

ECONOMIC NOTES

VOL. 54 NOS. 7-8

JULY-AUGUST 1986

Laboring for Peace

By Gene Carrol, Labor
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Freeze Campaign

"The loud, clear voice of labor may be the decisive one to tip the balance to peace," the Rev. Dr. Martin Luther King, Jr. told hundreds of trade unionists meeting in Chicago at the Labor Conference for Peace twenty years ago. This happy occasion — the publication of the third edition of **Labor For Peace** in three years — is also an appropriate time to reflect on the fact that "the loud voice of labor" has grown louder still since 1983.

There have been some encouraging developments:

- Twenty-five international unions now support a mutual and verifiable nuclear weapons freeze. They represent well over half the total membership of the AFL-CIO.
- Twenty-three international union presidents have joined the National Labor Committee in Support of Democracy and Human Rights in El Salvador, which opposes Reagan's military buildup in Central America.
- Numerous local and national unions now support the Jobs With Peace Campaign initiatives calling for an alternative federal budget directed toward meeting human needs and cutting military spending's fraud, waste, and abuse.
- The AFL-CIO has made some criticisms of the level of military spending. The 1985 AFL-CIO convention endorsed the concept of economic conversion. Its Industrial Union Department (IUD) supports the economic

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conversion legislation introduced by Congressmen Ted Weiss (D-NY) and Nicholas Mavroules (D-MA).

- Labor opposition to South African apartheid is stronger than ever.

A practical effect of these developments means that a significant and growing number of labor unions are raising questions about U.S. foreign and military policy. The best example is the historic floor debate on foreign policy at the Federation's biannual convention held in October 1985 in Anaheim, California. Some three thousand delegates at the convention witnessed national, district and local union officers take to the microphones to challenge the AFL-CIO's support of

Reagan administration policies in Central America.

The resolution on Central America eventually passed at the convention was a compromise that declared that a "negotiated settlement, rather than a military victory, holds the best hope for the social, economic and political justice that the people of Nicaragua and El Salvador deserve." The significance of all this lies in the fact that the AFL-CIO's traditional decision-making on foreign policy was held accountable in an open, democratic debate. Just a few short years ago, this would have been hard to imagine on the floor of an AFL-CIO convention.

Despite these positive devel-

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opments, the Bureau of National Affairs recently reported that only 18% of the workforce is unionized, down from 21% in 1980, as our government continues to spend disproportionate amounts of capital and human resources on the development of nuclear weapons systems. In addition, our foreign and military policies buttress the international mobility of capital and U.S.-based transnational corporations. This global search for profits contributes to job loss in the U.S. and the maintenance of governments that provide low wage havens abroad.

Successful strategies to rebuild the organizational and political strength of the labor movement will link economic, political and social conditions with the need and desire for peace. The labor movement's motivation for speaking out on major peace issues in the past three years is based both on material self-interest and on a growing moral discomfort among working people about America's attempt to solve complex social and political problems through military force. Trade unionists now understand that true national security is based not just on military strength, but also on providing jobs for all who can work, adequate health care, education, housing, and a clean environment.

Many citizens have been alerted to the danger of nuclear war, the contradictions and injustice of U.S. policy in Central America and southern Africa. But the Reagan administration still pumps out blindly nationalistic, anti-communist rhetoric in the battle for the hearts and minds of America workers.

Our next steps to build the organizational and political power of the peace movement must move beyond resolutions to on-going actions. The organizational and political resources of the labor movement are sorely needed to broaden and deepen the struggle for peace and justice. For example, numerous Local Labor Committees on Central America are forming in major cities around the country. This is precisely the direction we must travel, i.e., building organized opposi-

LABOR RESEARCH ASSOCIATION

Labor Research Association was founded in 1927 to provide publications, research materials, and educational programs for U.S. labor unions. All unsigned articles in *Economic Notes* are prepared by the staff of LRA.

Economic Notes is published by Labor Research Association, 80 East 11th St., New York, New York 10003 (212) 473-1042; Greg Tarpinian, Director and Editor of *Economic Notes*; Fay Hansen, Associate Director

Economic Notes (ISSN 0013-0184) is published monthly except combined July/August; for individuals for one year \$15 (\$18 foreign), organizations \$20 (\$23 foreign), for two years \$28 (\$34 foreign), organizations \$35 (\$43 foreign). Second class postage paid at New York, N.Y. POSTMASTER: send address changes to *Economic Notes*, 80 East 11th St., Room 634, N.Y., N.Y., 10003.

tion by labor at the grassroot as well as at the national level.

Another example is the important role that labor unions can play to influence the voting records of members of Congress. Labor is a politically active constituency that encourages its members to register and to vote. Elected officials hearing from union members on issues of U.S. foreign and military policy will often pay strict attention because these officials understand that labor is a political force. A candidate for public office that sup-

ports Reagan's policies in the area of arms control and foreign intervention should not be known as "a true friend of labor" even if his voting record on labor law issues is decent.

Dr. King concluded his speech in Chicago by asking if it is true that "the troubled conscience of the labor movement cannot be stilled?" His question is still relevant nearly twenty years later. The advances of the past few years are historically significant, but much more remains to be done.

Labor Support for a Freeze

The following national labor organizations have endorsed the proposal for a U.S.-Soviet freeze on the testing, production, and deployment of nuclear weapons:

Amalgamated Clothing and Textile Workers Union
American Federation of Government Employees
American Federation of State, County and Municipal Employees
American Federation of Teachers
Coalition of Black Trade Unionists
Communications Workers of America
Graphic Communications International Union
International Association of Machinists and Aerospace Workers
International Chemical Workers Union
International Longshoremen's and Warehousemen's Union
National Association of Letter Carriers
National Education Association
National Union of Hospital and Health Care Employees
The Newspaper Guild
Screen Actors Guild
Service Employees International Union
United Automobile, Aerospace and Agricultural Implement Workers of America
United Cement, Lime, Gypsum and Allied Workers International Union
United Electrical, Radio and Machine Workers of America
United Farm Workers
United Food and Commercial Workers
United Furniture Workers
United Steelworkers of America

When a Nuclear Bomb Explodes . . .

The fight against nuclear war is based on evidence that such a war would cause unprecedented death and suffering and the possible annihilation of life. There is no precedent for such a comprehensive destruction of society, no mathematical or computer model enabling us to adequately visualize the conditions that would occur.

Much of the evidence on the effects of a nuclear attack is based on the experience of Hiroshima and Nagasaki in 1945. The bomb dropped on Hiroshima killed 75,000 people instantly. By 1950, 200,000 deaths were attributed to the effects of this bomb and the deaths continue to this day.

Hiroshima and Nagasaki are, however, inadequate models for a present-day attack. The weapons exploded on those cities were approximately 13 kilotons each. Modern strategic weapons range in size from one megaton to 20 megatons. (One megaton is equal to 1,000 kilotons or 1,000,000 tons of TNT.) A one-megaton bomb has 75 times the explosive power of the Hiroshima bomb and a 20 megaton has explosive power 1,500 times greater.

A 20 megaton bomb would create a fireball six miles in diameter. Temperatures in the fireball would be 20 million to 30 million degrees Fahrenheit, vaporizing buildings and people. The heat wave, six miles from the epicenter, would instantly kill all exposed life. Winds up to 200 mph would hurl debris through the air and increase the spread of firestorms.

Immediate injuries among survivors would be severe — including flash and flame burns, penetrating and crushing wounds, fractured limbs, lacerations, ruptured ear drums, blindness, and temporary deafness. Gazing at the fireball, even from 30 miles away, would produce retinal burns. Many of the acutely injured would die even with the most sophisticated treatment, assuming such treatment were available.

Acute radiation injury would cause nausea, vomiting, diarrhea, and dehydration. Even low doses of radiation may seriously impair recovery from burn injuries. The flash of thermal radiation released from the fireball would cause burns to all exposed skin of those within a seven mile radius of a twenty megaton explosion.

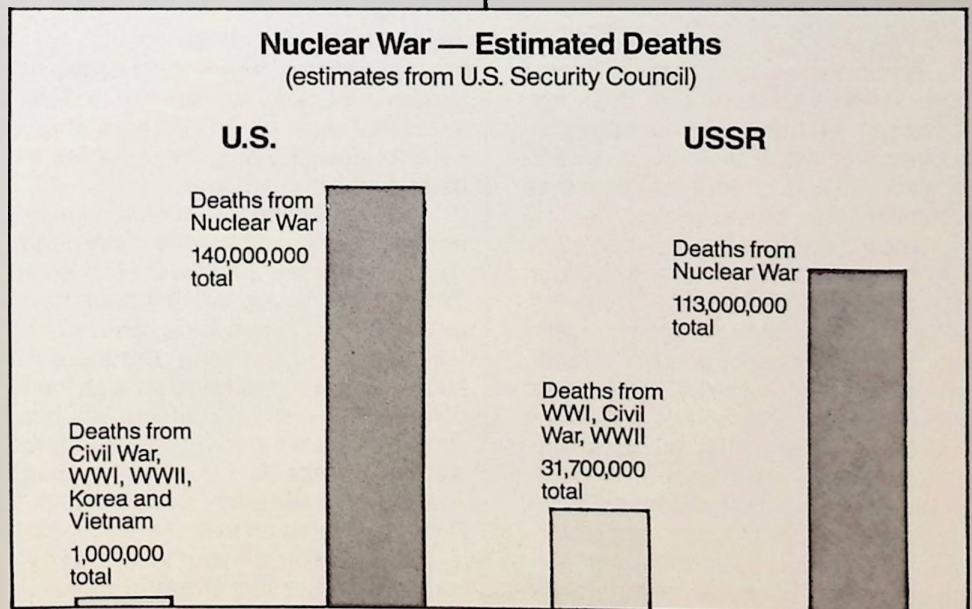
Full-thickness burns involving more than 20% of the body's surface require an intensive care unit setting with blood products, antibiotics, and surgical facilities available. The entire U.S. has less than 2,000 beds offering this specialized care, mostly in metropolitan areas. Experience in Hiroshima showed that many burns formed keloid scars — a disfiguring and disabling form of healing. Recent studies emphasize that under certain wind conditions, firestorms would spread from the epicenter to areas initially unaffected by the blast, increasing the number of burn injuries.

Radiation may not cause immediate death. The initial symptoms may resolve, but within several weeks life-threatening effects are seen: bone marrow suppression causing bleeding

About The Authors

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from loss of platelets (blood-clotting cells), infection from the lack of white cells, ulcerations of the mouth and nose, bloody diarrhea, and loss of hair. □



Nuclear Weapons

Although the consequences of a nuclear exchange are clear, the fact remains that for more than 40 years the stockpiles of nuclear weapons have grown and nuclear weapons have become more powerful and more accurate. There are now more than 50,000 nuclear weapons and the number grows daily. The U.S. military budget has increased every year for the last six years and is scheduled to rise for another six.

Strategic weapons are launched by three types of delivery systems: (a) land-based intercontinental ballistic missiles (ICBMs) fired from underground silos; (b) manned bombers; and (c) sea-launched ballistic missiles (SLBMs) fired from submarines.

Both the U.S. and the Soviet Union possess all three systems but in different proportions. The U.S., with over 11,000 strategic weapons, has more warheads on submarines and bombers. The Soviet Union, with over 9,000 weapons, has more warheads on land-based missiles.

When an ICBM or SLBM carries more than one warhead, each directed to its own target, it is called a multiple independently-targetable re-entry vehicle (MIRV). Both the U.S. and the USSR have deployed MIRVs.

Land-Based Systems

U.S. ICBMs can hit targets in the Soviet Union in approximately 30 min-

continued on page 5

U.S. and Soviet Strategic Weapons

U.S.

Total Warheads 11,469

Total Launchers 1,991

Heavy Bombers 324

SLBMs 640

ICBMs 1,027

USSR

Total Warheads 8,794

Total Launchers 2,492

Heavy Bombers 170

SLBMs 924

ICBMs 1,398

Nuclear Winter

A nuclear explosion causes wind-born invisible radiation that does not recognize international boundaries. A nuclear war would also create global windborn clouds of soot and dust that would bring on nuclear winter.

The idea of nuclear winter was put forward for the first time only four years ago by scientists who study the behavior of the atmospheres of planets. The explosion of a large number of nuclear weapons would throw massive quantities of dust and soot from fires into the sky and would block sunlight. The earth would cool, killing food crops and other plant life over a large part of the globe. Consequently, starvation would be added to the immediate catastrophes caused by a nuclear war. We do not know the exact num-

ber of nuclear explosions needed to cause a nuclear winter, but we do know that only a small percent of the nuclear stockpile on either side would be enough.

We know about nuclear winter from basic physics, chemistry and common sense. Soot will stop sunlight. There is argument about how much of the atmosphere will be affected and for how long. But there is no doubt that with a large enough load of soot in the sky our planet will become cold and dark. All life in the world would be at risk. The National Academy of Science and even the Pentagon agree on this.

The Pentagon has steadfastly maintained that the threat of nuclear winter will not alter its strategic posi-

tion. This year the Department of Defense and the Department of Energy reluctantly earmarked \$5 million to investigate soot generation by fires and the fate of the particles in the atmosphere. This sum represents less than one percent of the DOD research budget and two-one-thousandths of one percent of the military budget. Moreover, the proposed study was justified on the ground that it might *improve* "the military's plans and equipment for *fighting* a nuclear war." Even after hearing the evidence on the global climate effects of a nuclear war, the Senate Armed Services Committee concluded that no changes in current official arms control or the Star Wars policy are needed.

For those of us who do not make military strategy, the lessons of nuclear winter seem fairly plain. If you don't die sooner, you die later. Whatever limited rationale civil defense may have had in the past is now gone. The risks have grown. The need to assure peace in the world and to reduce the number of nuclear weapons remains the most important issue of our times. □

Nuclear Weapons

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utes. Stored in underground hardened silos, these missiles are propelled by rocket engines in booster stages that hurl them into space at 18,000 miles an hour.

The U.S. has several types of land-based missiles. There are 52 Titans, each carrying a large single warhead. There are also 1,000 *Minuteman II* and *III* missiles. The *Minuteman III* carries three extremely accurate warheads. The U.S. is now producing *MX* missiles. Each carries ten warheads with an expected miss distance of only one hundred yards. In addition, the U.S. has started to develop a mobile land-based single-warhead missile called the *Midgetman*.

Air-Based Systems

The U.S. intercontinental nuclear bomber fleet consists of 330 B-52s, plus 60 newer FB-111s. The B-52s have been continually upgraded and are now modified to carry air-launched cruise missiles (ALCMs) that can be fired at the Soviet Union without penetrating Soviet air space. In addition, the U.S. has started to produce the more technically advanced B-1B bomber, which will also carry cruise missiles. For the 1990s, the Pentagon is also developing the so-called Stealth bomber, designed to penetrate Soviet air space undetected by radar.

Sea-Based Systems

Submarines carrying sea-launched ballistic missiles (SLBMs) make up the third part of the strategic triad. Submarines have the advantage of being virtually invulnerable to attack because they are hidden under water. Each American Trident submarine carries roughly the destructive power of all the explosives that were detonated during World War II. The U.S. also plans to place sea-launched cruise missiles (SLCMs) on its attack submarines. Some experts think that one or two such submarines alone are sufficient to deter anyone from attempting a first strike against the United States.

Intermediate Weapons

Beginning in December 1983, the U.S. began to deploy 108 Pershing II

How A Nuclear War Could Start

A nuclear war could be started by those who believe that a nuclear war can be won and are prepared to try a first strike against the Soviet Union. In addition, there are two plausible ways which a nuclear war could start: by escalation from a conventional war and by accident.

Because of technological developments in conventional and nuclear weapons, and because of the U.S. government's propensity to use force in these situations, the spectrum of violence could readily escalate from conventional weapons to tactical to strategic weapons to Armageddon. This escalation explains the "deadly connection" between conventional and nuclear war. (See M. Klare "Conventional Arms, Military Activity and Nuclear War," *Fordham University Quarterly* 3/1984.)

An inadvertent or accidental war could be touched off by a failure in computer systems. The North American Defense Command reported 151 false alarms in an 18-month period. *NYT* 11/21/82 In several instances, the nuclear forces went on alert and actually started a countdown toward a retaliatory launch. Sensors have sometimes interpreted flocks of geese as incoming Soviet missiles; a launch-on-warning policy would have led to war. The tragic accidents with the Challenger space shuttle and the Chernobyl nuclear reactor demonstrate the limits of reliability in modern technology. Star Wars is the leading candidate for the top spot on the risk list.

missiles in West Germany, and another 464 ground-launched cruise missiles (GLCMs) in West Germany, England, Italy, Belgium, and the Netherlands.

These two new weapons have been presented to the public as a necessary response to the Soviet deployment of their own new intermediate range missile — the SS-20. The Pershing II missile is capable of striking hardened targets in the Soviet Union in less than ten minutes. Consequently, the Soviets insisted that the Pershing II should be regarded as a strategic rather than intermediate weapon. Since British and French missiles and bombers can also reach the Soviet Union within ten minutes, they wanted to include those as well. Once again, the discrepancy was not in the *quantity* but the *definition*.

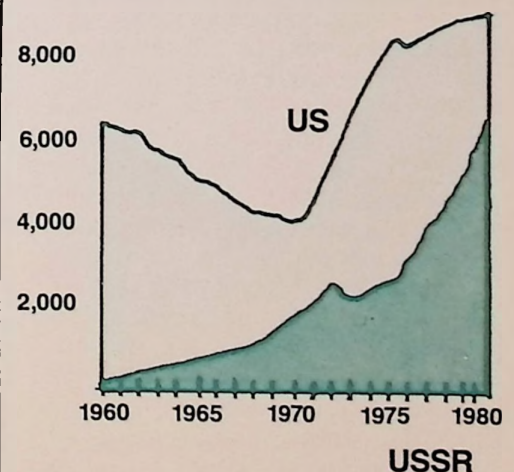
Some American nuclear strategists believe that the Pershing II missile is capable of carrying out a "decapitation strike" against the Soviet Union. In this scenario, a limited number of extremely accurate missiles are launched against Soviet military and command posts. With these centers destroyed, the Soviets would be unable to order a retaliation. The U.S. would "prevail."

Such a decapitation strike may seem far-fetched, and in reality there is very little chance of it ever succeed-

ing. The Soviet Union could frustrate the strategy in a number of ways. For example, the Soviets could use a "launch-on-warning" system in which the order to retaliate would be made automatically by machine on the *indication* of an incoming attack.

Such a "launch-on-warning" system would be very dangerous as it would increase the chances of starting a war by accident. In fact, by deploying the Pershing II and pushing the Soviets to adopt such a policy, the U.S. may jeopardize its own security. □

STRATEGIC NUCLEAR WARHEADS



Source: Center for Defense Information

Star Wars

On March 23, 1983, at the end of a nationally televised speech, President Reagan said: "Let me share with you a vision of the future that offers hope...I call upon the scientific community in our country, those that gave us nuclear weapons...to give us the means of rendering these weapons impotent and obsolete."

The architecture of Star Wars divides the thirty minute trajectory of an ICBM into three basic parts: the *boost* stage, which lasts between two and five minutes, that is, the period in which the missile is actually under power from its motors; the *trajectory* stage, which lasts about twenty minutes; and the *terminal* stage, when a missile reenters the atmosphere on the way to its target.

A variety of BMD weapons has been conceived to meet the incoming missiles and provide a measure of protection at each stage.¹ Some BMD weapons would be earth-based; some space-based. They would include early warning satellites, laser beams reflected off a space-based mirror, missiles launched from space-based battle stations, x-ray laser beams powered by a nuclear explosion, particle beam weapons and other esoteric conceived weapons — all planned to be tied together with computer-controlled communications that must function perfectly the first time they are used.

The trouble with this interception theory is that it won't work. There are a number of reasons why space weapons cannot protect us.² Countermeasures are numerous: more ICBMs (offensive systems are cheaper than defensive systems); the deployment of endless decoys; reduction of the short boost phase to under a minute; the use of cruise missiles flying close to the ground, etc.

In addition, the proposed technologies are unproved and untried. The power requirements of the ground-based excimer laser exceed the entire output of the civilian electric grid in the U.S.³ The software requirements of the system are staggering — up to 100 million lines of computer instruction. No group of programmers would be able to write that without making

mistakes.⁴ If only one or two percent of enemy warheads slipped past the defensive "shield", millions of Americans would die.

In short, as four former top U.S. government defense experts wrote in *Foreign Affairs* (Winter 1984/85): "What is centrally and fundamentally wrong with the President's objective is that it cannot be achieved. The overwhelming consensus of the nation's technical community is that in fact there is no prospect whatever that science and technology can, at any time in the next several decades, make nuclear weapons impotent and obsolete."

Besides technical infeasibility, there are other problems associated with Star Wars:

- The attempt to construct a nuclear shield will cause an escalation in the offensive arms buildup.
- The insistence on moving ahead with Star Wars has already interrupted the Summit peace talks process begun between the U.S. and the USSR in November, 1985.
- The program isolates the U.S. even more from the world community. It is the latest and possibly the most dangerous manifestation of Reagan's

penchant for acting alone.

- The main casualty of the Star Wars program will be the ABM Treaty agreed to by the U.S. and USSR in 1972. The Treaty clearly states that neither the U.S. nor the USSR is to deploy an ABM system for the defense of its territory.

- The effect of Star Wars research on research and development in the U.S. is devastating. Obviously, the emphasis and funds devoted to SDI research comes at the expense not only of sorely needed civilian R&D but even in the military forces.

- The ultimate cost of the Star Wars system is estimated at half a billion to 2 trillion dollars — by far the most expensive weapons program in all history.

Many scientists are actively opposed to the planning of Star Wars.⁵ An anti-SDI pledge to not "solicit or accept SDI funds" has been signed by 2,100 science and engineering faculty members and other senior researchers, and by 1,600 graduate students and other junior research staff.⁶ Nevertheless, 31 universities led by MIT were included among SDI contractors in 1985.⁷ □

Unions Opposed to Star Wars

The following unions have signed a resolution sponsored by Common Cause opposing the Administration's Star Wars plans. The resolution states: "The Star Wars program would not protect the population of the United States. It would only encourage the Soviet Union to build more nuclear weapons. It would be ruinously expensive. It would destroy the entire fabric of arms control and expand the arms race into outer space."

Amalgamated Clothing and Textile Workers
American Federation of State, County and Municipal Employees
Coalition of Black Trade Unionists
Graphic Communications International Union
International Association of Machinists
International Chemical Workers Union
International Longshoremen's and Warehousemen's Union
National Education Association
National Union of Hospital and Health Care Employees
The Newspaper Guild
United Electrical Workers
United Food and Commercial Workers

For more information contact: Karen Hobart, Common Cause, 2030 M Street, N.W., Washington, DC 20036.

Peace Negotiations

A *test ban* would prohibit nuclear weapons tests. The **Partial Test Ban Treaty** (PTBT), signed by the U.S. and USSR in 1963, prohibits nuclear tests in space. A **Comprehensive Test Ban** (CPTB) would eliminate all tests, including the present underground tests.

Proliferation is the spread of nuclear weapons to more countries. A **Non-Proliferation Treaty** (NPT) was signed by 110 nations in 1968, but not by several countries with the economic strength and technical expertise to achieve nuclear capability.

Verification is the means to confirm the compliance of each side with any signed treaty. Through modern technology — especially photography and electronics on satellites — most verification is possible.

It is possible to speak so confidently about the exact number of weapons of each type on each side because the parties exchange data at the arms control negotiations. With surveillance by satellites from orbits of 100 miles or higher, and by other means, the numbers are then confirmed or verified. Discrepancies stem not from the *counting* but in the *definition* of operational missiles.⁸

On-Site Inspection is one means of verification demanded by the U.S. and repeatedly used as an excuse against signing a treaty with the Soviet Union, which now agrees to on-site inspection.

Salt I (Strategic Arms Limitation Talks) signed by Brezhnev and Nixon in 1972 limits the number of strategic offensive missiles on each side.

Anti-Ballistic Missile Treaty, signed by the U.S. and the USSR in 1972, limits the number of ABM systems to one on each side and prohibits research on space weapons. Star Wars would violate the ABM Treaty.

Salt II, signed by Brezhnev and Carter in 1979, places ceilings on the number of strategic delivery vehicles

Major Treaties Signed by the U.S. and USSR

MULTILATERAL:

Statute of the International Atomic Energy Agency 1956

Antarctic Treaty 1959

Partial Test-Ban Treaty 1963

Prohibition of Nuclear Weapons in Latin America 1967

Outer Space Treaty 1967

Non-Proliferation Treaty 1968

Sea-Bed Treaty 1971

Prohibition of Hostile Use of Environmental Modification 1977

BILATERAL:

Hot Line Agreement 1963

Hot Line Modernization 1971

Nuclear Accidents Agreement 1971

Prevent Accidents on High Seas 1972

Salt I 1972

ABM Treaty 1972

Threshold Test-Ban Treaty 1974

Vladivostok Accord 1974

Peaceful Nuclear Explosions 1976

Salt II 1979

Source: Julie Dahlitz, *Nuclear Arms Control*, 1983

and mirrored missiles. It was never ratified by the U.S. Senate. In June 1986, President Reagan announced that the U.S. would no longer abide by the treaty.

A *freeze* would ban the testing, manufacture and deployment of nuclear weapons. The U.S. House of Representatives has already voted a freeze resolution; the Senate defeated it by a narrow margin. The USSR has endorsed the concept.

There are other nuclear negotiations as well.⁹ The negotiations on *Mutual and Balanced Force Reduction* (MBFR) to reduce NATO and Warsaw Pact troops and armaments in Europe are in their fifteenth year in Vienna without an agreement so far.

The 40-nation Conference on Disarmament in Europe (CDE) in Stockholm, a subsidiary conference devoted to chemical weapons, in Geneva, a Middle East Peace Confer-

ence (in suspension), and the well-known conference on the Contadora group (active in 1986) are still without agreement.

AFL-CIO Resolutions

Economic Conversion

Economic Conversion is a rational and responsible effort to deal with plant closings and mass layoffs in defense plants and military bases and other government facilities.

Disarmament

The AFL-CIO welcomes the resumption of the Geneva negotiations between the Soviet Union and the United States, and endorses the objective of a balanced reduction of nuclear arms within a system of verification guaranteeing collective security.

Peace Negotiations

The negotiation of most recent memory is of course the Geneva summit meeting between Reagan and Gorbachev in November 1985. The joint U.S.-Soviet statement was a remarkable advance in relations of the two nations. Although no agreement was reached on specifics of arms control, there were other concrete results, including the restoration of airline travel, cultural exchanges, and the promise of future summit meetings. Almost a year later, the promise of another summit conference has yet to be fulfilled.

Soviet Peace Proposals

Over the years the Soviet Union has submitted dozens of peace proposals. In 1986 their peace proposals touched all bases. The most immediate and specific of these proposals is a moratorium on nuclear testing. The Soviet's unilateral moratorium, announced in August 1985 on the 40th anniversary of Hiroshima, was originally set for six months. Just before its expiration, the Soviets renewed the invitation to the U.S. to join, and extended the deadline. They also indicated their willingness to agree to international on-site verification of the ban. On March 13, 1986, the Soviet Union extended the test ban for an indefinite period and linked it to U.S. testing. The U.S. government has so far refused all Soviet offers for a full test ban.

Most Americans believe that a

Advice on Congressional Elections

- Your union's legislative or political action committee;
- AFL-CIO, Department of Legislation, 815 16th St., NW, Washington, DC 20036
- International Brotherhood of Teamsters, Legislative Department, 25 Louisiana Ave., NW, Washington, DC 20001
- Freeze Voter, 733 15th St., NW, Washington, DC 20005 (202-783-8747)
- Friends Committee on National Legislation, 245 Second St., NE, Washington, DC 20002 (202-547-6000)

Canadian Labor Congress Resolutions on Relations With the Soviets

WHEREAS the 16th Constitutional Convention of the CLC has adopted the Policy Paper "In Pursuit of Human Dignity" which points to a closer relationship between working people of all countries as an essential feature in lessening international tensions, and

WHEREAS "In Pursuit of Human Dignity" points to areas such as World Peace and Human and Trade Union Rights, which should be discussed between trade union bodies across ideological or geographical divides:

THEREFORE, BE IT RESOLVED that the CLC, in resuming its active exchanges with the All Union Central Council of Trade Unions of the USSR and other trade union bodies, will ensure that such matters are fully and frankly discussed in the interest of developing understanding and trust in the furtherance of World Peace: and

BE IT FURTHER RESOLVED that the CLC, fully aware of the need to share information on conditions of employment in the era of the transnational corporation, will utilize exchanges to increase its efforts on behalf of a coordinated trade union response to the transnationals: and

BE IT FURTHER RESOLVED that the CLC, in supporting improved relations and increased exchanges of information with other trade union national centres in the world, encourage the international trade union bodies to assist this process to the fullest extent possible.

comprehensive nuclear test ban is a good idea — a first step on the way to disarmament. Deprived of the verification excuse, the U.S. now claims that tests are necessary to confirm the reliability of existing weapons.

Recent Soviet proposals go far beyond the moratorium on testing. In the European theater, Moscow made important concessions in proposing the elimination of all SS-20s, ground-launched cruise missiles, and the Pershing II missile.

In addition, the Soviet Union has proposed the elimination of *all* nuclear weapons by the year 2000. Their proposal includes geophysical, laser, chemical, genetic and electromagnetic weapons. As with the test ban, the elimination of these weapons would be carried out under international on-site inspection.

As in the case of the unilateral Soviet test moratorium, the response of the Reagan administration has been disappointing. President Reagan has announced that the development of SDI will proceed no matter the outcome of negotiations. Thus far there have been few counter-proposals and those that have been made are self-serving.

Nuclear Free Zones

Nuclear Free Zones are areas, countries, or communities where a nation or a group of voters has declared by treaty or by referendum, that no nuclear weapons may be produced, introduced, tested, stored or used. Nuclear Free Zones are the subject of several successful treaties including the Antarctic Treaty (1959 - 26 nations); the Latin American Treaty (1967 - 24 nations); the International Seabed Treaty (1971 - 73 nations); and the South Pacific Treaty (1985 - 5 nations).

There are also 18 nuclear free zone countries, including Austria, New Zealand, Spain and Sweden, and 3,087 nuclear free zone communities in 17 countries. As part of organizing for peace, 13,807,135 Americans have declared 109 nuclear free zones including Madison, Wis., Jersey City, N.J., New York City, Louisville, Ky., and Chicago, Ill. Almost 150 additional NF campaigns are underway in the U.S.

Defense Contractors

There are thousands of defense contractors, but most defense dollars go to the same well-known companies every year. The top 20 companies had more than \$70 billion in Pentagon business in 1985. The top 100 companies and their subsidiaries had more than \$105 billion in prime contract awards in 1985. Twenty-eight companies each received awards totalling more than \$1 billion; eleven had more than \$2 billion.¹⁰ The top 25 had 51.0% and the top 100 had 70.1% of all awards.

For research, development, test and evaluation (RDT&E), 528 large business firms received \$15.2 billion in 1985 and 1,395 small firms received \$1.1 billion in prime contract awards over \$25,000. Another 67 awards were made to foreign contractors totalling \$76 million. All awards for

RDT&E totalled \$18.9 billion.¹¹

Companies in the defense industry operate under a number of advantages. First the companies are practically free from competition. Ninety-six percent of all Pentagon contracts are awarded on a non-competitive basis. Second, when companies do compete, they are often represented on both sides of the negotiating table due to the large number of military officers who leave the armed services each year to take positions in the defense industry. Third, the defense business pays higher profits than any other. In 1984, the average rate of profit for ten of the leading military contractors was 25%, compared to a 12.8% average return for non-military manufacturing, mining and trade corporations.¹²

Fourth, defense contractors rarely pay any corporation taxes. Between 1981 and 1984 the nation's top defense contractors, whose profits totalled more than \$27 billion, paid an average tax rate of 6.3% — much less than the average worker pays. Three of the companies — Boeing, General Dynamics, and General Electric — had profits of \$13.2 billion but received tax refunds of \$486 million.¹³ Among the top 25 defense contractors, seven received tax refunds from the Treasury during 1981-1984, two paid zero taxes, and four paid 1% or less in taxes.¹⁴ When profits of defense contractors are recalculated on the basis of taxes actually paid, instead of a "provision for taxes", then contractors'

average profit rate increased from 25% on equity to 35%.¹⁵

In addition, the government usually pays most of a defense contractor's R&D expenses in developing new weapons. "Defense contracts are tremendous cash generators," according to the *Wall Street Journal* 1/3/84. Awash in cash, Rockwell International spent \$100 million to buy back 3.5 million shares of its stock; General Dynamics bought Chrysler Corporation's M1 tank business for \$336 million; Congress bailed out Lockheed with a government guarantee of \$250 million which enabled it to make record profits and sharply reduce its debt. The *New York Times* reported that "the severe chill between Washington and Moscow...has helped heat up the stock prices of military contractors on Wall Street."

Defense contractors share their profits with their top executives as well as shareholders. In 1985, the median compensation of chief executive officers (CEOs) was \$1,479,000 in the aerospace and defense industry. Among 31 industry groups this industry was second only to financial services in CEO compensation.¹⁶

The rip-offs by Pentagon contractors have been so scandalous that Congressional Committees, the General Accounting Office, and others have compiled a mountain of evidence on their inefficiency, waste and corruption.¹⁷ The publicity has forced the Pentagon to recover excess profits from some defense contractors; a company as large as General Dynamics was temporarily suspended from obtaining new contracts.

According to the Inspector General, 45 of the top 100 defense contractors are under criminal investigation.¹⁸ The administrator of NASA was indicted on charges of defrauding the Army on a weapons contract when he worked for General Dynamics.¹⁹ The

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TOP MILITARY CONTRACTORS 1985

DOD Rank	Contractor	\$ Billion
1	McDonnell Douglas	8.9
2	General Dynamics	7.4
3	Rockwell International	6.3
4	General Electric	5.9
5	Boeing	5.5
6	Lockheed	5.1
7	United Technologies	3.9
8	Hughes Aircraft	3.6
9	Raytheon	3.0
10	Grumman	2.7
11	Martin Marietta	2.7
12	Westinghouse	1.9
13	Textron	1.9
14	Honeywell	1.9
15	IBM	1.8
16	Sperry	1.6
17	General Motors	1.6
18	LTV	1.6
19	Litton	1.5
20	ITT	1.5

Source: DOD, 100 Companies Receiving the Largest Dollar Volume of Prime Contract Awards, FY 1985.

most infamous scandals involve the prices that the government pays for some products: \$435 for a \$15 claw hammer; \$91 for a 3-cent screw; and \$110 for a 4-cent diode.²⁰ The major effect of such activities by Pentagon contractors is to increase their profits at the expense of workers, consumers and all taxpayers.

Defense contractors are notorious for their widescale anti-social practices. Outraged stockholders have initiated proxy resolutions against Rockwell International on the issue of radioactive and chemical wastes; against ITT for sex discrimination; against Westinghouse to prevent the international marketing of nuclear technology; and against IBM, General Electric, Raytheon and others for their support of South African apartheid.

The defense contractors are also notorious for their anti-labor, antiunion policies and practices, supported by the Pentagon. Bitter strikes at GE, United Technologies, and other defense contractors are vivid demonstrations of the Pentagon's war on workers. Wages are a small component of defense procurement. According to a 1981 Commerce Department survey, production workers' payroll costs —in-

COMPENSATION OF CHIEF EXECUTIVES OF TOP DEFENSE CONTRACTORS, 1985			
Chief Executive	Total Annual Compensation*	Defense Contractor	DOD Contractor Rank
Robert Anderson	\$3,616,000	Rockwell International	3
David S. Lewis	3,376,000	General Dynamics	2
Roy A. Anderson	2,994,000	Lockheed	6
Joseph B. Flavin	2,993,000	Singer	34
Charles S. Locke	2,991,000	Morton Thiokol	56
Sanford B. McDonnell	2,008,000	McDonnell Douglas	1
Douglas D. Danforth	1,991,000	Westinghouse	12
Roger B. Smith	1,900,000	General Motors	17
Thornton A. Wilson	1,703,000	Boeing	7
Donald G. Petersen	1,693,000	Ford	28
John F. Welch, Jr.	1,614,000	General Electric	4
Harry J. Gray	1,490,000	United Technologies	7
Rand V. Arasky	1,445,000	ITT	20
Beverly F. Dolan	1,277,000	Textron	13
Thomas V. Jones	1,255,000	Northrop	25
Fred W. O'Green	1,223,000	Litton Industries	19

*Includes salary, bonus, stockgains and other compensation.
Source: *Forbes*, June 2, 1986; DOD 100 Top Contractors 1985.

cluding wages, benefits, Social Security and other statutory costs — represent only 16% of the cost of industry shipments. Nonproduction workers payroll costs represent 20%.²¹ Procur-

ement and management practices, plus excessive profits and fraud, are mainly responsible for the rising costs and faulty quality. □

MILITARIZATION OF THE ECONOMY

Americans do not normally think of their nation as a "militarized state." But militarization of the economy is no longer a novel concept. It is 25 years since President Eisenhower said: "the conjunction of an immense military establishment and a large arms industry is new in the American experience... We must guard against the organization of unwarranted influence by the military industrial complex. The potential for the disastrous rise of misplaced power exists and will persist."

Recent data confirm the growing

militarization of the economy. Of every federal income tax dollar, 62 cents goes to the military. That is eight percent of the gross national product — twice the percentage spent by Germany and England, and seven times the amount spent by Japan. Most of the U.S. government's outlays for capital investment go for "defense."

Research and development (R&D) has also long been leaning towards a military emphasis. More than half of all research in the U.S. goes for military purposes. In government R&D

alone between 1980 and 1985, this trend has accelerated.²²

Defense contractors are closely interrelated with the top civilian production companies in the U.S.; most of them are transnational corporations. Seventy-five of the top 100 defense contractors in 1985 ranked in the *Fortune* 500. Eighteen of the top 20 military contractors are in the *Fortune* 100.

Some defense contractors such as Lockheed, General Dynamics and McDonnell Douglas Corporation receive 80% to 100% of their income from military production. Other corporations are so large that even a small percentage of Pentagon contracts place them among the top 100 DOD contractors. General Electric has only 17% of its sales with the military but is fourth on the DOD list for 1985.

Military officers who work at second careers in the defense industry

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Militarization of the Economy

continued from page 10

are common.²³ The combined effect of Pentagon officials rotating to jobs with defense contractors every year provides a cozy arrangement between negotiating parties for DOD procurement awards. Between 1971 and 1979 (for the DOD) and between 1974 and 1979 (for NASA) there were 1,942 military and civilian personnel transfers among eight contractors alone. Boeing led the list with 398.²⁴ From 1979 to 1982, Boeing added another 100. During those three years, 1,437 high-ranking officers and 87 Pentagon civilians "retired" to jobs with defense contractors.²⁵

Stocks of companies that combine defense and civilian markets are especially attractive to investors. The merger mania of recent years has combined both kinds of markets into single corporations — one way of ameliorating the ups and downs of the business cycle. Defense contracts, with their regular orders and payments year after year, can be used to cushion corporations from recession.

Many defense contractors enjoy monopoly advantages. For instance, only General Dynamics can produce a Trident submarine. The Newport News shipyard is the only one able to make aircraft carriers. Only two or three defense contractors make jet engines. The suppliers of turret and hull castings for tanks dwindled from five in 1960 to one in 1974.

The so-called defense of the nation is in the hands of private business. To properly assess NASA's tragedy with the Challenger, it must be remembered that 85% of NASA's expenditures are made through defense contractors.²⁶

The links between transnational corporations and the defense budget helps explain the militarization of the economy. More than half the profits of many transnationals come from foreign investments, where wages are lower and where millions of once-domestic U.S. jobs have relocated. The number of employees in U.S.-owned foreign affiliates is close to the number of unemployed in the U.S.

Both the size and composition of the federal budget are related to defending the profits of the transnationals. Military intervention in Central

GOVERNMENT OUTLAYS FOR CAPITAL INVESTMENT

(in billions of dollars)

	1980	1985
Defense ¹	\$33.00	\$79.27
Non-defense ²	8.05	11.75
Grants to state and local governments ³	22.48	24.87
in constant U.S. dollars (as % of federal outlays)		
Defense	54.4%	67.7%
Non-defense	12.3	10.9
Grants to state and local governments	33.3	21.4

Source: Historical Tables, Budget of the U.S. Government 1987, Tables 9.3, 9.4, 9.5, 9.6.

America, the Rapid Deployment Force, and the sprawling systems of worldwide military bases, are geared to the defense of the profits of U.S. corporations — not the defense of the U.S.

The participation of defense contractors in arms transfers is a final link in the militarization of the economy. The U.S. sends arms abroad both as sales (the Foreign Military Sales Program) and as aid (the Military Assistance Program). Pentagon contractors are the main corporations involved. They promote, sell and often bribe their way into foreign countries — especially to the most reactionary dictatorships and the Third World. □

Readings on Nuclear War And Nuclear Winter

The Cold and The Dark, The World After Nuclear War, Paul R. Ehrlich, Carl Sagan, Donald Kennedy and Walter Orr Roberts, W.W. Norton, July 1984, 229 pp.

The Effects on the Atmosphere of a Major Nuclear Exchange, National Research Council, 1985, 193 pp.

The Effects of Nuclear War, U.S. Congress, Office of Technology Assessment, 1979.

Last Aid, the Medical Dimensions of Nuclear War, International Physicians for the Prevention of Nuclear War, 1982.

The Night After; Climatic and Biological Consequences of a Nuclear War Velikhov, Y. et al, Moscow, 1985

CONSTRUCTION VS. DESTRUCTION

(1987 Budget requests in millions of dollars)

Star Wars	\$5,415	National Institutes of Health; Cancer, heart, lung, diabetes, kidney, aging, etc.	\$4,936
3 Guided Missile Destroyers	2,646	Low income home energy assistance	2,100
21 MX missiles	1,832	Special programs for women, infants, children (WIC)	1,617
\$69 for Foreign Military Training; \$100 for Nicaraguan Contra Aid	169	UN and other international organizations	186
Chemical Weapons Production	158	Arms Control Agency	31

Source: *Washington Newsletter*, March 1986.

Military Spending

It is difficult to comprehend the enormous size of military spending because the federal government reports and statistics minimize it in every possible way. For example, government sources always quote the "defense" budget, but do not reveal that it is only part of total military spending.

In fact, the Defense Department budget is only 65% to 70% of all military spending. In fiscal year 1985, the Defense Department comprised 66% of total military spending of \$434 billion. The portion of federal debt service (interest paid on loans) attributable to national defense amounted to another \$78 billion; veterans benefits (a cost of past wars) \$27 billion; "international affairs," mostly military assistance, \$26 billion; science, space and technology, primarily for military ends, another \$9 billion. Finally, the portion of the Department of Energy devoted to "defense" was \$7 billion. This last sum covers the cost of the nuclear warheads on the ICBMs, SLBMs, and les, which should certainly be counted as part of military spending.

Another deception which the gov-

ernment employs to make military spending seem a smaller proportion of spending is to include Social Security Trust funds as part of the federal budget — despite the fact that these funds have never been paid by federal income taxes, but by payroll deductions. Reagan's pie chart of government expenses shows 28 cents of every budget dollar going to defense. But if the full definition of military spending is used and Social Security and Medicare trust funds are excluded from the budget, the figure is actually 55 cents in 1986, rising to 62 cents in 1991.

Some comparisons are useful in understanding the magnitude of military spending. Military spending is larger than all other federal government functions put together. Federal government purchases of goods and services in 1983 were \$686 billion. Of this sum, 74% went for defense and only 26% for non-defense items.²⁸ Military spending equals more than twice the value of all farm output in the U.S. and more than twice the spending for autos and trucks put together.

Not only is military spending huge,

For Information on Military Spending

Budget of the U.S. Govt. FY1987, plus Special Analysis and Historical Tables.

Economic Report of the President, 1986

Congressional Budget Office, "An Analysis of the President's Budgetary Proposals for Fiscal Year 1987", 2/86

Congressional Budget Office, "The Economic and Budget Outlook: Fiscal Years 1987-1991", 2/86

Council on Economic Priorities, "The Strategic Defense Initiative: Costs, Contractors and Consequences", 1985

"World Military and Social Expenditures", Ruth Leger Sivard, 1985 Edition

but the trend has been and continues to be upward. Between 1980 and 1985 it has almost doubled — from \$221 billion to \$434 billion. According to the latest budget submitted, military

MILITARY SPENDING 1980-1991

(in billions of current dollars)

	ACTUAL						ESTIMATED					
	'80	'81	'82	'83	'84	'85	'86	'87	'88	'89	'90	'91
Department of Defense	\$141	\$176	\$212	\$239	\$258	\$287	\$278	\$312	\$332	\$354	\$375	\$396
Interest for Defense	32	41	51	54	67	78	86	89	87	82	75	70
Veterans Benefits	21	23	25	25	27	27	27	27	27	27	28	29
International Affairs	18	27	18	11	25	26	21	23	22	21	21	21
Science, Space, Technology	6	6	7	8	9	9	9	9	10	11	12	12
Atomic Energy for Defense	3	4	5	6	7	7	7	8	9	9	10	10
Total Military Spending	\$221	\$277	\$318	\$343	\$393	\$434	\$428	\$468	\$487	\$505	\$521	\$538
Military Spending as % of Total Budget Authority (Less Social Security and Medicare)	41.9	48.7	52.0	52.2	55.4	54.0	55.4	59.1	59.6	60.4	61.2	62.1

Source: Historical Tables, Budget of the U.S. Government, Fiscal Year 1987.

Military Spending

spending authorizations will rise again from \$434 billion in 1985 to \$538 billion in 1991. The defense budget has grown at an average annual rate of 6.8% above inflation since 1981, more than twice the 3% growth target agreed to by NATO defense ministers in 1978.²⁹ The administration request for 1987 represents an 8.2% increase over 1986 after inflation.

The 1987 budget calls for across-the-board increases in military spending. Procurement of weapons continues to rise for F-16 and F/A-18 fighters, Trident missiles, Navy destroyers, and Titan space boosters. The B-1 bomber budget has been cut, but only because procurement authorization has been completed. The research and development budget — including most nuclear weapons — would rise from \$33.7 billion in 1986 to \$41.9 billion in 1987, the fastest growing component of the military budget. Funds for Star Wars would rise from \$2.75 billion in 1986 to \$4.8 billion in 1987 — a 75% increase and the key item in R&D expenditures.³⁰

There was a slight dip in Defense Department budget authority in 1986, but actual outlays continue to grow — by \$13 billion in 1986 and a scheduled \$17 billion more in 1987.³¹ The distinction between authorization and budget outlays must be made clear to fully understand federal budget figures. Budget authorizations refer to sums that Congress permits the administration to spend; budget outlays are the sums actually spent. Authorizations are always larger than outlays, because outlays may be spent over more than one fiscal year. For example, Congress may authorize the Pentagon to build a nuclear carrier for several billion dollars but it may require 7 or 8 years for the carrier to be built.

The difference between authorizations and outlays provides a "backlog." The Pentagon backlog jumped from \$92 billion in 1980 to \$244 billion in 1985. (\$51 billion contracted and \$192 billion not yet contracted).³² According to the 1987 budget, the backlog will rise to \$262 billion by the end of 1986 and \$300 billion by the end of 1987. The Pentagon can spend that much more money without any action by

WINPISINGER ON MILITARY SPENDING

Excerpts from a speech given by William Winpisinger, President of the International Association of Machinists, on June 27, 1986:

Everywhere we go, for the past nine or ten years now, we are asked the same question:

How can the Machinists Union, that has a large number of members making their living by producing the hardware and weapons in military production — how can that union oppose escalating military budgets and expenditures, oppose Star Wars and support defense cutbacks and ending the arms race?

First of all, military production workers are no different than any other production worker. They can see the futility of the arms race, too.

If the Challenger and Delta crashes and the Chernobyl catastrophe prove nothing else, they do prove that technology is not neutral nor fail-safe — that rocketry and nuclear technology do kill — and kill indiscriminately.

The odds that we mortals cannot control them, are based on the mathematical probability of chance; it's always a 50/50 proposition that accident, mistake or malfunction is going to turn that technology against its users. And if it is nuclear loaded, that means it is turned against humankind and life itself.

In the context of war or peace, life or death, what the hell does an individual's job mean, if it's destroyed in the Mad Scientists' global laboratory? The craven warriors' war machines? Or the utilitarians' power generating stations?

There'll be no paychecks in a Nuclear Winter. There'll be no life in Vonnegut's "Ice-Nine" environment. Not even undertakers will have work if rockets and nuclear technology combine to destroy the universe as we know it.

We're quite certain undertakers realize that and so do Machinists Union members — even if Mr. Reagan and his Rambo bunch don't.

That's why it is urgent that this Administration say "yes" to the Soviet unilateral moratorium on nuclear testing and we stop the madness, too.

Given catastrophic events of the first four months of this year, all else in the discussion about ending the arms race and the nuclear arms race in the first instance — all else seems superfluous.

Why try to rationalize our position further? Because it seems like there are always those cynics that would impose economic blackmail on us even in the face of certain death and disaster.

So here we go, by offering an alternative to a military-based economy. This alternative is our answer to those who insist on asking us: what are you going to do for a living if peace breaks out and the arms race is halted and reversed?

Our economic alternative is Economic Conversion.

Congress.³³ In other words, the Pentagon has so much money it can't spend it all. If the Budget authority for the Defense Department enacted by Congress were zero for the next five years, the budget outlays in 1987 would still be \$114 billion; for 1988,

\$52 billion; for 1989, \$21 billion; for 1990, \$7 billion; and for 1991, \$550 million.³⁴ On top of that, the Congressional Budget Office estimates that the Pentagon may have underestimated its 1987 spending by as much as \$15 billion.³⁵

INCREASES AND DECREASES IN BUDGET OUTLAYS FROM 1986 TO 1991

Military-Related Agencies		Select Domestic Agencies	
Defense	+37%	Agriculture	—34%
Energy	+30%	Environmental Protection	—22%
NASA	+30%	Education	—21%
State Department	+38%	Transportation	—16%
		Housing and Urban Development	—16%

ECONOMICS OF STAR WARS

Star Wars is a giant step towards further militarization of the economy. According to a defense budget analyst for the First Boston Corp., "The aerospace companies had to look to Star Wars because the traditional defense budget clearly isn't going to grow much in the near future. Every company is on notice that, if they want to be a long-term player, they can't let SDI get away."

Star War spending started modestly enough with funds allocated for "research." The early research contracts went to the same companies that were already building the Minuteman and MX missiles, military satellites, and other hardware for war.

Most of the names of Star Wars contractors are by now familiar. By November of 1985, the top ten Star

Wars contractors had more than 60% of the money handed out. Not surprisingly, the companies that are receiving millions of dollars to "defend" us from nuclear weapons are the same firms that manufacture them. Rockwell, Litton and TRW are researching systems for the boost phase. Boeing, Lockheed, LTV and McDonnell Douglas are working on systems for the terminal phase.

More than 77% of SDI contracts in 1983 and 1984 went to states or districts whose congressional representatives sit on the Armed Services and Defense Appropriations committees of the House and Senate. During those years, 90% of SDI awards went to just four states; California alone received 45% of the total. (*Plowshare Press*, Spring 1986, p.3)

The Department of Defense learned from its experience with the B-1 bomber and the MX missile to spread SDI contracts among many smaller firms. A 28-page Defense Department list of Star Wars-related contracts for 1985 includes a host of small companies with contracts for studies and small-scale experiments on Star Wars technology.

Projections for the cost of research for the next five years total \$26 billion. According to the Federation of American Scientists, between 1984 and 1994 research and testing could cost about \$90 billion. Star Wars research is already the largest component of military R&D budgets. Projections of the cost of deploying SDI reach \$1 trillion and more. (Congressional Budget Office, 11/29/85). Former Secretary of Defense, Robert S. McNamara suggested that a limited defense of missile silos alone could cost \$300 billion. Another former Secretary of Defense, Harold Brown, said that a developed system might require an annual budget ranging from \$100

to \$200 billion. (*N.Y. Times*, 4/11/86).

In terms of social programs, the \$90 billion R&D costs could construct 1.8 million new housing units for people with low and moderate incomes. The \$1 trillion for deployment of Star Wars could finance the rehabilitation of the nation's entire infrastructure — roads, bridges, public transportation and water systems. (Jobs With Peace Campaign, 1/15/86). □

TOP PRIVATE STAR WARS CONTRACTORS 1983-1986

Company	Total Contracts (\$ millions)
General Motors	\$579
Lockheed	521
TRW	354
McDonnell Douglas	350
Boeing	346
Rockwell	
International	188
Teledyne, Inc.	180
EG&G	140
Gencorp Inc.	135
Textron	93
LTV Corp.	90
Flow General	89
Raytheon Co.	72
Science Applications	69
Honeywell	69
Nichols Research	63
MIT Lincoln Lab.	63

Source: Adopted from Federation of American Scientists.

Who Gets Defense Jobs?

There are now about 1.3 million workers in the U.S. aerospace industry, which makes about three-fourths of its sales to the U.S. Defense Department and related agencies. This is just below the 1968 peak of 1.4 million.

However, more than half of today's defense jobs go to engineers, scientists and technicians — aerospace production jobs are 19% lower than in 1968. This has had a negative impact on unions representing workers in the defense industry. Reagan's doubling of military spending has not resulted in a doubling of jobs for UAW members, for example, in the aerospace industry. In fact, in 1985 the UAW had 73,182 members in aerospace, about the same number it had in 1980, before Reagan took office.

This situation has prompted unions like the UAW, the Machinists, the Electrical Workers and others to promote the virtues of economic conversion — the planned changeover from military to civilian production.

The Budget for Social Programs

Between 1982 and 1985, military spending authorizations rose \$116 billion (\$75 billion for Defense Department) while domestic budget cuts amounted to \$167 billion.³⁶ The 1987 budget continues this trend. To begin with, it proposes the termination of 14 low-income programs including the work incentives program (which provides job training for welfare recipients), community assistance for the elderly, the handicapped, and migrant and seasonal farm workers, rural home ownership loans, and legal services. In addition, the 1987 budget proposes the cancellation of \$7 billion in funds already appropriated for 16 low-income programs, most of it for housing assistance, but also including the Job Corps and Summer Youth Employment.

The 1987 budget also calls for reductions in most discretionary programs — whether measured in terms of budget authorizations or budget outlays. Low-income housing, employment and training programs, and financial aid for needy students would be especially hard hit.³⁷ For the years 1986-1991 there are increases in all budget outlays for all military-related departments and agencies and decreases for domestic affairs agencies.

Budget reductions should be compared not only with the military spending or with last year's budget but also with the needs of the people. In 1984, by government count, 33.7 million people lived below the poverty level — almost 14.4% of the total population — 11.5% of all whites and 33.8% of all blacks.³⁸

Each year about 500,000 low-income housing units are lost to condominium conversion, rent increases, abandonment, and decay. HUD, which subsidized 250,000 low-income housing units in 1980 is down to 108,000 in 1986. The number will be further reduced to 67,000 in 1987 even though the need has increased.

Rent subsidies are also being cut. The rental housing gap now stands at four million units. The cuts mean that hundreds of thousands of families who need shelter will have even greater difficulty in finding housing at rents they can afford, in addition to the estimated two to three million homeless

REDUCTIONS IN 1987 PROGRAMS FOR THE POOR

(\$ millions)

	Budget Cuts
Subsidized Housing	\$9,769
Rural Housing	149
Housing for Elderly & Handicapped	610
Employment & Training	617
Work Incentive Program	222
Aid for Needy Students	1,132
Legal Services	309
Community Services Block Grants	374

Source: Center on Budget and Policy Priorities, "Administrative Budget Contains Large Cuts in Programs for the Poor," 2/5/86, p. 4.

throughout the nation. Appropriations for military housing will rise 21% by 1987 and 65% by 1991, while appropriations for low income housing assistance would be zeroed out in the next year's budget.

What is true for housing applies equally to other of life's necessities. On the same day that President Reagan denied that anyone in America is going hungry, Harvard University's Physicians Task Force on Hunger in America reported that in addition to the 19.8 million food stamp participants in 1985 as many as 15 million poor people were knocked off the rolls by Reagan administration barriers.³⁹ And the East Harlem Interfaith Committee, after interviewing 1,576 households and 2,929 children, found 46% of the families are forced to beg for

food, compared to 34% in 1984 and 25% in 1980.⁴⁰ In the face of repeated reports of hunger and malnutrition, funding for nutrition assistance is being cut. Although there are waiting lists for the Women, Infants and Children (WIC) program in many areas of the country, about 27,000 low-income women and infants will be removed from the program in 1987 and another 140,000 in 1991.

Under the proposed reductions in Medicare, about two million people living below the poverty line will have to pay increased premiums for physicians' services (Part B of Medicare coverage) — \$10.80 more in 1987, \$44.40 in 1988, and \$190.80 more in 1991. The elderly poor are hit the hardest.

The U.S. has stimulated increased military spending around the globe, with world-wide repercussions. As other nations follow suit, world priorities suffer accordingly. The world now spends \$800 billion a year for military programs, while one adult in three cannot read or write and one person in four is hungry.⁴¹ □

Elections Critical

The 1986 mid-term elections are decisive in labor's efforts to restrict and ultimately turn back the arms race. President Reagan's latest decision to scrap the SALT II treaty proves once again the necessity to mount a campaign to shift the political balance in Congress.

Continued mobilization for compliance with SALT II and for the passage of H.R. 3442, the Schroeder Test Ban Bill can help up until election day lay the basis for defeat of those Senators and Congressmen who give the administration's arms policy a rubber stamp.

MILITARY SPENDING AND THE DEFICIT

Reagan was first elected partly on a promise to reduce the budget deficit. But, according to *his own* 1987 budget, the 1985 deficit reached \$212.3 billion despite his original projection of a \$2.1 billion deficit for that year.

In his first four years, Reagan's deficits were more than all the deficits produced by the seven presidents in the 35 years before Reagan took office. There are multiple causes for the fantastic growth of the deficit. Reagan would have us believe that "too much government", by which he means social programs, are the reason. But domestic programs have been cut by \$167 billion since 1980, while the deficit has continued to soar.

The Reagan tax cut of 1981 for corporations and the rich is one factor in the growth of the deficit. The recession of 1981-82 is another. But the principal culprit is military spending. The Department of Defense budget alone, without nuclear warheads, foreign military assistance, etc., has been larger in every year than the budget deficit.

Reagan now tells us that Social Security benefits and other social programs must be reduced to balance the budget. Actually, Social Security has always produced a *surplus* — not a deficit. The federal budget is composed of two kinds of funds — "Federal" and "Trust." Trust funds — mainly Social Security and Medicare — have enjoyed *more* receipts than outlays in every year between 1980 and 1985, and are projected to have increasing surpluses from 1986 to 1991. For the past six years the *net* deficit of the federal budget was \$883 billion, but this consists of a *deficit* in Federal funds of \$1,019 billion and a *surplus* of \$137 billion in Trust funds.⁴²

The Gramm-Rudman Act, passed on December 11, 1985, *increases* the public debt ceiling from \$1,824 billion to \$2,079 billion to take care of the more than \$200 billion deficit in last year's budget. It also provides for an "automatic" reduction in

the deficit, divided 50/50 between defense and nondefense items. The reduction would be \$36 billion per year until 1991, when the deficit would go down to zero. Social Security, interest payments, and several social programs were exempted from the automatic cuts.

The exempted social programs, (including food stamps) totalled \$37 billion whereas the interest exemption totalled about \$150 billion.

Nor is that all. The nominal "equity" of making automatic cuts on a 50/50 basis between defense and nondefense items is a fiction. To begin with, after five successive years of massive increases in military spending and five successive years of sharp cutbacks in appropriations for social programs, the impact of "across the

board" cuts can never be 50/50 in effect. Secondly, the automatic cuts take place *after* the President has submitted his proposed budget to Congress. By this time, he has already anticipated what Congress will do by putting military increases in place and reducing social spending

Then there are exceptions whereby "cuts" in defense spending come from budget *authorizations* whereas cuts in civilian programs come out of budget *outlays*. Because the Pentagon has a huge backlog of authorizations, the Gramm-Rudman reduction for 1986 at least will be on paper only, whereas cuts in social programs would actually take food out of the mouths of the poor and unemployed.

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Military Spending and Unemployment

About 1.6 million workers are employed directly by defense contractors⁴⁴ and perhaps an equal number by their subcontractors. In addition, the Department of Defense employs 2.2 million military and 1 million civilian employees.⁴⁵

But the jobs created for each billion dollars of military expenditure are fewer than numbers of jobs created by the same amount spent for education or hospitals or retail trade, for example. In 1983, the Congressional Budget Office found that an additional \$10 billion in civilian government purchases would create 40,000 more jobs than an equal increase in defense spending.

According to a recent study for the Joint Economic Committee of Congress, military spending creates 6,400 *fewer* jobs per \$1 billion than would spending for bridge repair, education or health programs. According to the Bureau of Labor Statistics, total employment per \$1 billion spent is estimated at 20,715 for guided missile and space vehicle production, compared to 30,394 jobs created in the motor vehicle industry or 71,550 jobs created in educational services.⁴⁶

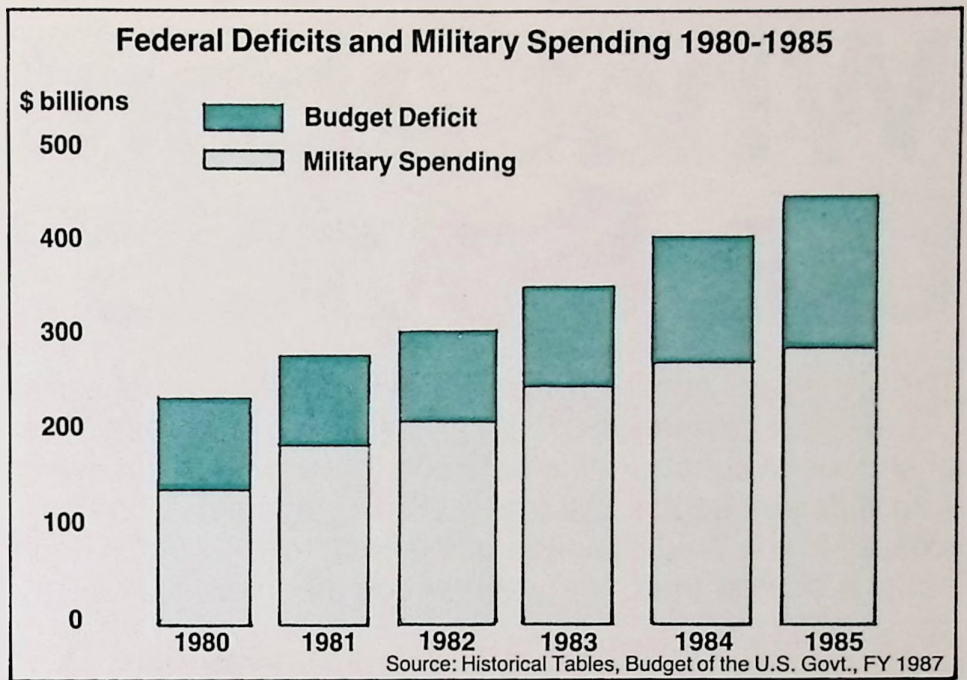
Between 1982 and 1985, military procurement spending increased 25% while employment in defense industry rose only 8.6%. Between 1981 and 1984, the Boeing Co. enjoyed \$2.1 billion in profits, received tax refunds of \$285 million, and had an 18% decrease in employment.⁴⁷ Lockheed Corporation enjoyed over \$1.7 billion in profits, paid nothing in taxes, and increased employment by only 5%.

The question of jobs created per billion dollars of either military or civilian spending should not be allowed to obscure the overall unemployment problem. In 1980 the unemployment rate for all workers was 7.0%.

Military Spending and the Deficit

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"Deficit reduction" is a euphemism for taking benefits away from those who need it. Only a token reduction is suggested for military spending. The 1987 budget of the President proposes a total of \$362 billion in "savings" between 1987 and 1991. Of this total, only \$30 billion (about 8%) is proposed for the Department of Defense, nuclear weapons and international affairs. The balance of reductions, \$332 billion, covers all the other functions of government. Medicare and Medicaid alone are scheduled for \$71 billion in reductions; other human and social services for \$83 billion; housing for almost \$25 billion.⁴³ □



WHERE THE "DEFENSE" DOLLAR GOES

"Defense" spending has little to do with the defense of our country. The U.S. is well-protected by broad oceans on the east and west and friendly neighbors to the north and south. We have not been invaded since 1812. A recent analysis of the military budget for 1985 demonstrated that only three percent of the \$300 billion Defense Department budget can be attributed to defense of the U.S. Another ten percent, representing second-strike nuclear forces, could conceivably be added, making a total of \$39.5 billion or 13% of the budget for U.S. national security. Analyzing the actual location of every division and brigade in the army by geographical area, and of the various fleets, aircraft carriers, nuclear submarines and other warships in the navy, the DOD budget breaks down as shown in the table.

Forty years after World War II, the U.S. maintains more than a quarter of a million troops in Europe. NATO nations, much closer to the "Soviet threat" spend only 3.9% of their com-

bined income on the military, while the U.S. spends 6.6% of its income on the military.⁴⁹

Meanwhile, the bill for military spending is paid for essentially by workers. Corporations and the very rich contribute a declining share of federal receipts. Corporation income

taxes declined from 35.4% of federal receipts in 1945 to 8.4% in 1985.⁵⁰ As a proportion of GNP, corporate income taxes during those years declined from 7.5% to 1.6%.

During the same period, individual income taxes and social insurance taxes increased from 48.3% to 81.7% of federal receipts. Workers' taxes pay for the defense budget — not for the defense of the U.S. Our proper defense lies in a healthy, educated, well-housed population and an employed workforce. □

WHERE DEFENSE DOLLARS GO

	\$ billion	% of Defense Budget
U.S. National Security	\$ 39.5	13%
U.S. defense	9.2	3
Second strike nuclear forces	30.3	10
Third World Military Intervention	137.3	45
Persian Gulf Area forces	54.0	18
West Pacific Area forces	37.1	12
Mediterranean Area forces	32.6	11
Latin America	13.6	4
Containment of the Soviet Union	114.8	37
Land forces West Germany	85.2	28
First strike nuclear forces	29.6	10
Miscellaneous overhead	14.8	5
Totals	\$306.4	100%

Source: Coalition for a New Foreign and Military Policy, New Policy Paper 1, 1986.

What About the Soviets?

The Reagan administration and the media emphasize U.S.-Soviet differences. Little attention is paid to instances of successful collaboration between these two great powers with different social systems. U.S.-Soviet cooperation has existed in the field of space going back to 1957 when both nations signed the UN agreement on the International Geophysical Year.

Few people are aware of the 1982 U.S.-Soviet agreement on a satellite-aided global search and rescue system which saved more than 374 lives — mostly Americans. More people are familiar with the rendezvous and docking between an Apollo and Soyuz satellite — a feat that called for intense technical and personnel collaboration. Finally, on Oct. 30, 1984, Public Law 98.562 was signed — a joint resolution of the Senate and House which called on the President to renew the 1972 Agreement on space cooperation for peaceful purposes which the U.S. refused to renew in 1982.⁵¹

In light of this record, the January 1986 proposal by Soviet Foreign Minister Shevardnadze to replace Star Wars with a Star Peace program was not so surprising. But the Reagan administration ridiculed the Soviet proposal, relying on misinformation fed to the American people about the U.S. and the Soviet Union living and working together in peace.

"Soviet military superiority", conceived and publicized to justify arms appropriations, has been and continues to be portrayed in terms of various "gaps" in the U.S. defense system. In the 1950s it was a "bomber gap", in the 1960s a "missile gap", in the 1970s a "spending gap", and at the beginning of the 1980s a "window of vulnerability." The President's address on the State of the Union in 1986 pointed again to the "dangerous gap" and the "threat from Soviet forces, conventional and strategic..."

Defending the 1987 Pentagon budget, the Secretary of Defense

spoke of the "military advantages" of the Warsaw Pact nations.⁵² A vast literature published by competent military experts and organizations such as the Arms Control Association and the Center for Defense Information disproves the alleged gaps.

Ever since the Soviet Union developed its own weapons, the Pentagon, under both Republican and Democratic administrations, has justified expenditures for new and more weapons by citing the so-called military superiority of the Russians. Each time Congress passed an increased military budget, the gaps temporarily disappeared. The reality is that the U.S. has always maintained its lead in nuclear weapons, and the Soviet Union has always been playing catch-up. Therefore an arms chase is a more accurate description than an arms race.

The Pentagon itself has proclaimed that we maintain a lead over the Soviet Union in 15 areas of military technology, while the Soviets lead in none. The U.S. and the USSR are tied in six basic technology areas.⁵³ The only "gap" that now remains is the credibility gap with our government.

Can we trust the Soviets? This question has been answered in several ways. First, it may be said that we already do trust them and have done so for the 37 years since they developed the atomic bomb. The entire history of treaties, beginning with the 1959 treaty banning nuclear weapons in the Antarctic and continuing to Salt II twenty years later is a record of tacit trust. The treaties work despite the

best efforts to paint the USSR as an unreliable partner and the periodic accusations of non-compliance. Even the Joint Chiefs of Staff in 1986 dissociated itself from these accusations.

Secondly, it may be said that trust is not necessary. Jacob K. Javits put it this way: "A workable agreement need not be based on trust for the Soviet Union: History demonstrates that mutual self-interest, not trust, is the real glue in international relations — and only the mutual self-interest of the super powers can insure a durable peace."⁵⁴

Third, it is not necessary to trust the Russians any more than they trust us because of the advances that have been made in independent means of verification. In 1986 the U.S. use of the verification issue to avoid arms control treaties fell apart when the Soviets offered on-site inspection to supplement national technical means of verification.

Unless we negotiate treaties with the Soviet Union, there is no point to protestations for world peace. Peace with the Soviets is the only game in town. To argue, as Reagan does, for a world at peace, and at the same time to say that there can be no peace with the Russians, is a meaningless and tragic contradiction. □

U.S. LEAD IN NUCLEAR WEAPONS

Weapon	Year of Inception	
	US	USSR
Nuclear bomb	1945	1949
Hydrogen bomb	1952	1955
Intercontinental bomber	1948	1955
Medium-range missile	1953	1959
ICBM	1955	1957
Nuclear-powered submarine	1956	1962
SLBM	1960	1968
Multiple-warhead missile	1964	1973
MIRV	1970	1975
Anti-ballistic missile	1968	1972
Neutron weapons	1981	—
New generation cruise missile	1983	—
MRV	1985	—

Alternative Budgets

budgets have been defeated every year.

This year the CBC members were joined by other progressive members of Congress to produce "The Quality of Life Budget" for 1987. This alternative budget would decrease defense authorizations \$65 billion below the Reagan request, eliminating funds for the MX, Trident and cruise missiles and other first-strike weapons and reducing Star Wars funding, but it would increase authorizations for education, employment, social services, housing, mass transportation, community and regional development and other programs.

Through some tax revisions and increases mainly for corporations, the alternative budget would end up with a lower deficit than the Gramm-Rudman target and \$16 billion less than the ad-

ministration's projected deficit. But this budget for 1987 was also defeated — 359 to 61.

Economic Conversion

In addition to an alternative budget, the nation needs an economic conversion program. Two such bills have been introduced several times in Congress by Congressman Ted Weiss (D-NY) and Congressman Nicholas Mavroules (D-MA). In reintroducing his bill, H.R. 229, Congressman Weiss said "The purpose of the Defense Economic Adjustment Act is to guarantee that...workers will not alone bear the burden of any decision to reduce military spending."⁵⁶

The Industrial Union Department of the AFL-CIO has endorsed "the concept of economic conversion as a responsible and rational effort to deal

The budget savings on a freeze of new weapons would come mainly from a freeze on the B-1 bomber, the MX missile, and the Trident II missile. The Stealth bomber, the advanced cruise missile program, and the Midg-etman missile would also be halted under a freeze.

In terms of employment, the CEP study concluded that "a net increase of 50,000 to 150,000 jobs nationwide would result if budget savings from a freeze are spent on civilian government purchases or returned to the taxpayers."

Alternatives to military spending have appeared not only in economic studies but in actual legislative proposals. The principal approaches include alternative budgets economic conversion bills and measures for full employment and decent income.

Alternative Budgets

Since 1981 the Congressional Black Caucus (CBC) has submitted an alternative budget each year that does not decrease the nation's security but does provide more funds for human need programs. The CBC alternative

WHAT YOU AND YOUR UNION CAN DO

1. **Membership Education.** Using publications like *Economic Notes'* special "Labor for Peace" issue in political action, education, and other local committees, along with establishing special forums and committees on peace, is a good way to educate union members about the special nature of the military buildup and the threat to peace. The special "Labor for Peace" issue is \$30 per 50 copies from LRA.
2. **Nuclear Freeze and Jobs with Peace.** Get your union to pass resolutions for a Nuclear Freeze and Jobs with Peace and to join or form local Freeze and JwP coalitions. Nationally, both the Nuclear Weapons Freeze and Jobs with Peace campaigns can be contacted at: 220 I Street, NE, Washington, DC 20002.
3. **Congressional Campaigns.** The critical 1986 Congressional elections offer an opportunity to work for peace. Unions that make endorsements and work on campaigns should make sure that politicians seeking support are solid on the basic questions of a nuclear test-ban, economic conversion, nuclear freeze, and serious negotiations with the Soviets. Electing pro-peace candidates in 1986, and shifting the balance against the Reagan administration will make the two years leading up to the 1988 presidential election safer for everyone.
4. **Labor for Peace Committees.** The time is right for the formation of trade union committees for peace at the local level, with the ultimate aim of a national Labor for Peace Committee. Such an organization would greatly strengthen the overall peace movement as peace sentiment is galvanized among working people.

Alternative Programs

with plant closings and mass layoffs in defense plants and military bases." The labor movement supports the Weiss and Mavroules Economic Conversion bills in Congress. On a plant-by-plant basis, and in community terms, conversion is entirely feasible. It is a worthy component of an overall campaign by labor and its allies for jobs with peace.

Guaranteed Employment

Beyond the alternative budgets and the economic conversion bills, Congress has before it Congressman Charles Hayes (D-IL.) "Income and Jobs Action Act of 1985" (H.R. 1398). This comprehensive measure would guarantee all able and willing Americans the right to a job at decent wages and an adequate standard of living for those unable to work for pay. It would also provide for conversion planning. The program would be financed mainly from reductions in military spending, a one percent or more appropriation of the military budget, and the elimination of wasteful tax loopholes.

The economic consequences of accepting the Soviet proposal to eliminate all nuclear weapons by the year 2000 are clear. With the adoption of fiscal alternatives like the Quality of Life Budget plus the Defense Economic Adjustment Act, plus the In-

"Common Sense" Budget

The AFL-CIO and many of its affiliated unions are participating in a coalition called Americans for a Common Sense Budget. The Common Sense Budget calls for "reducing military funding," stating that "the Pentagon should not be exempt from spending reductions, particularly in light of the recent, sharp domestic cutbacks."

Unions interested in participating in the activities of the Coalition should write to the AFL-CIO Department of Legislation, 815 16th St., NW, Washington, DC 20036.

come and Jobs Action Act, the priorities of the economy would be turned around.

There is a growing disenchantment with military spending and the present foreign policy of our government. In September 1985, 50% of the respondents to a poll felt that the U.S. spends too much for defense and military purposes; only 12% felt that the U.S. spends too little.

Now the task is to elect Senators and Representatives who represent labor's views, vote against excessive military spending, and support legislation that protects jobs and income. The warhawks must be targeted for defeat.

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