and parts of Europe. North Korea continued to send provocative signals and, as revealed in the Wikileaks there was ongoing concern about the security of nuclear weapons in Pakistan. It has been recently suggested (*Fall Out* by Douglas Frantz and Catherine Collins) that, for many years, the CIA watched the A.Q. Khan network in Pakistan distribute its nuclear technology rather than disrupt it. A good source for more information about proliferation dangers is the Nuclear Security Project co-chaired by former Senator Sam Nunn and Ted Turner.

DEFENSE CUTBACKS. Peace Economy Project members have long argued for less money for the military, and more for the domestic economy, especially for those in need. 2010 was a year in which we began to see at least the first part of that dream.

In some respects Secretary of Defense Robert Gates was the unlikely hero of the year. In May 2010 he gave a speech announcing that the “gusher” of defense spending that had accelerated after the 9/11 tragedy had been turned off. He challenged the bloat and bureaucracy in the Pentagon. Then in August he struck again, proposing to close the 6000 person Joint Forces Command in Norfolk, to eliminate 50 admiral and general positions and those of 150 senior civilian employees, and to initiate additional cutbacks, all designed to shift the annual increase in the defense budget from 7 percent since 2001 (actually 12 percent when infla-

tion is considered) to 1 percent annually. All told Secretary Gates has cancelled or restructured more than 30 weapon systems over the last several years.

National Debt. However, there is bigger reason for growing interest in defense cutbacks. Secretary Gates has been trying to get out in front of an increasing awareness that the United States cannot continue on its current path. Over the last ten years the country has gone from a balanced budget to one with an annual deficit of around \$1.3 trillion, and a long-term debt approaching 65 percent of the gross national product.

Republicans and Democrats will argue about the specific reasons which include two serious recessions during the last decade, major income tax cuts promoted

by President George W. Bush, spiraling health costs, two wars, and initiatives like the TARP and ARRA (Stimulus bill) designed to help stabilize and put the economy back on its feet.

In the fall of 2010, two bi-partisan panels recognized what PEP members have long realized – that the defense budget constitutes ½ of the nation’s non-discretionary budget, and as such must be substantially curtailed as part of any serious effort to reduce our short term deficits and long term debt:

- The National Commission on Fiscal Responsibility and Reform (established by the President and headed by former Clinton Chief of Staff Erskine Bowles and former Republican Senator Alan Simpson). See “The Moment of Truth: Report of the National Commission on Fiscal Responsibility and Reform,”
- The Bipartisan Policy Center Debt Reduction Task Force (headed by former Republican Senator Pete Domenici and former Clinton Budget Director Alice Rivlin). See “Restoring America’s Future.”

Both groups addressed the importance of cutting the military, as well as other aspects of government spending, if we are to seriously tackle the nation’s long-term debt. Targeted weapon systems included:

- *Expeditionary Fighting Vehicle.* The marines dream of a 1000 (more recently 570) new ship to shore

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Peace Economy Project,

438 N. Skinker Blvd.

St. Louis, MO 63130

Tel 314-726-6406, Fax 314-726-6427

Email: pep@peaceeconomyproject.org

Website: www.peaceeconomyproject.org

amphibious landing craft that could storm on to land from 25 miles off the coast. In early January 2011 Secretary Gates announced his intent to kill the program.

- *V22 Osprey*. This troubled turbo helicopter has long been controversial in terms of cost and reliability.
- *F-35 Joint Strike Fighter*. The Domenici–Rivlin study recommended discontinuing this extremely expensive program thereby saving as much as \$382 billion. Bowles–Simpson, by contrast, endorsed two of the three F-35 versions; they rejected the version being designed for the Marines (In early January, Secretary Gates requested that this version be delayed for two years.

The Domenici-Rivlin task force recommended a five year freeze for the Defense Department, with no adjustments for inflation. This was estimated to save \$431 billion over the five years, and a cumulative \$1.2 trillion by 2020. There would be a reduction of 275,000 in uniformed personnel.

The Bowles-Simpson commission was more generous to the military. They recommended a cut of \$100 billion over the next five years.

In August, Secretary Gates recommended cuts of similar size to Bowles-Simpson. He suggested that \$100 billion be cut over the next four years – \$10 billion by reducing contractor services (contract employees as a percent of DOD civilian employees would go from 39 percent to 26 percent – the 2000 level); \$10 billion by reducing staff at the Pentagon (“overhead and duplication”) and \$80 billion from the military services. Unlike the Task Force and Commission, Gates intended that the savings be spent on other DOD priorities.

Defense Industry Cutbacks. The large defense industries felt the pain of cutbacks during the year. Lockheed Martin announced in September that it had reduced its workforce by 10,000 and that one quarter of its executives (600) had applied for early retirement. Boeing announced that it would reduce its executives by 10 percent, and Northrop announced in August that in 2013 it would close a 4700

employee shipyard near New Orleans, shifting some workers to its Pascagoula yard in Mississippi.

EARMARKS. Finally there was a major backlash during 2010 to the outrageous “pay to play” culture whereby defense businesses have contributed to congressmen in return for earmarks in the Pentagon budget. The independent Office of Congressional Ethics expressed strong concern; nevertheless, the House Ethics Committee (composed of congressmen) voted to exonerate all 7 of the Defense Appropriation subcommittee members under investigation.

In the face of rising public concern, Republicans in the House of Representatives called for a ban on all earmarks, while the Democratic leadership agreed to prohibit budget earmarks to private for-profit companies. Then the fall election swept in 64 new Republican congressmen, and the new majority in the house, pressured Senate Minority leader Mitch McConnell to adapt a no earmark policy.

Sharing a common position with members of the Tea Party may seem uncomfortable to those in the peace movement. Others will note that the overall budget implications of earmarks is relatively small (e.g. in recent years around 1000 awards were made annually to for-profit companies, less than 2 billion dollars). However, the ability of a small number of politicians on the Defense Appropriations sub-committee to tell the Defense Department who to contract with

for goods and services epitomized the worst aspects of the Military-Industrial-Congressional complex. Let’s fight to keep earmarks from reappearing.

Summary. It would appear that some long time wishes on the part of PEP are beginning to be fulfilled, at least in part. We take no pleasure at the prospect of military and non-military individuals losing their livelihood. Moreover, a Peace Economy will not be reached if a smaller military is achieved simply in order to reduce the deficit, long term debt and the overall size of government. A Peace Economy requires a dramatically smaller role for the military and defense industries, but it also demands additional educational, health, food, shelter and related services for those citizens in need. There remains much to be done in the New Year.

Afghanistan and Iraq.

The year ended with 141,000 American and other foreign troops in Afghanistan (versus 52,000 in 2007). During the year there were 500 US military deaths, 210 other NATO deaths, 1200 Afghan security force deaths and 2800 civilian deaths. In Iraq, the numbers were generally lower – 48,000 American troops, 60 US military deaths, 450 Iraqi security deaths, and 2500 Iraq civilian deaths. The comparable numbers in 2007 were 166,000, 904, 1800, and 23,400. (See Op-Chart, New York Times, December 27, 2010.)

PEP Moves Forward During 2010

By Charlie Kindleberger

It was a good year for the Peace Economy Project. Most of our basic activities continued as usual, but there were also big changes for the organization. What did not change was our ongoing mission to fight the pernicious forces of the military-industrial-congressional complex. Here is a quick summary of the past year.

Washington Visit. For the second year in a row, PEP went to Congress, carrying a letter demanding a sharp reduction in the defense budget. Each of the congressional offices that represented one or more signers of the letter was contacted. Wherever possible, PEP director Andy Heaslet and intern Jess Mitchell engaged in discussion with congressional staffers so that they could appreciate the depth of our concerns.

Communication. Last year PEP initiated a monthly “Ezine,” an Internet magazine that complements material on the PEP website and our newsletters. Interaction continued as well in a monthly conference call with a dozen or so peace advocacy groups around the country. As always there were efforts to get Op Ed articles and letters to the editor published in local newsletters and Internet sites.

Youth Initiative. Last year PEP accelerated its efforts to identify and make contact with progressive groups on local college and university campuses. As described in a separate article in this newsletter, the Youth Initiative is an attempt to organize a new generation of citizens who will realize the costs and risks of the military-industrial-congressional complex in this country.

Research. With help from our director, and a mix of interns, an array of research was undertaken. Topics included options for reducing military spending, defense spending trends in other countries around the world, the Kansas City Plant where so many nuclear bomb components are made, relations with China and India, and local defense sub-contractors.

Fund Raising. A reenergized PEP was made possible last year with help from grants and individual gifts, both large and small. Our annual fundraiser (this year at a club on Gravois in South St. Louis), on-going events at the Wine Press (Olive just east of Taylor) and of course monthly contributions from Justice and Peace Shares (JPS) helped keep us going.

Staff. The major event during 2010 was the decision by Andy Heaslet to move on to new employment, and the subsequent decision to hire Tila Neguse as the PEP Executive Director. See the profile of these two individuals elsewhere in this newsletter. Staff interns also made positive contributions during the year Jess Mitchell (Webster), Emily Robinson (Maryville), Amanda Boettcher (Webster), Austin Dillon (Dartmouth), and Justin Stein (UMSL).

Farewell To Andy

Charlie Kindleberger

How to summarize Don Pablo, our departed PEP director, and to thank him for his three plus years of service? Andy Heaslet came to us shortly after leaving Paraguay and the Peace Corp, and soon revealed an impressive set of skills. He could make music with his drums and his voice. He could survive without a car – relying mainly on his bike, though at times it was doubtful given St. Louis drivers. He could speak forcefully, write and, as those who attended last spring’s fund raiser know he could dance. He knew the arcane details that permeate the defense world and he could and did collaborate with peace activists around this country and elsewhere. He coordinated the largest conference of concerned colleagues from other communities that PEP had ever had. He brought renowned speakers like Frida Berrigan to St. Louis.

As he stated in his farewell letter (on the PEP website), he was proud of his efforts to encourage Boeing to “go green,” of fighting successfully to see production of the F-22 ended, the F-35 cutback, and of pushing for reduced military spending.

We are pleased that Andy will stay in St. Louis, and continue to share his time and talent with Instead of War, Justice & Peace Shares, Jobs with Justice and the Peace Economy Project.

Arms and Bridges

In recent years, U.S. annual military expenditures have been roughly equal to that of the *rest of the world combined*.

Meanwhile, the American Society of Civil Engineers has given our infrastructure an overall grade of D (2009 Report Card) and estimates an *additional* \$2.2 trillion needs to be spent on repairs, maintenance and upgrades.

Meet the Director

Tila Neguse



Beginning my work as the Executive Director of the Peace Economy Project, I cannot help but be filled with an unprecedented amount of excitement about this new chapter in my life. I am a graduate of Kenyon College with a B.A. in English with an emphasis in Creative Writing and a Concentration in African Diaspora Studies (a mouthful, I know). A native of Memphis, Tennessee, I moved to St. Louis a little over a year ago. I spent my first 6 months in St. Louis working in the education department at the Missouri History Museum, working closely on the *RACE: Are We So Different?* exhibit presented by the American Anthropological Association. This September, I also completed an independently designed K-12 scavenger hunt, connecting museum galleries and St. Louis history with thematic elements explored in Lois Lowry's classic dystopian children's book, *The Giver*, which is now in circulation at the museum.

Over the summer, I worked as the Festival of Nations intern

at the International Institute of St. Louis. The Festival of Nations is St. Louis' largest multicultural celebration held in Tower Grove Park and draws over 125,000 people. In addition to working on the Festival of Nations, I taught a 5 week poetry seminar entitled, "Poetry of the Senses: Re-imagining the Natural World," in which children ages 7-10 learned how our sensory experiences enhance our understanding of nature and how to translate those experiences into poetry. I hit the ground running when I first moved to St. Louis in January and haven't stopped since. I have been fortunate to be affiliated with and do work for some of the most amazing organizations in St. Louis and I am thrilled to add Peace Economy Project to my permanent roster.

Growing up in Memphis provided a rich although somewhat problematic learning environment for me, plagued with cultural, structural, and racial issues. In Memphis, the socio-political environment is understood as a rigid function of the two categories, Black and White, and it was through growing up in this environment that I had my first exposure to what I will call an inherent social awareness and consciousness, a thing lived not learned. Such lived experiences thus far have been the fundamental basis of my awareness. Now, having lived in St. Louis and working for community based organizations such as the History Museum and The International Institute, I have become immersed in this city and have a deep rooted commitment to continue to be involved for the betterment of our city. As Director of the Peace Economy Project, I am looking forward to adding to my lived experience in St. Louis, and giving people access to information about our military budget, hopefully placing this issue in the forefront of their mind.

I couldn't pick a more exciting time to be joining the staff of PEP. I hope to diversify and expand the membership of PEP, so that our message reaches many demographics. By increasing our social media presence on Twitter and Facebook, PEP can reach not only a wider audience locally, but also form and maintain connections with similarly minded organizations nationally.

As I delve deeper into the language and literature associated with the issues, I hope to draw from my diverse education and work background to make many successes at PEP this year.

Young Activists Unite! The Peace Economy Project & The St. Louis Student Activist Coalition

Justin Stein, Inter-Campus Coordinator



The Peace Economy Project's youth initiative is making progress in bringing together young and student activists in St. Louis. PEP is providing key support for the Student Activist Coalition, which is working to facilitate stronger alliances among young and student activists so that we may have a more visible presence in the city. The coalition is currently planning a conference in April, which we hope to use as a building block for more concerted youth and student activism. By linking young people involved in campus and community organizations, we hope to more effectively challenge racism, sexism, class exploitation, and militarism while struggling for social justice, human rights, and a world without oppression.

At our meeting this January fifteen young and student activists from three local college campuses and four community organizations came together to

begin planning our conference in April. It will be a powerful event with networking opportunities, workshops, and a panel discussion. At our meeting, we discussed using the conference as a means to better understand the interconnectedness of the issues on which we work, to establish a more permanent young and student activist formation in the city, share resources and ideas, and offer opportunities for young people and students to engage in concrete issues affecting the St. Louis community. We are in the process of developing a mission statement for the event, workshop proposals, and themes for a panel discussion. We are continuing to reach out to student and young activist leaders around St. Louis so they may participate in the project.

We currently live in a society which spends \$700 billion on war and militarism while refusing to guarantee all of its citizens the right to a living wage, the right to decent and affordable housing, the right to an adequate education, the right to health care, and the right to a healthy environment. We live in a society that chooses to engage in endless warfare against innocent people throughout the world while simultaneously incarcerating more people than any other country on the planet, most of whom are low-income people of color. We live in a society rooted in the interconnected logics of racism, sexism, classism, and homophobia, which all

Arms Trade

The Congressional Research Services report (aka the Grimlett report) issued in September 2010, indicated that the United States continues its lead in the Arms Trade business (\$166 billion or 40 percent of the total amount between 2002 – 2009). Russia is next closest at 18 percent, followed by France (8 percent), United Kingdom (7 percent) and Germany (5 percent). (See Global Issues website – Arms Trade). The year ended with a strange decision of the French to sell a modern, high tech helicopter carrier to the Russians; the Lithuanians, Estonians, Georgians and presumably other Russian neighbors were not happy. High on the list of positive developments during the year was the extradition of Victor Boot in November from Thailand to the United States where he will stand trial for a variety of charges that he has supported terrorism. He is perhaps best known for his many shipments of arms to African countries like Sierra Leone, Liberia, Angola and the Democratic Republic of Congo.

work to negatively impact people both within and outside our borders. As young activists concerned with social justice, we have our work cut out for us. However, we are hopeful and we are dedicated to creating a new and beautiful world without war and injustice in which everyone's humanity can be affirmed. We are coming together through this project to help make that world more of a reality.

Young activists unite!

My Vision of A Peace Economy: The Only Pragmatic Solution

Austin Dillon, research intern



In his speech at Stanford University in 1906 the philosopher William James outlined what he called the moral equivalent to war: a “peace economy” that devotes itself to the service of others and the menial tasks of society but is fueled by the “martial values” that animate power-hungry nations,

such as obedience to command and intrepidity. James’s critics, both past and present, have admonished such unrealpolitik theories as being uncomfortably counterfactual and romantically idealistic. They’ve argued that an altruistic market could hardly exist for long, let alone thrive in a world of conflicting state interests and power jockeying. And surely James’s detractors felt vindicated when eight years after delivering his speech a world war broke out among the great powers.

But while labels such as “incompatible,” “counterfactual,” and “starry-eyed” are often attached to the arguments for a peace economy; the current world order is a testament to the growing need and feasibility of peaceful economic programs. In fact, it could be argued that now more than ever a peace economy is the only pragmatic alternative to our current system of malevolent government contracts. In the typical military-industrial fashion that Eisenhower warned against, government policy (in the form of defense contracts) has sustained and incorporated incredibly powerful companies such as Lockheed Martin, Boeing, Northrop Grumman, Raytheon, Halliburton, and Blackwater, who in turn pay millions of dollars, \$27 million last December, to send lobbyists to Washington to sustain and incorporate even more beneficial policy,

which in turn creates more defense contracts, which begets more lobbyists...you can see where I’m going with this. Even with a liberal, highly diplomatic president in office, the ouroboros still seems to be in full force. For 2011, the defense budget will increase to \$708 billion, a staggering number considering the US deficit has climbed to \$13.8 trillion, 93.2% of the US GDP.

So let’s ask the important question. Why does the US need such a high defense budget? There are two responses that come to mind.

The first one is that unfortunate catch phrase...terrorism. So I ask you, do you think we can stop terrorists from blowing themselves up by building more fighter jets? Are we going to catch bin Laden with another warship? Sadly, it seems most American officials, and the public for that matter, have forgotten the lessons of Vietnam. No matter the force of violence, America cannot defeat an idea, especially one that promises freedom from foreign oppressors and spiritual fulfillment to boot. And especially when our military actions do nothing but confirm their notions of America as an evil empire.

The second response is that five letter acidulous word that looms in the mind of most Pentagonians: China. America’s second largest trading partner, China, with \$44.2 billion in imports and exports, is moving up the list both economically and militarily. Last week The Economist produced a

14-page special report, “The dangers of a rising China.” The title itself implies a wary Western stance towards Chinese economic and military prowess, especially considering recent developments in the area, such as its current dispute with Japan over rogue Chinese fishermen.

Moreover, political realists are distraught with the growing possibility of two strong-willed powers going at it in an arms race. Recent Pentagon assessments warn of a threat to Taiwanese and American bases. As a result the US Navy has deployed more vessels in the Pacific. But what might be defensive posturing in the US’s eyes could easily

Land Mine Treaty

The United States has never ratified the so called Ottawa Treaty that was initiated 17 years ago prohibiting the production, transfer and use of anti-personnel land mines. In the spring of 2010, two thirds of the Senate (including 10 Republicans) admonished the Obama Administration to send it the treaty for a vote. In return Obama promised to revisit the issue. What happened? (Visit International Campaign to Ban Landmines website)

be perceived as offensive restructuring in China's. Security, after all, is in the eye of the beholder.

Although China might raise eyebrows in the Pentagon, the sheer interconnectedness between our respective economies warrants a reexamination of current realpolitik motivators. In the second quarter of 2010, the Bureau of Economic Analysis estimated the current US current-account deficit at \$123.3 billion. This number, although disheartening to economists and middle class workers, does have a bright side to it. The amount of money and goods flowing across the Pacific is enough to make any president second guess going to war before exhausting all diplomatic options. Going to war with China could sever a vital ligament in the world economy and send international finances into a tailspin. And with the amount America owes to the rest of the world (well, China that is) it cannot afford to interrupt both financial and material trade.

Another good reason for shedding our extravagant defense budget is very much tied to this idea of trade, and particularly trade with China, so we'll call it a relevant tangent. The dollar is slowly losing its position as the world's reserve currency. Why is this important? Well, this position is a great advantage to our trading capabilities. If the rest of the world wants to buy something like oil, first it has to manufacture and import goods to earn the dollars—only then can it buy the oil it needs. The US doesn't have to do this. Instead, we can just print more money. Also, it alleviates our worries about trade balances (although some would say too much). If other countries import more than they export, they have to borrow more dollars to cover the excess. But that's really expensive, as Clyde Prestowitz points out in his book, *The Betrayal of American Prosperity* and so usually they are forced back into equilibrium. But America

does not need to balance (for this reason at least). Instead it can, again, print more money.

But, at our current spending rate it looks like the world might rebel against the greenback. In 2007 Kuwait stopped pegging to the dollar, and now OPEC is debating whether to do the same. Russia, Thailand and Malaysia are reducing their dollar reserves and China, our \$2 trillion debt holder, wants to replace the dollar with a unique currency of the IMF. Since our military spending is out of control, it only serves to exacerbate this very unnerving development. America keeps printing money not only to buy from and support arms manufacturers, but also to pay countries in return for international bases and patrolling rights. If the dollar were to fall from this significant and advantageous position, our economy would be ill prepared to handle such a huge sink in imports.

So what does this all mean? With the decreasing practicality of military action, perhaps we should focus our money towards more serious problems that plague the world as a whole. Environmental sustainability is the first program that comes to mind. Global warming affects everyone. If the US were to invest in sustainable technology (not to mention its declining public science education) it would set a laudable precedent for other Western countries. It's not absurd to even imagine China taking more action to combat greenhouse gases, considering its recent signoff on the Kyoto protocol.

But first, the US must show the world its goodwill. If we are to promote international trade, responsible sustainability, human rights and stymie terrorism then we should redirect our coffers to the most pragmatic choice: a working peace economy.

Weapons in Space

Good News. At the end of June 2010, the Obama Administration announced a new space policy that stressed international cooperation, and a new willingness to work with others to curtail the dangers of an arms race in space. This was a dramatic reversal of the more belligerent policy put forth by President George W. Bush in August 2006, and was said to be a return to the more bi-partisan arms control language of previous presidents both Republican and Democratic.

Joint Strike Fighter Second Engine

Recall that Congress approved work on a second jet engine for the F-35 last year, something the Pentagon didn't want. In early January, Senators from New England and Ohio were complaining that the money that was supposed to last until March was running out and that the Defense Department was disregarding the will of the Congress. Stay Tuned.

Connecting with Peace Groups Across the Country: New Priorities Network

Tila Neguse

The Peace Economy Project is now a member of the New Priorities Network, which began on October 3, 2010, after the One Nation Working Together rally in Washington, DC. New Priorities Network is both an initiative and a coalition focus on the mission of lowering defense spending in order to fund social change.

New Priorities Network provides a very much-needed forum for idea-sharing and strategizing opportunities for peace and justice groups. Once a month, members of the network participate in a nation wide conference call. The purpose of these calls is to provide an opportunity for those involved in the peace and justice movement to exchange strategies, successes, and information about the progresses they are making and the challenges they are facing.

The network encourages its members and member organizations to call for local resolution campaigns. By strengthening local movements and focusing on coalition building on a local level, organizations can tackle important issues. Just like the majority of other states, Missouri is facing a budget crisis that has led to cuts in healthcare, education, and Medicaid. PEP, as of now, is the only peace group from the state of Missouri represented in the New Priorities Network. Therefore, as an organization we will play an integral role in representing not only St. Louis, but also Missouri and the local issues that plague us.

The New Priorities Network is asking member organizations to spread this message:

Forty-six states are cutting their budgets. Fourteen to 100 cities could face bankruptcy this year. Local governments

are closing libraries and schools, cutting vital safety net programs, selling off valuable public assets, and trying to balance their budgets on the backs of their employees.

People are hurting and they're angry. We can turn that anger into a political crowbar by using local resolutions to end the wars, cut Pentagon spending, and fund our communities. A resolution campaign will allow you to:

- Build an ongoing coalition with unions, community organizations, and people who are being hurt by budget cuts and layoffs;
- Hold public hearings that mobilize your coalition, bring in new people, publicize our campaign, put pressure on elected officials, and start a real dialogue about our national priorities;
- Conduct an energetic and creative public relations and educational campaign,
- Engage local elected officials in pressing Congress to adopt our new priorities;
- Put real grassroots pressure on your member of Congress; and
- Build relationships that you will need in our multi-year campaign to cut war spending and fund our communities.

With this country in economic crisis, the peace movement is going through a strategic evaluation. The question of wars as a priority has been pushed onto the forefront and much needed attention is now focused on what Peace Economy Project and our brothers and sisters in the movement have to say about our military budget.



Image by lumaxart.

A Complete List of Organizations in the New Priorities Network:

199 SEIU United Healthcare Workers East/MA	Fund Our Communities, Reduce Military Spending 25% (Eastern Massachusetts) – A taskforce of United for Justice with Peace, working in cooperation with MA Peace Action	Peace Action
Alliance for Global Justice	Granny Peace Brigade Philadelphia	Peace Action Maine
Alliance for Justice and Peace	Grassroots Global Justice	Peace Action Montgomery
Arlington 25% Solution, Arlington MA	Historians Against the War	Peace and Justice Action League of Spokane
Bay Area Campaign for New Priorities	Institute for Policy Studies	Peace Economy Project (MO.)
Boston Coalition to Fund Our Communities –Cut Military Spending 25%	Iraq Veterans Against the War	POWER
Bring Our War \$\$ Home Campaign Coalition	Just Foreign Policy	Progressive Cheverly
Cities for Peace/Cities for Progress	Labor/Community Strategy Center	Progressive Democrats of America
Citizens Action	Lehigh Valley Peace Coalition	Sisters of Mercy of the Americas Justice Team
Cleveland Peace Action	Long Island Alliance for Peace Alternatives	U.S. Labor Against the War
Coalition for Peace Action	Main Line Peace Action	United for Justice with Peace (Boston)
Communications Workers of America (CWA)	Michigan Peace Action	United for Peace and Justice 25% Taskforce
Community Organizing Center	National Priorities Project	US Peace Council
DataCenter	NETWORK, A National Catholic Social Justice Lobby	War Resisters League
Delaware County Wage Peace & Justice	No Nukes No War	War Times
Dorchester People for Peace	Nodutdol for Korean Development (NYC)	Wellstone Democratic Renewal Club
Foreign Policy in Focus	Nuclear Age Peace Foundation	Western States Legal Foundation / Mayors for Peace
Fund Our Communities: Bring Our War Dollars Home, Montgomery Co. MD	Pax Christi USA	Win without War
		Women for Genuine Security
		Women's Action for New Directions (WAND)

PEACE ECONOMY PROJECT ANNUAL REPORT – 2010

As is typical PEP took in and spent a relatively small amount of money in comparison with most non-profit organizations. The summary is below; those interested in more details are encouraged to contact director Tila Neguse.

<u>Income</u>	<u>Expenses</u>
* Membership/Donations: \$9,949.50	* Wages: \$22,472.08
* JPS: \$10,600	* Office/Supplies: \$2,933.32
* Grants: \$7,000	* Outreach (Events/Newsletters): \$1,175
* Fundraisers: \$7,296.66	* Fundraising: \$878.27
* Miscellaneous: 1,005.40	
TOTAL: \$35,851.56	TOTAL: \$27,458.67

Since 1977, PEP has relied on individual contributions, volunteers, and occasionally the receipt of small grants.

Special thanks are in order for the contributions made during 2010 by:

Greg Stevens, proprietor of **The Wine Press** and **Peace Printing**, and a creative, generous fund raiser.

Andy Ayers, Eat Here St. Louis (Andy@EatHereStl.com) and former proprietor of Riddles.

Dr. Abbe Sudvarg, PEP board chair

Joe Welling, aka Joe the Juggler, provider of volunteer newsletter support

Cindy Barber, an extraordinarily generous friend from New England

The Dominicans of Racine Wisconsin

The Sisters of Loretto in St. Louis

The full list of our kind contributors during 2010 and the first few weeks of 2011 follows:

Bill and Mary Abkemeier

Mark Albrecht

Martha Alderson

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Andy and Paula Ayers

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Continued on page 14

John Wiedmann Memorial Concert
The Peace Economy Project & The Doerr Center for Social Justice Present:

CHARLIE KING & KAREN BRANDOW IN CONCERT

And Annual Silent Auction

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STUDENTS

\$10 • with student I.D.



Child care \$5 per family
(registration due March 5th)

Tickets and childcare registration
available on-line at
peaceeconomyproject.org

All proceeds benefit the
Peace Economy Project

Continued from page 12

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Warren Wimmer and Bonnie Wimmer

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In Memoriam – Selected deaths in 2010

Samuel Cohen. Physicist Cohen (age 89) was the inventor of the neutron bomb. Unlike the atomic or hydrogen bomb, a neutron bomb is designed to be used to kill soldiers (and other humans in the vicinity) with neutrons that pass through buildings, tanks or other facilities in which those humans are located. Cohen argued that his bomb was “sane and moral” because it could limit “death, destruction and radioactive contamination.”

Chalmers Johnson. PEP members lost an inspiring leader and prolific author (age 79) whose books articulated many of our concerns. Among them: *Blowback: The Costs and Consequences of American Empire* (2006), *The Sorrows of the Empire* (2004), *Nemesis* (2006), and *Dismantling the Empire* (2010). A review by Ronald Asmus called his writings a “cry from the heart of an intelligent person who fears that the basic values of our republic are in danger.”

Guantánamo

There was little progress in 2010 towards the fulfillment of President Obama’s pledge to provide trials to all the remaining prisoners in Guantánamo and to close it down. There are lots of reasons but the Supreme Court did say (June 2008, *Boumediene v. Bush*) that all prisoners held at Guantánamo are entitled to the writ of *habeas corpus*. The President seemed to give up recently when he signed the 725 billion dollar defense appropriations bill that prohibits the use of DOD funds to transport Guantánamo prisoners to the USA. (Learn more at the No More Guantanos website.)

John Murtha. Impressive in another way, Congressman John Murtha (age 77) served as Chair of the House Appropriations subcommittee since 1989. In that capacity, the ex Marine came to symbolize the worst excesses of the earmark process. He was reported, for example, to have received 2.3 million in campaign contributions all by firms expecting a defense related earmark. (Learn more by reading “Murthaville” in the New Republic, September 9, 2009)

Louise Reiss. A founding member of the Greater St. Louis Citizen Committee for Nuclear Information, Dr. Reiss (age

90) was named, in 1959, director of the Baby Tooth Survey. Over a 12 year period, about 320,000 baby teeth were collected and tested at Washington University for strontium 90 a radioactive by-product of nuclear explosions known to cause cancer. The study found that St. Louis children born in 1963 had 50 times as much strontium 90 than children born in

1950, which was before most atmospheric testing. Five years after the Test Ban treaty was negotiated with Russia in 1993, the presence of strontium 90 had declined by 50 percent.

Justice And Peace Shares

PEP is a proud member of Justice and Peace Shares, a collaboration of seven local groups, all committed to nonviolent social change and justice for the poor.

JPS Shares (\$25/month) save these 7 organizations valuable time and energy otherwise spent fundraising so that they can focus on their important work for peace and justice.

JPS Shareholders are eligible for membership in any or all of the JPS groups but do not receive direct appeals for further contributions from these organizations.

St. Louis Justice & Peace Shares
438 N. Skinker Blvd.
St. Louis, MO 63130
(314) 725-5303
www.jps-stl.org
info@jps-stl.org

To our readers: If you are not currently a member but like what you have read here, please consider joining PEP. Membership supports PEP's research and work to build a peace-based economy. Clip and mail the form below. Don't forget your email address - it is the quickest way for us to reach you.

Yes, I want to join PEP.

Contributions are tax-deductible.

\$50 Sustaining Member \$30 Member
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Return to: Peace Economy Project
438 N. Skinker Blvd.,
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Justice and Peace Shares (JPS) and How it Works

Excerpts from Andy Heaslet's "Justice and Peace Shares—A Case Study in Collaborative Funding", featured in *Grassroots Fundraising Journal* Nov/Dec 2010

Creating Justice and Peace Shares

A "JPS share" is a monthly \$25 donation. Share commitments continue year after year, with no annual renewal process. Contributors are designated as "JPS Shareholders" and no longer receive direct appeals for contributions from individual participating organizations. Shareholders are still invited to program and fundraising events hosted by participating organizations, and they get special shareholder discounts as a perk for participating and as encouragement to remain involved with the organizations.

In addition to financial collaboration, JPS has organized training workshops for members and peers of the participating organizations. So far, these workshops have provided new know-how on board development, planning nonviolent campaigns, organizing among communities of color, accessing mainstream media, working with and creating alternative media, and alternative economics.

Keeping the Lights On

Today, JPS consists of six organizations, with the seventh founding organization reevaluating its role in the com-

munity and bowing out amicably. We have more than 200 shareholders; each organization can count on receiving between \$800 and \$1,200 a month from these pledges.

Individual organizations may still seek grants and each still has its own membership list and appeals to non-JPS members for money through fundraisers, campaigns, and semi-annual appeals. For the smaller member organizations, JPS funds meet their needs as currently organized. For those with full-time staff, JPS provides a consistent, ongoing source of income, which is particularly helpful in lulls between major fundraisers and campaigns when organizations would otherwise have to dip deep into savings. What we all have in common, though, is that we are no longer consumed by figuring out how to keep the lights on.

JPS has most definitely had a positive impact. You can tell because we've been working! And, whether working to reduce military spending, end wars, help immigrants in need, keep track of Latin American struggles, or protect human rights, there's no shortage of work to be done!

Continued on reverse below mailing flap.

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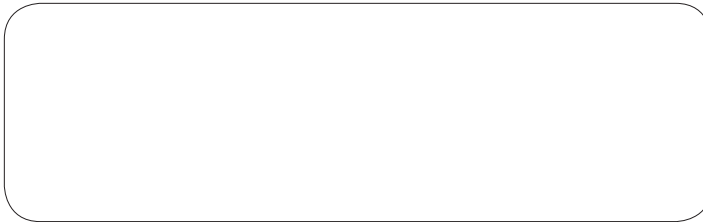
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PEP News:

Read Thoroughly.

Share Widely.

React Passionately.



Current JPS Member Organizations—all based in the St. Louis, MO region.

Peace Economy Project: Advocates for reducing military spending in order to fund social, infrastructure, and environmental needs. (Founded 1977).

www.PeaceEconomyProject.org

Instead of War Coalition: Organizes and mobilizes St. Louis area residents to speak out against war and oppression. (Founded 2002)

www.InsteadofWar.org

Interfaith Legal Services for Immigrants: Provides affordable, compassionate, and skillful immigration assistance to those seeking to live lawfully in the United States, with a focus on those seeking political asylum and detained by U.S. Immigration. (Founded 1999)

www.ilsilegal.org

Inter-Faith Committee on Latin America: Educates St. Louisans about Latin America and US policies towards the region, seeking to provide support for Central American communities and to refugees from these nations who find themselves far from their homelands. (Founded 1982)

www.IFCLA.net

Human Rights Action Service: Provides subscribers with a way to take actions to challenge human rights abuses in the United States and around the world. (Founded 1996)

www.humanrightsaction.net

Catholic Action Network for Social Justice: Works as an independent and inclusive organization - for social justice within the Catholic Church and the larger community. (Founded 1998)

www.catholicactionnetwork.org