Innovation, not hidden war agenda, will save economy

By Seymour Melman

George Bush, former director of the CIA, is pursuing a high-risk strategy in the Middle East. He is ignoring the law and the Congress in his preparation for war. Checkmating the Iraqi regime's brutal lawlessness requires neither lawlessness nor the brutality of a terrible war. Patient and firm application of U.N. sanctions and methods of collective security can defeat a desperate dictator.

Why, then, is Bush rushing down the path of another wasteful and destructive war?

Oil supply is no issue. The embargo on

Seymour Melman is professor emeritus of industrial engineering at Columbia University and chairman of the National Commission for Economic Conversion and Disarmidment. His most recent book is "The Demilitarized Society," 1988. Harvest House, Montreal.

Iran did nothing to change the international abundance of oil. For the future, a war in the guif would include destruction: of the highly vulnerable oil wells, pipelines, storage tanks, relineries and offshore oil-shipping facilities. The Bush administration is crying "wolf" about oil to frighten ordinary people, to justify the gas mump price escalation and to avoid acting. on alternative energy sources, especially renewable energy technologies.

The administration's foreign policy projects a series of military confrontations in the Third World. The real objective of placing 400,000 Americans in the gulf is to achieve a permanent military presence to dominate the gulf. This would justify a continuation of enormous U.S. military budgets that assure the prosperity of military industry, as well as the nower of Bush, now the CEO of the military-industrial

complex. Such policies have guited our economy. Civilian public works that shape the quality of life outside the home received 24 percent of federal spending in 1960, but a mere 11 percent in 1990. The operation of the war economy from 1949 to 1989 used up \$8.2 trillion in resources of every kind (measured in 1982 dollars). This exceeded the 1982 value of all of U.S. industry and infrastructure - \$7.3 trillion.

. Priority given to a permanent war economy now amounts to a donicstic war on the middle classes and minorities, children and the poor, single parents and the homeless and elderly. Long priority to the military has produced decay in U.S. industry and infrastructure, Incompetence in production has become a central problem of American economy.

Bush now proposes a further escatation in U.S. militarism. Direct U.S. costs of war in the gulf would be about \$50 billion, with a cost in lives that could reach 45,000 American dead and wounded, Drawing on the Vietnam war experience, we reckon that the indirect cost to the U.S. economy of a guif war would be a further \$190 billion. These costs further will deplete the resources needed to rebuild our society.

· What is \$50 billion? It is half the price of electrifying, re-equipping the main-line railroads of the United States. That task would create productive employment for millions and cause the renewal of entire industries that have virtually disappeared from the United States. Once built, the new rail lines would provide modern transportation for more than a half-contury and contribute uncountable billions of dollars of use-value for consumers and

producers. What is the meaning of the \$190 billion social cost of a gulf war? This is the value of production foreine owing to dead and wounded withdrawn from civilian work. interest charges for the federal borrowing to pay for the war, the cost of veterans' pensions and medical care, etc., etc., in such calculations of social cost there is no way to account for human pain and loss, for the grief of parents, children and fami-

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Direct, indirect costs of war would deplete resources to rebuild

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lies caused by the extinction or warping of young lives.

Most Americans cannot afford Bush's treacherous domestic and foreign policies. They need rebuilding at home by conversion from military to civilian production and priorities. This would help generate a large peace dividend to eradicate the pain and the diserace of impoverishment in the United States

The scale and scope of an economic alternative to Bush's enlarged war economy is indicated by a well-defined set of national needs, targets for a constructive neace dividend, amounting to \$165 billion

of annual outlays, as follows: Comprehensive housing program — \$30 billion.

■ Department of Education spending \$30 billion, Repair of roads, bridges, water and

sewer systems - \$26 billion. Other education needs (preschool, facilities repair, etc.) - \$23 billion.

■ Radioactive waste cleanup -- \$17.5

■ Toxic waste cleanup — \$16 billion. ■ Miscellaneous health costs — \$12.5

The new Congress can overturn the disastrous budget deal struck last October, that continued a Cold War overkill military stance, and recast America's budget priorities to meet urgent social. environmental and economic needs. This will require fresh attention to economic conversion legislation.

■ Electrification of U.S. rail system -\$10 billion.

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A substantive process to convert military industry to civilian work will release vast human, scientific, technological and industrial resources for constructive

For all these reasons, political and allied efforts to constrain Irag's totalitarian regime and settle the gulf crisis can and should be designed to set precedents for peaceful resolutions of other crises in the Middle East and elsewhere

Such methods must include territorial demilitarization, compensation for affected people, the phasing in and out of U.N. peacekeeping forces, recourse to arbitration, the World Court and plebiscites for settling disputes. Each of these methods can play an important part in resolving the present gulf crisis and other Middle East conflicts. Territorial demilitarization, for example, is a strategy for addressing the extraordinary quantities and destructive capabilities of weapons now stockpiled in the various Middle East coun-

Such perspectives are no longer farfetched. Once the United States, the Soviet Union and the European community joined forces to operate the United Nations' mechanisms for coping with the gulf crisis, it became possible to take further steps along such lines within the U.N. framework.

No single state or set of states in the Middle East could stand against the combined economic power of the U.S.-U.S.S.R.-European combine. That power, applied in concert via available U.N. machinery, has the potential for compelling dispute settlements and mutual demilitarization in the Middle East, thereby defusing even the most volatile confrontations such as those between Iraq-Kuwait, Israel-Palestinians, Israel-Syria, Syria-Lebanon,

Kurds-Iraq, Turkey-Iran. The quality of our lives at home and America's relation with the rest of the world will be strongly affected by our readiness to use innovative methods for

resolving the gulf crisis.