



**WESTERN
MICHIGAN**
UNIVERSITY

The Journal of Sociology & Social Welfare

Volume 4
Issue 8 November

Article 30

March 1977

The Soft Spot: How to Attack the Pentagon

Marion Anderson

The Public Interest Research Group in Michigan

Follow this and additional works at: <https://scholarworks.wmich.edu/jssw>



Part of the American Politics Commons, Peace and Conflict Studies Commons, and the Social Work Commons

Recommended Citation

Anderson, Marion (1977) "The Soft Spot: How to Attack the Pentagon," *The Journal of Sociology & Social Welfare*: Vol. 4: Iss. 8, Article 30.

DOI: <https://doi.org/10.15453/0191-5096.1255>

Available at: <https://scholarworks.wmich.edu/jssw/vol4/iss8/30>

This Article is brought to you by the Western Michigan University School of Social Work. For more information, please contact wmu-scholarworks@wmich.edu.



**WESTERN
MICHIGAN**
UNIVERSITY

THE SOFT SPOT: HOW TO ATTACK THE PENTAGON
MARION ANDERSON
THE PUBLIC INTEREST RESEARCH GROUP IN MICHIGAN

Have you been wondering why all the ideas you learned in Economics I haven't been working? Why the forecasts made at summit meetings of economists seem to go wrong? Why the U.S. economy, in utter disregard of all the rules of classical economics, suffers rising inflation and rising unemployment at the same time?

Well, there are reasons. Reasons that establishment economists have not wanted to face, and still refuse to face, because the great myth of the last three decades would then be exposed. The myth is that we are so rich, so productive and so favored that we can have both a huge and growing military establishment and simultaneously a healthy society replete with booming industry and all the social services we need.

This myth, born of a brief experience, and nurtured by those whom it benefitted has pervaded the American scene since 1945. People emerged from World War II with this experience imprinted in their minds: Five years ago they were standing in lines outside that said "No Help Wanted." The war came, some went into the Army, some went to work in war production, but everyone went to work. Moral: wars, or at least military spending, is good for the economy.

A number of big companies learned something too. They learned that cost-plus contracting is the businessman's bonanza. Just get that contract, and rake it in. Cost-plus means you get a guaranteed profit. In fact, if the price of overhead, materials, or labor goes up, you make even more money as Uncle Sam--i.e. the U.S. taxpayer--not only will absorb the extra cost, but increase your profits. A 10% profit on a \$100 million contract is \$10 million, but if expenses go up and you have an overrun, 10% of \$200 million is a profit of \$20 million.

The big corporations which had been making record profits during the war were loathe to get off the gravy train and go back into the more uncertain joys of free enterprise, where you didn't always make money. In fact, sometimes you lost it.

So, in 1948, the National Security Council, a small group of Presidential advisors closely tied to the Pentagon, met and decided in secret that from then on, into the indefinite future, 10% of the GNP should go to the Pentagon for personnel and for arms production.

This momentous decision to allocate not a fixed sum of money, not a budgeted amount, but a percentage of the GNP, was unique in American history. From it have come many of the strains and the troubles this nation has experienced in the three decades since World War II.

Since 1950, over two-thirds of the top technical and scientific talent of the U.S. has worked for the Pentagon and its contractors. This drain upon civilian industry is one of the reasons why we have not fully developed

alternative sources of energy, first-class high speed trains, and adequate housing at reasonable costs. The people to do this research have been busy elsewhere. They have been designing missiles, "smart" bombs, and flights to the moon.

The economy could survive the strain of this drain-off of talent for some years. We were the only major industrial nation to emerge from the war in 1945 not only unscathed but with a newly tooled and booming industrial plant. However, as the years passed and the Common Market nations plus Japan retooled their plants, we began to meet even stiffer competition in world markets. We became increasingly expert at building arms, while they were building ships, trains and the whole array of civilian goods. It is no accident that when the Shah of Iran was making his vast outlays, he bought military aircraft from us, but an entire system of electrified trains from the French.

As federal taxes were being pulled in huge quantities from the industrial states and, through military contracting and payrolls, redistributed to the South and West, the Northeast, and Middle Atlantic and the Industrial Midwest began to decline. Michigan, for instance, pays over \$16 billion in taxes but gets back only \$9.6 billion in federal spending, a loss of \$6.4 billion.¹ This means that \$1,000 per person in the Detroit area is sucked off to Washington never to return in any form--social security, HEW, education--anything. That money is gone, a net loss.

Even states as rich and productive as New York, Ohio, Michigan, and Illinois cannot sustain this kind of loss decade after decade without showing signs of the severest strain. The 1976 Detroit municipal budget deficit of \$100 million is what the Pentagon takes out of Detroit every three weeks. And Detroit is now suffering an unemployment rate of about 30%.²

The high taxes paid over the years and redistributed to the military and hence to the Sun Belt states have also had depleting effects upon civilian industries. They simply have not had enough money to reinvest.³

Unable to buy the newest machinery and faced with the high wage demands of American unions, many companies have moved their operations abroad to lower wage areas, thus accelerating the decline of many cities. George Meany, an unreconstructed Cold Warrior, instead of attacking the root problem, shouts loudly for protective tariffs which no doubt would have the same salutary effect on American industrial production the Smoot-Hawley tariff had in 1931.

The industrial depletion, closing factories, and declining income in civilian industry has been inexorably followed by more poverty, anger and despair. As job opportunities are reduced for the middle class, a sort of "bumping" goes on in which college-educated young people drive cabs, wait tables, and tend bars, thus displacing working class young people to the unemployment lines.

But everyone isn't suffering equally. The states with large amounts of military industry and huge military bases have been the beneficiaries of this redistribution of taxes. During the years that Lyndon Baines Johnson occupied the White House, the military contract going to Texas quadrupled from \$1 billion to \$4 billion. Georgia, doubly blessed with Rep. Carl Vinson presiding over the House Armed Services Committee and Sen. Richard Russell chairing the Senate Armed Service Committee, is similarly dotted with bases and lucrative contracts. A quick reference to the accompanying U.S. map will show which states have been gaining money and jobs during these years.

So, two big changes took place in the American economy between 1950 and 1975: the movement of capital and technical talent from the civilian sector of the economy into the military sector; and the movement of tax money from the industrial states of New England, the Middle Atlantic states, and the industrial Midwest into a belt beginning with Virginia and going south and west to California.

Strange economic symptoms have shown up during the past decade. Inflation, historically low in the U.S. except in wartime, has risen to unprecedented heights. Bouts with wage and price controls have been a little like giving aspirin to a patient with pneumonia: the fever goes down temporarily and masks the causes of the disease, while the patient's condition continues to deteriorate. The second system of a decaying economy-unemployment-remains stubbornly high in just those cities which once were Meccas for the poor of Europe and the South.

The industrial depletion described above is one of the causes. The other is the Defense Department budget itself. Spending money on the DOD has the unique characteristic of simultaneously causing unemployment and inflation. Inflation results because people are being paid to produce products which no one can buy. After payday, workers in military factories go out and buy from the same stock of food, housing, and medical care as do the rest of us. But their work has not increased the common stock of needed goods and services. The prices for all these items are therefore bid up--hence, inflation.

Spending money on the military causes unemployment because fewer jobs are created for each billion dollars spent on the military than if the money were spent in any other way.

Table 1. Jobs Created Per Billion Dollars of Expenditure⁴

<u>Jobs created by:</u>	<u>If spent to create jobs in industry</u>	<u>If spent to create jobs in government</u>
\$1 billion spent in civilian sector	65,000 jobs ⁵	100,000 jobs ⁷
\$1 billion spent in military sector	<u>55,000 jobs⁶</u>	<u>79,000 jobs⁸</u>
Jobs foregone by spending on the military	10,000 jobs	21,000 jobs

If money were taken out of military contracting and--either through a tax cut or reallocation to other governmental programs--put toward civilian needs, the nation's economy would benefit. Depending on exactly how the money were spent, this could create at least 10,000 more jobs per billion dollars transferred and possibly 20,000 or more.

If instead of military contracts we reduced the number of armed forces personnel, both civilian and military, and used the same money to hire more firemen, teachers, state parks personnel, and other state and local government employees, the economy would gain 21,000 jobs per billion dollars transferred.

Thus, each billion dollars which has gone to the Pentagon over the years has cost the economy a minimum of 10,000 jobs. The \$104 billion Defense Department budget requested by President Ford in 1976 will cost the economy over 1,000,000 jobs.

The combination of factors--the widespread acceptance of the myth that military spending was good for the economy; the anxieties caused by the Cold War, Korea, and Vietnam; and the symbiotic relationship of the military and its contractors--has allowed the rise of the Military-Industrial Complex. Institutionalized in the Pentagon, the CIA, the National Security Agency, and the armed forces lobbying organizations, it grew and prospered virtually untouched and unmolested until Vietnam.

President Johnson perhaps personified the hope and the contradictions of mid-century America. Born poor, he ascended to the White House determined to do something for the Blacks and the poverty stricken of our country. Yet the "machismo" tendencies, which so often have led men to war, made it impossible for him to say no to the advisors urging him into Vietnam, thus simultaneously destroying his Great Society and his presidency.

Johnson could not or would not face the fact that he had to make a choice: The Great Society or Vietnam. His deception extended even to his own advisors. He never allowed Secretary of Defense McNamara to tell the Council of Economic Advisors how much the war was costing. Their predictions, upon which much economic policy was based, were erroneous. This, of course, exacerbated economic problems then, and since.

By 1965, a considerable portion of the society had been co-opted either by choice, by geography, or by economic circumstances into the Military-Industrial Complex.

A number of unions with membership working in military industries could always be counted on to plead vigorously for a continuation of their current contract or to press for a new one. Military, management, and the unions were thus united in their desire to continue and increase military spending. When a major portion of a union is pleading for more contracts, it becomes difficult for the top officers to lobby against the military budget as a whole.

This dilemma, combined with George Meany's well publicized support for every type of military expenditure and venture, made most of the labor movement quiescent until Vietnam.

Many academics were also silent. If you inquired you would find out that a neighbor in the physics department had just gotten a nice DOD contract, or that a social science department was hoping to get a little research money from the Air Force. Presidents of great universities scrambled to get on the contract gravy train, and then screamed when dumped off unceremoniously as the war in Vietnam consumed all the available money.

However, enough of academia was either not getting much contract money, or was touched by the anguish of their students being drafted to fight in a war they abhorred. Many colleges and universities became major bastions of resistance to the war in Vietnam. So the universities were only partially co-opted, but it took Vietnam to jar them loose from their contract-fed complacency of the fifties and mid-sixties.

With cities and states, the splits became more evident every year. Southern and many Western mayors are all for a continuation of high military spending. The Northern and Midwestern mayors--faced with layoffs, unprecedented deficits, and fiscal crises--finally, in 1976, passed a resolution saying that the cities should get as much money as the Pentagon. Except for a occasional ideologue, the split here is predictable: the mayors whose cities get the military money think that the present arrangement is fine; those who don't want a change.

Members of Congress follow similar lines of thinking. Some, like Sen. Robert Griffin of Michigan, or Sen. James Buckley of New York, will vote for every nickel that the Pentagon wants no matter how much it hurts their states. Others, like Proxmire of Wisconsin or Bayh of Indiana display a sustained and healthy skepticism toward the voracious demands of the Pentagon. They realize that as the Pentagon prospers, their states decline.

Let us examine briefly some big American institutions and their stands on the Military-Industrial Complex.

Business has historically been sympathetic to Pentagon demands, although many individual businessmen are not. The trade union movement is split with some portions now aware of the military's economic stranglehold. Churches, except for the historic peace churches and the actions of the main line denominations during the Vietnam war, have remained largely quiescent.

The universities now contain a good many faculty members who came of age politically during the events of the sixties, and who have a new and more realistic view of the society. They do not, of course, form a majority of university presidents, deans, or department heads. Most professional associations do not see this as a big concern. However, the layoffs of teachers are becoming so severe in many areas that the National Education Association and some local and state teachers' organizations may be ready to move.

Congress is split. As in the early days of the Vietnam war, many more Representatives and Senators are against a growing military than will vote against it when appropriations time comes. There is not, however, the deep ideological Cold War mentality that was so pervasive during the fifties and early sixties. Key votes, such as on the B-1 bomber appropriation, are now down to a 10 vote margin in the House instead of 200 to 300 vote margins of a few years ago.

So where is the soft spot in all this armor? We may now be coming to an era of new attitudes. A new look is needed at the budget of the Department of Defense, that \$100 billion annual bill that gets handed from the Pentagon to the White House to the Congress to the American taxpayer. There is now skepticism about one keystone to approving these monstrous sums year in and year out--the argument that it created jobs, that it was good for the U.S. economy.

Two years ago, I found the facts to disprove this argument, to unmask it for the myth it was, and to turn the tables on the contractors, the generals, and the highly paid lobbyists who make so free with our tax money.

One day while reading the manuscript of a new book, I came across a statistical regression analysis showing over a thirty-year period what happened to various sectors of the economy when the military budget went up or down. Professor Bruce Russett of Yale had done an analysis which showed the following:

Table 2. Expenditures Foregone by Sector of the Economy
for each Billion Dollars Spent on the Military⁹

\$187,000,000	on services
163,000,000	on durable goods
128,000,000	on state and local government consumption
114,000,000	on residential structures
110,000,000	on producers durable equipment
97,000,000	on exports
71,000,000	on non-durable goods
68,000,000	on non-residential structures
48,000,000	on federal civil purchases
25,000,000	on imports

If Dr. Russett could show how much money was not spent (foregone) for these sectors of the economy, it seemed that it might be possible, with a careful methodology, to show how many jobs were foregone in each of these sectors. After about nine months of work, we computerized the data and, at one a.m. on a freezing Michigan February night, the MSU computer began to spit out the data, state by state.

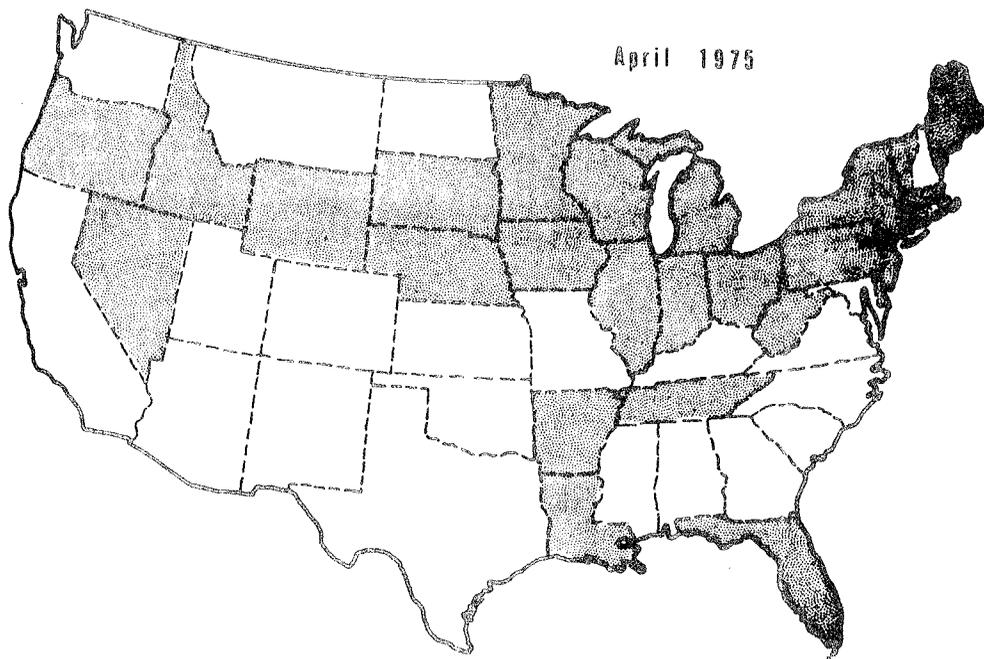
Until we added up the totals on a state by state basis, we never knew whether the Pentagon's spending created or cost more jobs in the nation as a whole. We had factored in the pay of uniformed and civilian military personnel in each state, and all the jobs created by military construction and military industry in each state. We subtracted all the jobs lost in durable goods, non-durable goods, services, residential construction, nonresidential construction, and state and local government as a result of tax money syphoned off to the Pentagon budget. So we ended up with a net figure for the U.S., and for each of the fifty states.

We found that the military budgets of around \$80 billion from 1968 to 1972 had cost the economy 844,000 jobs. Each additional billion dollars to the Pentagon caused about 10,600 jobs to disappear. We also found that 60% of the population live in states which suffer a net loss of jobs when the military budget goes up.

The results are even more dramatic when viewed regionally. The Middle Atlantic and the East North Central states together lose over one and one-quarter million jobs. The Great Plains states lose. The South Atlantic and West Central states, on the other hand, gain over one-quarter million jobs.¹⁰

The state-by-state figures on net jobs foregone take on a more human meaning when compared to their average employment during the years studied. For five of the largest industrial states--New York, Illinois, Michigan, Ohio, and Pennsylvania--the jobs foregone because of high Pentagon budgets averaged 85% of their total unemployment between 1968 and 1972. This means that military spending had an enormous impact upon their unemployment insurance costs, their welfare expenditures, and the state services never provided because of a lowered tax base and higher social welfare costs. The relationship of jobs foregone to unemployment in each of the states which suffer a net loss of jobs is shown in table 4.

April 1975



NET JOB LOSS [shaded box]
NET JOB GAIN [unshaded box]

Spending Annual Average, 1968-1972.

<u>State</u>	<u>Number of Jobs Foregone or Gained</u>
1. New York	-426,000
2. Illinois	-174,000
3. Michigan	-172,000
4. Ohio	-146,000
5. Pennsylvania	-127,000
6. Wisconsin	- 72,000
7. Indiana	- 57,000
8. New Jersey	- 53,000
9. Minnesota	- 47,000
10. Tennessee	- 40,000
11. Iowa	- 37,000
12. Massachusetts	- 35,000
13. Oregon	- 33,000
14. Florida	- 23,000
15. West Virginia	- 22,000
16. Nevada	- 15,000
17. Arkansas	- 12,000
18. Connecticut	- 9,000
19. Louisiana	- 9,000
20. Vermont	- 4,400
21. Nebraska	- 4,200
22. Idaho	- 4,000
23. Maine	- 3,800
24. Delaware	- 1,000
25. Wyoming	- 1,000
26. South Dakota	- 100
27. Missouri	+ 1,500
28. Montana	+ 2,000
29. Rhode Island	+ 4,800
30. New Hampshire	+ 5,500
31. Arizona	+ 7,700
32. Maryland	+ 8,000
33. Alabama	+ 9,000
34. New Mexico	+ 10,000
35. North Dakota	+ 10,000
36. Kentucky	+ 14,000
37. Kansas	+ 16,000
38. Mississippi	+ 17,000
39. Utah	+ 19,000
40. Washington	+ 25,000
41. Colorado	+ 25,000
42. Alaska	+ 29,000
43. Oklahoma	+ 32,000
44. North Carolina	+ 33,000
45. South Carolina	+ 36,000
46. Hawaii	+ 38,000
47. Georgia	+ 55,000
48. Virginia	+ 56,000
49. California	+ 97,000
50. Texas	+133,000

UNITED STATES TOTAL: 844,000 jobs.

Table 4. Jobs Foregone as Percentage of Total Unemployment.
Annual Average, 1968-1972.¹²

<u>State</u>	<u>Number of Jobs Foregone</u>	<u>Average Number of Unemployed Persons</u>	<u>Jobs Foregone as % of Unemployment</u>
New York	426,000	382,000	112%
Illinois	174,000	191,000	91%
Michigan	172,000	230,000	75%
Ohio	146,000	171,000	85%
Pennsylvania	127,000	207,000	61%
Wisconsin	72,000	83,000	87%
Indiana	57,000	92,000	62%
New Jersey	53,000	175,000	30%
Minnesota	47,000	71,000	66%
Tennessee	40,000	68,000	59%
Iowa	37,000	41,000	90%
Massachusetts	35,000	143,000	25%
Oregon	33,000	50,000	66%
Florida	23,000	90,000	26%
West Virginia	22,000	41,000	54%
Nevada	15,000	14,000	107%
Arkansas	12,000	35,000	34%
Connecticut	9,000	83,000	11%
Louisiana	9,000	79,000	11%
Vermont	4,400	9,000	49%
Nebraska	4,200	19,000	22%
Idaho	4,000	15,000	27%
Maine	3,800	24,000	16%
Delaware	1,000	10,000	10%
Wyoming	1,000	6,000	17%
South Dakota	100	9,000	1%

Of the 60% of U.S. citizens who live in states which suffer a net job loss, the overwhelming majority of them live in highly industrialized states which do not contain large military bases.

During the period studied, 1968-1972, most of the New England states were net loss states. Only Rhode Island and New Hampshire showed slight gains. The region as a whole lost about 42,000 jobs annually. This was true even when Connecticut was getting heavy military contracts because of the Vietnam war, and Massachusetts was getting substantial contracts for research and development.

In the Middle Atlantic region, every state lost, with New York losing more jobs than any other state in the country--an astounding 426,000. New Jersey and Pennsylvania lost heavily even though they received substantial military contracts and both states host some military bases. The losses they sustained in civilian industrial production, coupled with the very large number of jobs which they had to forego in services and state and local government, resulted in 53,000 jobs foregone in New Jersey and 127,000 in Pennsylvania.

The Great Plains states showed a more varied picture. Although the region as a whole showed a net loss of 60,000 jobs, some states gained. The industrial belt suffers the worst: 621,000 jobs were foregone in the East North Central states of Ohio, Indiana, Illinois, Michigan, and Wisconsin. This region, the industrial heartland of the nation, showed a net loss of over 360,000 jobs just in the industrial sectors of its economy (durable and non-durable goods). With relatively few military bases to compensate and a very substantial number of jobs foregone in services and state and local government, this region was the hardest hit in the nation.¹³

The states which showed net gains in jobs from military bases and industry form a geographic band which begins in Maryland and extends south to Georgia (Florida is excluded), west to California (excluding Louisiana), and north to Washington (omitting Oregon).

The South Atlantic region, which includes Delaware, Maryland, Virginia, West Virginia, and Florida, gained 142,000 jobs. Delaware, West Virginia, and Florida lost jobs; the other states gained heavily. Virginia, North and South Carolina and Georgia had almost 427,000 military personnel stationed within their borders. Over 105,000 military personnel were living in Florida, but their presence was not sufficient to overcome the large job losses in residential construction and services.

Texas led the West South Central section with a net gain of 133,000 jobs. Texas was receiving an average of \$2.5 billion worth of military contracts during these years, generating about 88,000 jobs a year. There were also 247,000 uniformed and civilian military personnel stationed there each year. Therefore, Texas' net gain was large, the largest in the nation. Oklahoma also gained, about 32,000 jobs. Arkansas, however, lost almost 12,000 jobs during each year of the period studied.

Washington, with both troops and contracts, and Alaska and Hawaii, with large military bases, were all net gain states. Only Oregon of the Pacific Coast States lost jobs--33,000 of them.¹⁴

It is important to analyze, both by state and overall, the totals by sector of the economy.

Jobs Foregone by Sector of the Economy.
Annual Average, 1968-1972.¹⁵

<u>Sector</u>	<u>Gross Jobs Foregone</u>	<u>Military Jobs Created</u>	<u>Net</u>
Durable Goods	-796,000	+806,000	+ 10,000
Non-Durable Goods	-353,000	+ 52,000	-301,000
Residential Construction	-428,000	+ 58,000	-370,000
Non-Residential Construction	-253,000	+ 11,000	-242,000
Services	-1,528,000		-1,528,000
State & Local Governm't	-1,012,000		<u>-1,012,000</u>
Jobs foregone in industry, services, and state & local government:			-3,443,000
Uniformed and non-uniformed military personnel employed in the United States.		+2,599,000	<u>+2,599,000</u>
NET JOBS FOREGONE NATIONWIDE			-844,000

Thus, the construction industry loses over 600,000 jobs when the military budget is \$80 billion. There are over 1,500,000 fewer jobs in services and over 1,000,000 fewer jobs in state and local government.

If a person lives in a net loss state and wishes to find out how many jobs a one billion dollar rise in DOD spending will cost, simply take the net loss figure for that state in the table and divide by 80*. For New York with a 426,000 job loss, the loss per billion dollars is 5,500 jobs. Thus President Ford's demand for a \$104 billion Pentagon budget will cost 146,000 more jobs in New York state, or a total net loss of 572,000 jobs.

This data is, of course, politically significant. It can be used in a number of ways. Senators, Representatives, mayors and candidates for public office can all be asked before and after elections and on specific votes if they really want to cost their own constituents jobs. Elected officials are very sensitive to this. In preparation for testimony before the House Armed Services Committee last winter, I did an analysis of the Congressional District of each member of that committee who came from a net loss state. I found the following:

* \$80 billion was the average DOD budget for the years studied, 1968-1972.

<u>Congressman and Party</u>	<u>Location and State</u>	<u>Number of Jobs lost in District Due to an \$80 Billion Military Budget</u>
Rep. Melvin Prince, D.	E. St. Louis, Illinois	7,800
Rep. F. Edward Hebert, D.	New Orleans, Louisiana	1,200
Rep. Charles Bennett, D.	Jacksonville, Florida	900
Rep. Samuel Stratton, D.	Albany, Schenectady, N.Y.	8,600
Rep. Lucien Nedzi, D.	Detroit, Michigan	10,300
Rep. Robert Mollohan, D.	Wheeling, Parkersburg, W. Virg.	6,500
Rep. Les Aspin, D.	Racine, Kenosha, Wisconsin	7,100
Rep. Bob Carr, D.	Lansing, Jackson, Michigan	8,300
Rep. Tom Downey, D.	Suffolk County, New York	9,800
Rep. David Treen, R.	New Orleans, Louisiana	800
Rep. George O'Brian, R.	Chicago, Joliet, Illinois	8,200
Rep. Robin Beard, R.	Memphis, Clarksville, Tenn.	4,900
Rep. Donald Mitchell, R.	Rome, Utica, New York	9,500
Rep. Elwood Hillis, R.	Anderson, Marion, Indianapolis, Indiana	5,000
Rep. Richard Schulze, R.	Philadelphia, Pennsylvania	4,900

I released these findings to the Washington press corps and to the Congressmen's local newspapers on the morning of my appearance. By the time I appeared, many of the fifteen Congressmen had been inundated with calls from their hometown newspapers, "Mr. Price, I understand that your votes are costing us 7,800 jobs a year." Both incumbents and challengers have used similar analyses, based on the data in my study, in electoral campaigns.

Governors and mayors from net loss states, if they understand this data, can also be expected, even urged, to bring pressure on Congressional delegations to vote against excessive military expenditures.

Unions whose members are suffering considerable unemployment are often responsive when they understand the problem. Rank and file members want to know the causes of their economic troubles, and are open to ways of curing them. Most of the 1,500,000 member United Auto Workers, the construction workers, the ILGWU, teachers unions, and the many other non-military unions lose jobs because of high Pentagon budgets. The nation's fastest growing union, AFCSME (American Federation of State, County, and Municipal Employees) has taken leadership in educating its members and the public about this problem.

Union leaders are using this data to make three main points:

1) There is enormous waste in the military budget. There are more officers now with a 2,000,000 member peacetime army than when we had in an 11,000,000 member army during World War II. There is no need to increase the overkill. Terminate cost-plus contracting--it makes a few executives rich and causes you to be overtaxed.

2) We are overtaxed. All (yes, 100%) of the U.S. personal income tax between 1960 and 1974 went to the Pentagon. A federal tax cut would allow more income to be voted for state and local taxes and to be spent by individuals as disposable income. Both uses of the money would create more jobs.

3) We must have conversion legislation. This would simultaneously deprive the Military-Industrial Complex of some of its most vigorous lobbyists--union members who fear unemployment--would help the economy.

The responses on the part of union audiences have varied from warm to enthusiastic.

The mystique of the generals and of the Pentagon is gone, buried in the mud and despair that was Viet Nam. The cities and the country are crying out for change. The data which are presented can be used in homes, in union halls, in elections, to destroy the keystone of the MIC. America is waking up to the realization that billions for the Pentagon means millions of unemployed.

* * *

FOOTNOTES

1. Unpublished data obtained from Dr. James R. Anderson, Humanities Department Michigan State University. For earlier years, see Anderson, James R., "The Balance of Military Payments among States and Regions, "The War Economy of the United States, Seymour Melman, editor, St. Martin's Press, 1971.
2. Dr. Milton Taylor, Economics Department, Michigan State University.
3. Dr. Seymour Melman, Our Depleted Society, Holt, Rhinehart and Winston, 1964.
4. Marion Anderson, The Empty Pork Barrel: Unemployment and the Military Budget, PIRGIM, 590 Hollister Building, Lansing, MI. \$1.00
5. Bureau of Labor Statistics, Department of Labor.
6. Bureau of Labor Statistics.
7. Office of the Comptroller, Department of Defense.
8. Office of the Comptroller, Department of Defense.
9. Bruce Russell, What Price Vigilance?, Yale University Press, New Haven and London, 1970, P. 140.
10. Empty Pork Barrel, p.2.
11. Empty Pork Barrel, p.2.
12. Empty Pork Barrel, p.3.
13. Empty Pork Barrel, p.3.
14. Empty Pork Barrel, p.3.
15. Empty Pork Barrel, p.3.