

PeaceEconomyNews

Summer 2008



The Good, The Bad & The Outrageous

by Charles P. Kindleberger

PEP researches, educates and advocates for conversion of our society from a military to a peace-based economy

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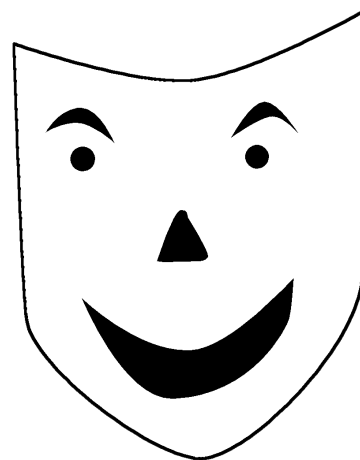
My high school 50th Reunion occurred several weeks ago, providing an opportunity to talk with old classmates whose lives had gone in many different directions. One spent his career in the Navy where he eventually became a submarine commander. He spoke of the Navy's skill at making sure that parts of ships were built in most states, no matter their proximity to water, thereby attracting the widespread support of US Senators and Congressmen.

He also spoke of the Submarine Corp's efforts to stay relevant in the era of the "Global War On Terrorism". To his dismay, the Navy had decided to spend a lot of money to convert 4 of its active submarines into vehicles that could carry a group of Special Forces troops to a remote location. My classmate thought that was a poor decision for reasons that, to me, seemed quite rational.

He described how only the larger, ballistic missile carrying subs were big enough to carry the troops, but that the larger subs have a deep draft, and, with their nuclear engines, need to have plenty of water beneath them. They would have to stay far off shore and the troops would need to be loaded into a smaller sub that could get close to shore. Yet building a small sub able to deliver these troops represents a daunting task. This conversation led him to disclose his view that the nation needs to spend less, not

more on the military.

My classmate's story got me to wondering if there was any good news for those concerned about the challenge of creating a peace based economy, as well as the bad, and, of course, the especially bad. I think there are a few reasons for optimism, as well as despair. Obviously there is plenty of room for debate on all of these issues.



THE GOOD. *If you are an optimist, you can find some reasons for hope.*

a) McCain on Nuclear Weapons. On May 27th, Senator McCain announced that he favored negotiating with Russia in order to eliminate tactical nuclear weapons in Europe. These short range missiles, which are reported to constitute between 30 and 40 percent of the two nations' arsenal are thought to be susceptible to theft including possibly falling into terrorist hands. McCain also called for strengthening the Non Proliferation Treaty, the International Atomic Energy Agency, nuclear talks with China and more.

b) Commission on appropriate role of nuclear weapons. In March, the House and

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Senate Armed Services Committees appointed individuals to a bipartisan Commission that will examine non-proliferation policies and missile defenses in the US strategic defense. The Commission was created as part of the National Defense Authorization Act for FY 2008. The report of the Commission is due in December of this year. While there is nothing inherently positive about the establishment of yet another Commission, still this is an opportunity for members and friends of The Peace Economy Project (PEP) to contribute their ideas on a set of critically important issues.

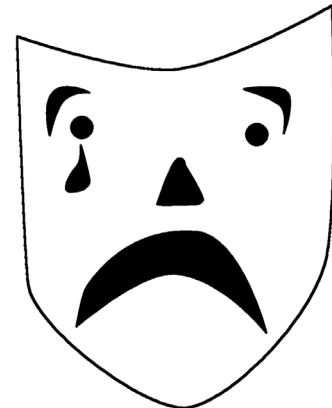
c) Committee on Oversight and Government Reform. Hearings before this committee on the Pentagon's budgeting and acquisition process have revealed shoddy accounting and major questions surrounding how defense funds, especially those associated with the war, have been spent. Recent testimony from the Inspector General's Office of the Department of Defense (DoD) revealed that \$7.8 billion of \$8.2 billion (95 per cent) had failed to "follow basic accounting standards." The Inspector General concluded that "\$1.4 billion of these payments didn't even meet the most minimal requirements necessary." The news is shocking, but at least we finally have a Congressional committee that is willing and able to shine some light on the shortcomings of the DoD!

d) Comprehensive Contractor Responsibility Database. The Project on Government Oversight and 32 other public interest groups have supported the idea of a database of government contractors. It would include information about alleged contract defaults, poor performance, violations of laws and regulations, etc. Originally proposed by Senator Clair McCaskil (S. 2904) and Representative Carolyn Maloney (H.R. 3033), the bill would have applied to all government agencies and made the database public. The current version would solely apply to the DoD and the information would be available exclusively to government officials. While not ideal, any improvements in disseminating information about the integrity and capability of contractors represent real progress.

e) GI Bill. Senator James Webb has proposed an enhanced GI bill comparable to the benefits that World War II veterans received. Soldiers who have been in the service at least 3

years since 9/11 could receive an amount equal to the most expensive public university in the veteran's state. The Bush Administration and Pentagon worry that these enhanced incentives might cause losses to accelerate from the all volunteer military. Others would like to structure the program so that benefits would increase the longer one served, and to allow benefits to transfer to spouses and children. Many economists have recognized the positive impact that the GI Bill has had on the economy and taxes. The outcome of this legislation is promising.

f) Technology. Some might argue that any technology that improves weapons or the performance of soldiers is immoral. Perhaps, but it seems to me that technical improvements that limit indiscriminate killing (i.e. collateral damage) and help the wounded recover is positive. An example of impressive technology is the recently announced robotic prosthetic arm developed by renowned inventor Dean Kamen, father of the Segway. This 9-pound device can apparently let a disabled individual pick up a water bottle, write a note or scratch his or her nose. Other research is developing vehicles and weapons that won't need human operators as well as more accurate weapons technology. Some believe that advances like this further the "war machine." On balance, I believe they represent advances for society.



THE BAD. *It is easy to identify things that are bad, but we may disagree about what is bad and what is outrageous. Here is one person's list.*

a) Ear Marks. The Democrats regained control of Congress in 2006, promising to

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reform the explosion of “ear marks” made under the Republican Congress. Recall that “earmarks” are decisions made by powerful congressmen to steer specific projects to their districts rather than have them approved competitively on their merits. After a moratorium, earmarks have returned in a big way, with defense related earmarks leading the way.

b) Dangerous living. In 2007, the captain of a submarine was relieved of his command for not insuring that the ship’s nuclear reactor was being routinely monitored. Then a crew was disciplined for “accidentally” flying a B-52 with 6 nuclear warheads on board from North Dakota to Louisiana without authorization from the Air Combat Command. Again, in March, it was discovered that 4 fuses for Minuteman nuclear warheads were sent to Taiwan eighteen months ago, in place of helicopter batteries. Were these all individual snafus or evidence of a more systemic problem?

c) Army Financial Outlook. The Pentagon is reported to want 65,000 more soldiers and 27,000 more marines in the next few years. At roughly \$100,000 a year per individual for pay, food, shelter and benefits, that adds to \$9.2 billion without even considering equipment and training costs. In addition, after 5 years of war, a great deal of equipment needs to be refurbished or replaced. I don’t like this request, but for me it is much more understandable than the wish list offered by the Air Force and Navy. See below.

d) Missile Defense in Europe. The President continues to push for a missile defense system in Eastern Europe designed to protect Western Europe from a rogue missile that might be fired from a place like Iran. Admittedly Iran’s leaders have acted in a bizarre and threatening manner, but even if they do pose a real threat, independent observers don’t believe or can’t determine if the system could work. Moreover, the proposal has served to aggravate our already delicate relations with Russia and could become a contributing factor to a 21st century arms race.

e) Weapons to the Middle East. In January, President Bush informed Congress of his proposal to sell Joint Direct Attack Munitions (JDAM) kits, made in St. Charles, MO, that convert ordinary “dumb” bombs into “smart” bombs to Saudi Arabia, the United Arab Emirates, and Israel. This comes on top of

many additional weapon systems proposed for distribution in that part of the world. Some experts note that Russia, France, China and others are equally active in the global arms bazaar, but that does not prevent us from setting a sane example.

THE OUTRAGEOUS. *There are lots of possibilities here. Here are some issues that really upset me.*

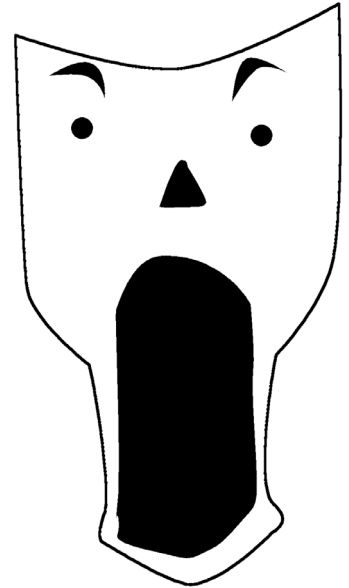
a) Cluster Bombs. In May 2008, 111 nations adopted a treaty that called for the elimination of cluster bombs, basically small “bomblets” that are scattered across large areas. Inevitably many of these do not explode until a farmer, child or some other civilian disturbs the bomb, with devastating results. The president is on the side of Russia and China in arguing for these weapons. Human Rights Watch claims that the USA has been the largest “producer, stockpiler and user” of these horrible, indiscriminate weapons.

b) Cost Overruns. This spring the Government Accountability Office revealed the extent of the appalling cost overruns that characterize procurement by the Pentagon. As reported in the New York Times, the GAO found that in 2000 “the Pentagon’s 75 major military weapon systems were \$42 billion or 27 percent over initial budgets. By 2007, with 95 major weapon systems on the list, projected cost inflation had swollen to \$295 billion or 40 percent over early estimates.” Members of the Senate Armed Services Committee claim to be very upset, but are they prepared to take on the Military Industrial Complex? It appears more out of control than ever.

c) The Air Force. The F-22 Raptor is the poster child for a new plane that this country cannot afford. Designed and developed over 20 years with constant change orders, the Air Force originally wanted 750 planes, but now will receive far fewer (183?) depending upon the effectiveness of Lockheed Martin and Boeing lobbyists. But there is much more on the horizon: the F-35 Joint Strike Fighter (already 40 percent over budget), a new bomber (100 new planes are desired within 10 years at an estimated cost of \$1 billion each), new cargo and tanker planes and, of course, the never-ending missile defense expenditures (roughly \$8 or 9 billion a year under the Bush Administration.) The recent firings of the Secretary and the Chief of Staff of the Air Force by Secretary Gates reflect concerns about runaway costs and the lack of team play.

d) The Navy. As it has for years, the Navy wants to expand its fleet of ships (from a reported 280 today to a goal of 313). Despite a lot of rhetoric, it can’t seem to find a way to do this inexpensively and quickly. The new generation DDG-1000 destroyer is estimated to cost \$3 billion a piece.

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PEP is now on your favorite social networking sites! Find us at www.myspace.com/peace_economy_project and/or perform a search for us on facebook and "friend" us!

Webpage Updates Announcement

www.PeaceEconomy-Project.org is going through some major pages!

Soon, the website will become more navigable and a more effective tool for learning about the inner workings of the Military-Congressional-Industrial Complex and what we can do to build a Peace Economy.

Please be patient as we work out glitches and please visit often to see how the site is improving!

Catch PEP Coordinator, Andy Heaslet, on KDHX/Doubleh Hlix Channel 21, St. Louis, throughout the month of July.

He is a guest on two "Green TV" shows entitled "Environment, Race, and War" and "Shifting War Dollars to the Environment."

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Originally they wanted 32 new destroyers; at the new price it would seem that we could only afford a handful. The latest embarrassment is the Littoral Combat Ship, a new class of relatively small, fast ships designed for coastal deployment. Since 2001, Lockheed Martin and General Dynamics have been busy on two prototypes (named Freedom and Independence respectively). The goal was to deliver the first models in 6 years at around \$220 million each. Seven years later the estimated price has risen to more than \$500 million, with estimated delivery dates in late 2009.

e) Presidential Helicopters. Here is one that the Navy may have wanted to kill, according to the Post Dispatch (Editorial, 12/31/07), but the Pentagon overruled. Lockheed is developing a new fleet of presidential helicopters called the VH-71 "Kestrel." Unhappily, the estimated price for 23 helicopters seems to have doubled since 2003, and could now reach \$12 billion or around \$500 million per helicopter. This price tag gives new meaning to the phrase, "we serve at the pleasure of the President."

f) Satellites. In 2005, the "Future Imagery Architecture" project was cancelled after the investment of at least \$4 billion. A long article in the New York Times (11/11/07) described the debacle led by Boeing, a firm with little satellite experience. When the project was finally killed, its overall cost forecast had risen to \$18 billion. Last summer, Director of National Intelligence, Admiral Mike McConnell, cancelled a Lockheed Martin satellite project known as the "Misty System." This effort to build smaller, stealthier satellites was once again over budget and behind schedule, a symptom all too common within the military-congressional-industrial complex.

g) Military Health. No it is not an oxymoron. In fact some argue that the Veterans Administration runs a pretty effective health system overall. But the deterioration at Walter Reed Hospital, the failure to deal with post traumatic syndrome and related mental health issues, and the exploding family violence and suicide rates on part of soldiers, especially those who have served multiple tours, is scandalous.

h) Reliable Replacement Warheads. PEP Coordinator Andrew Heaslet and William Hartung have written (Post Dispatch, 12/3/07) about the Department of Energy's proposal to

build a \$500 million nuclear weapons plant in Kansas City. This would be part of the Administration's plan to build a new generation of nuclear bombs. At a time when the world is desperately trying to curtail the spread of nuclear weapons, when we lecture North Korea, Iran and others that it is imperative that they never develop nuclear technology, how can we be so arrogant as to build new ones ourselves?

i) The Three Trillion Dollar War. Nobel Prize winner, Joseph Stiglitz and Harvard Professor, Linda Bilmes have published a book that examines the staggering costs, direct and indirect, of the Iraq war. It is projected to be more expensive than any US war other than WW II. There are many reasons for this enormous cost; one that I find particularly troubling is the use of more than 100,000 contractors, many hired on a sole source, cost-plus basis. The authors claim that private security guards working at companies like Blackwater and Dyncorp could earn up to \$1,222 a day, which amounts to \$445,000 a year. No wonder that the Army has to offer huge bonuses to encourage reenlistment of its soldiers.

Conclusion. For ordinary citizens it is hard to get a handle on the merits of specific programs within the military. Yet, if one thinks about the big picture – the future of this country and of the planet, it is hard not to be very concerned. More than ever we have a responsibility to elect a progressive president and congress, and to educate them about these important issues so that specific defense programs are evaluated and amended appropriately. Tell us what is on your list of the "good, the bad, and the outrageous."



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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.

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Department of Offense?

by Andrew Heaslet, PEP Coordinator

"We still have a choice today; nonviolent coexistence or violent co-annihilation." —Dr. Martin Luther King Jr.

This spring, I attended a conference in Omaha, NE; the focus was on the Department of Defense's (DoD) Strategic Command, or StratCom, located just outside of this Midwestern city. Upon returning from this conference, I did a bit of research and found some interesting information about this place, which I have come to call "the cerebral core" of the DoD.

StratCom includes several programs and responsibilities under its umbrella of command. They include:

- A \$10 Billion **Missile Defense** program with a mere 60% test success rate over the last decade or so; the same program that is putting up massive facilities in eastern Europe against the will of citizens* (see side bar) of the host countries and tacitly challenging Russia into a 21st century arms race.
- Parts of the NSA's **controversial wire-tapping** facilities.
- Management of America's **Military presence in space**, despite calls from both China and Russia to keep space free of weapons.
- Management of the **US nuclear weapons program**,
- Directing the capability to **strike anywhere on the globe in a matter of minutes** with both conventional and nuclear weapons.

StratCom is actively working towards what the DoD, in a document called "Joint Vision 2020," describes as - **Full Spectrum Dominance**, or Military supremacy over Land, Air, Water, Cyberspace, and Outer Space.

Do we want to dominate the world or coexist within it?

There's certainly wide-spread agreement that our military *should* be focused on principles of Defense, but what it is increasingly moving towards, particularly as manifested in StratCom, is an Offensive body – feel free to reflect on the ambiguity of the word offensive.

To further clarify the offensive nature of this command,

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**“Are you reading this?
Would you like a free dinner for two?”**

PEP is trying to assess how many people are reading the Peace Economy News. We would very much appreciate it if you answered these three short questions. Of the respondents, one will be chosen at random to win a free dinner for two at one of our monthly BBQ's!

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* For more information about the struggle of Czech citizens against missile defense facilities, visit www.nonviolence.cz.

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let us look at the first few words of **StratCom's Mission:**

“Provide the nation with global *deterrence* [emphasis added] capabilities and synchronized DoD effects to combat adversary weapons of mass destruction worldwide...”

This is a definition that I think we can live with, but let's look a little more closely at one of its key words, Deterrence.

A DOD document entitled “Deterrence Operations, Joint Operating Concept version 2.0,” signed by the former Commander of US StratCom and the former Secretary of Defense, Donald Rumsfeld, tells us:

“**Deterrence** operations convince adversaries not to take actions that threaten *US vital interests* [emphasis added] by means of decisive influence over their decision-making. Decisive influence is achieved by credibly threatening to deny benefits and/or impose costs, while encouraging restraint by convincing the actor that restraint will result in an acceptable outcome.”

This definition also seems to be innocuous, but let's zoom in on another phrase, US Vital Interests.

The same document states that **US Vital Interests** include:

- Maintaining the integrity of US territory;
- Preserving basic political and societal integrity within the US;
- Preventing mass casualties among the US population;
- Securing critical US and international infrastructure (*energy, telecommunications, water, essential services, etc.*) that support our basic standard of living and economic viability [emphasis added]; and
- Supporting the defense of US friends and allies.

Here is where the foundation of StratCom starts to get shaky: “energy and water... that support our basic standard of living and economic viability.”

In a quick google search, I was reminded that if the entire globe consumed as much

as the US does at our current standard of living, it would require five planet Earths to sustain such a level of consumption.

In a similar search, I discovered a 2006 comondreams.org report that noted that the average American's wealth in the year 2000 amounted to 100 times more than the average Indian or Indonesian.

This point illustrates a non-fiction, global version of Aldous Huxley's book, *The Island*, in which a young leader's ambition and for a lavish life-style and association with a militaristic neighbor causes the violent demise of the entire utopian nation over which he rules.

I certainly enjoy the standard of living we enjoy in this nation, but I strongly object to our *military* being charged with securing this standard, which selfishly mocks the greater global economic reality. We must engage in deep introspection to examine if we are willing and able to maintain our standard of living if it continues to be dependent upon military activity.

Missile “defense,” nuclear weapons, weapons in space, preemptive wars, and warrantless spying, all programs managed by StratCom, embody a spirit of *offensive* military proliferation that, at best, frightens the world into not attacking the US and, at worst, challenges the world to match our military power, leading to new wars and even more rampant military spending that will deplete our national and global treasure.

The United States will continue to have a military – and a large one – but that doesn't have to mean that these policies have to continue. I'm rather happy that we have the infrastructure to defend ourselves if needed – but we must make it clear that the current nature of our defense policies, justified by that little phrase “strategic interests,” are actually proliferating global militarism; I am quite confident that if our military stops its offensive actions, and embraces the message, **Make the Department of Defense about Defense**, we will actually be making our world a safer and better place.

Talkin' in Big Brother's Wonderland

sung to the tune of Winter Wonderland

by Nancy Blatchford

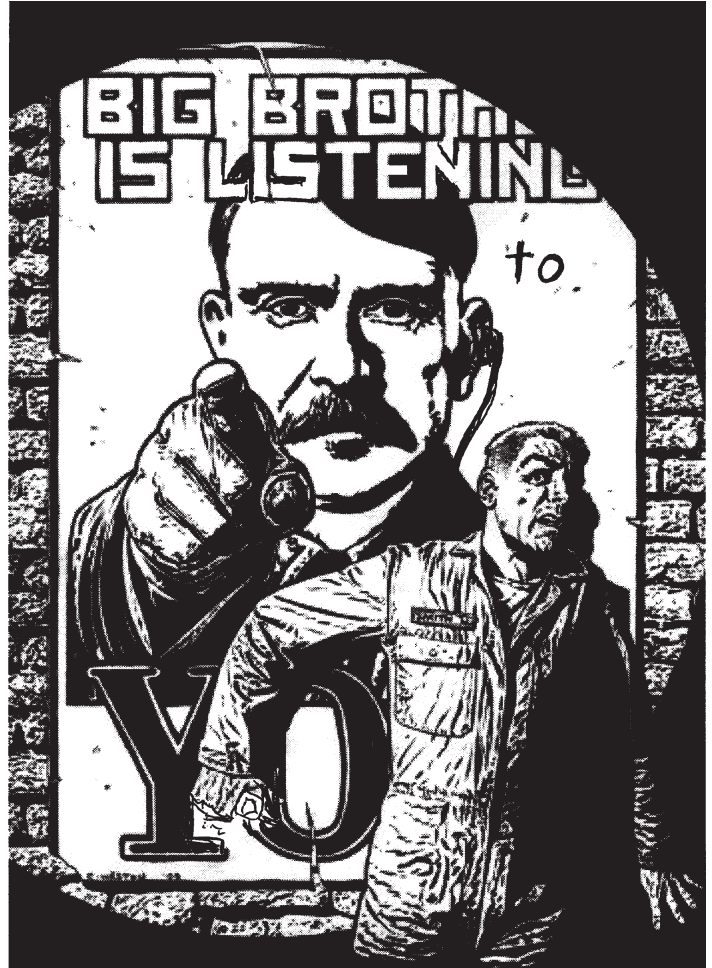
The phone rings, look who's listening,
It's the Feds, eyes a glistening!
Screw civil rights,
He's happy tonight.
We're talking in Big Brother's wonderland.

Gone away is the private word,
Here to stay is the spy word,
So watch what you say,
They'll take you away!
We're talking in Big Brother's wonderland.

In the Mideast we have built a "conflict,"
And pretended it's democracy!
Oh how I wish that we could convict
Our leaders for all their hypocrisy!

Later on, we'll conspire,
Dream impeachment by the fire,
And be very afraid,
Of things that we said,
Talking in big Brother's wonderland.

Talking in Big Brother's wonderland!



Journey. . .

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After reflecting on this story, Pinguel continued to speak about the disastrous nature of the Iraq war, torture, and interventions and occupations worldwide. As he finished, he mused on the saying, "A journey of a thousand miles begins with a single step." The journey of US torture and imperialism, he said, began with that step on a Filipino's belly – and this nation has continued on that path without looking back.

The US has progressed in many ways since the early days of the 20th century, but in many other ways, we've continued down the path begun with that step on the belly of a Filipino liberation fighter. Where are the steps that we're taking today leading us a century from now? Let us all reflect on the path that has brought us to where we are, glance at whose belly we're stepping on today, and look ahead to days where we can walk with dignity and make amends for the havoc we have wrought upon the world.

Coming Events

- **July 18th:** Boeing Dialogue Day
- **July 18th, 5-7pm:** PEP BBQ and Iraq Moratorium with an activist Story Swap.
- **August 3, 6pm:** Hiroshima/Nagasaki memorial at Lewis Park in University City
- **August 15th, 5-7pm:** PEP BBQ and Iraq Moratorium on Nuclear Disarmament

For more PEP events details, please visit
www.PeaceEconomyProject.org/site/events.php

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PEP News:

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React Passionately.

The Journey of 1000 Miles begins with...

By Andrew Heaslet

One of the most compelling presentations that I witnessed while attending the Global Network Against Weapons and Nuclear Power in Space conference in mid-April came from Baltazar Pinguel, a Filipino who was granted political asylum in the US in the early 1990's.

While the theme of the panel was generally focused on US military bases abroad, Mr. Pinguel was fired up and ready to speak about the Iraq war and the legacy of US militarism and imperialism.

As Filipinos were fighting for their independence from Spain in the late 1800's, the US supported their revolution and then promptly swept in to control the Island nation as a colonial buffer in the Pacific. The island residents were not willing to settle for being ruled by a new colonial power and what ensued was a US war and occupation of a nation we had no business in. Sound familiar? Pinguel thought so.

He proceeded to tell of the similarities between the US imperial misadventures in the Philippines a century ago and where we are in Iraq today: roughly 4,000 US casualties, massive civilian casualties, manipulating the land and people for the profits of the occupying nation, and using the geographical location as a strategic base to prepare for waging wars with neighboring countries. The connections he made rang frighteningly true.

Mr. Pinguel wanted to point out one more disturbing similarity. As the water-boarding scandal came to light in late 2007/early 2008, the New Yorker published an article about a young GI stationed in the Philippines who wrote a letter home that was published in the Omaha World-Herald. The soldier told of a horrendous and ineffective interrogation technique, which he described: "Lay them on their backs, a man standing on each hand and each foot, then put a round stick in the mouth and pour a pail of water in the mouth and nose, and if they don't give up pour in another pail. They swell up like toads. I'll tell you it is a terrible torture." Pinguel added to the horrific description, noting that someone would step on the prisoner's belly to intensify the pain.