

## INTRODUCTION AND OVERVIEW

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With the end of the Cold War and the dissolution of the Soviet Union, an unparalleled opportunity exists to reexamine the military and foreign policies of the United States. Events in the former Soviet Union and Eastern Europe have made it clear that U.S. security needs no longer require the same massive arsenal. Military spending is being cut, adversely affecting workers in many regions of the country. The Gulf War didn't change this. The war was a military victory, but it didn't answer the question that was an issue before it began: how should national security be established now that the Cold War is over? Answering that question will require a new way of thinking about the nation's security needs.

For contemporary Americans, real security also includes regular employment and affordable housing, sound banks and a reduced national deficit, a clean environment, and freedom from crime and drug-related violence. These needs cannot be met without a prosperous economy based on resurgent American industries able to hold their own in the world marketplace. National security then is not only military strength; it's a holistic response to a wide range of human needs. Meeting these needs at a time of recession and tight budgets would seem to be all but impossible without resources as yet undiscovered. Americans will have to find a new way of thinking about their country's domestic needs just as they have begun the process of reinventing the nation's foreign policy.

The link between these two dimensions of national security is economic conversion: the planned transformation of excess military production to civilian purposes. There is now abundant research indicating that the conversion process is entirely doable, that the obstacles are not technical or economic. The real barrier is the commitment to business as usual in American defense policy as well as in American economic practice. This

attitude must be overcome before the particulars of conversion can be considered and implemented. Conversion advocates need to demonstrate that there are realistic alternatives to the militarism that has guided American defense policy and to the style of capitalism that has contributed to the nation's recent economic decline. Presenting these new alternatives is the role of the first four chapters, which make up part 1 of the book. Part 2 then treats conversion in more detailed terms, examining particular efforts in the United States and the former Soviet Union as well as a host of new approaches currently being developed.

Chapter 1 sketches an outline for a new defense policy for the United States. Written by Gregory A. Bischak, executive director of the National Commission on Economic Conversion and Disarmament, this essay points out that disarmament, and especially nuclear disarmament, was a major theme in American thinking until the Cold War pushed it into obscurity. Bischak argues that the end of the Cold War has created the opportunity to redefine disarmament goals and he describes the international structures and processes necessary to realize these goals in an era of nuclear proliferation. "It is a matter of inventing new institutions," he suggests, "rather than disinventing the bomb."

But the control of nuclear weaponry is just one aspect of the larger task of establishing international security. This can be achieved, Bischak points out, without the huge arsenals of the superpowers. He outlines the principles of "common security," advocated by a variety of contemporary thinkers, that would permit the United States to reduce military spending far more than is currently planned. Common security rejects the zero-sum game of traditional superpower rivalry and substitutes a recognition by each of the major powers of the others' legitimate security needs. This makes possible a strictly defensive alignment of all military forces instead of the war-making, first-strike capability each is still burdened with. This restructuring of forces would mean substantial reductions of weaponry and military personnel as well as the curtailing of nuclear modernization programs. Common security also envisions the development of stronger international and regional peacekeeping mechanisms as alternatives to superpower intervention in underdeveloped countries.

The extensive disarmament that such an approach would make possible will create economic upheaval in the numerous defense-dependent communities across the country. In chapter 2 Joel Yudken of the Project on Regional and Industrial Economics at Rutgers University addresses this problem by considering the conversion of defense facilities, not as a separate, unique task, but as a part of the larger goal of revitalizing Amer-

ica's entire industrial base. The nation now faces a series of daunting economic tasks: restoring the competitiveness of its civilian industry; renewing its infrastructure; providing good education, housing, and health care; as well as cleaning up the environment. What is required is a new national industrial and technological policy to prioritize production needs, a national needs agenda to redirect the resources of the United States.

Yudken points out that America's civilian manufacturing has been handicapped by the nation's huge investment in military production. Over the past forty years the military budget has actually exceeded the monetary value of all civilian industry's facilities and the nation's public infrastructure combined! In reality the country *has* had an industrial policy during these years, but it has been disguised as defense policy and therefore never evaluated in appropriate terms. The task now is to create an effective industrial policy and integrate economic conversion as a component of it.

If the United States has paid a high economic price for its involvement in the arms race, the nation's environment has also been penalized heavily for these defense policies. In fact, the penalty has been far harsher than Americans realize. This is the message of chapter 3 by Michael Renner of the Worldwatch Institute. Renner points out that the Department of Defense holds land roughly equivalent in area to the state of Virginia and has also attempted to add an area bigger than Connecticut and Rhode Island combined. Military maneuvers, war games, and weapons testing create severe degradation to this land and to the surrounding communities. Already ninety-six military bases across the United States are so badly polluted that they are on the Superfund National Priorities List. The contamination from nuclear weapons alone will cost between \$100 billion and \$300 billion to clean up. Other deleterious effects include military-generated air pollution and ozone depletion, along with the gargantuan consumption of fuels and energy. Renner also systematically documents the environmental catastrophe created by the Gulf War.

All of this makes disarmament even more compelling. Renner suggests a program for cleaning up the military's pollution and argues the case for conversion. He cautions, however, that not everything civilian is ecologically sound. It is necessary to have an environmental awareness beyond simply converting from military production. Without such an attitude we may be merely exchanging one form of pollution for another.

The real difficulty in redefining national security is not in setting out the themes of common security, economic revitalization, and environmental integrity, but in grappling with those who oppose this vision be-

cause they have a vested interest in the status quo. In chapter 4 Bischak names these interests including the corporations that produce the arsenals for the military, the labor force employed in the defense plants, and those representing these groups in Congress who promote new weapons systems in every military budget. Bischak points out that this system of “military corporatism” also includes the physical science and engineering professions, which benefit from high levels of government support for military research, as well as government managerial elites, which preside over the expanding bureaucracies. Key representatives from these vested interests comprise a rigid hierarchy that shapes national security policy. Bischak explains the historical development of this power as these groups have consistently increased their influence both inside and outside the government.

Economic conversion is an opportunity to undercut this military corporatism. By providing defense contractors and their work force with alternative, civilian products, conversion could begin to reduce the need these groups feel to pressure Congress for more weapons contracts. Especially through the broader industrial planning prescribed in chapter 2, conversion would permit the country to redeploy its scientific and technical personnel in the civilian sector where it is crucially needed. Part 2 of this book examines conversion efforts and what they can offer for the future.

Bischak and Yudken open part 2 with an examination of the myths that create obstacles to conversion planning. The authors begin with a consideration of the argument that normal economic growth can take care of the broad impact that the reduction in defense production is now having. They also examine the limits of private investment in responding to a defense downturn on the local level, as well as what can be expected from job-training programs. Finally, they address the argument of conversion opponents that conversion simply doesn’t work. They point out that the evidence tells a far more complex story and that opposition to conversion is often an ideological reaction by those opposed to any positive role for government. In that respect the conversion debate is very much related to the broader question of the respective roles of the public and private sectors that is reflected in each facet of the conversion issue. Bischak and Yudken also examine the current slowdown in military production and demonstrate that it will be fundamentally different than the reductions following previous wars. This situation and the lessons learned from previous conversion efforts indicate that successful conversion planning will require a major coordinating role from the federal government.

The efforts to develop a federal conversion policy are described in chapter 6 by Maggie Bierwirth, a legislative aide to Congressman Sam Gejdenson (D-CT). Gejdenson's district is one of the most defense-dependent in the nation and Bierwirth has coordinated Gejdenson's efforts to respond to the needs of the tens of thousands of defense workers—and, indeed, the whole economy of eastern Connecticut. Bierwirth first sets out the three approaches considered to date by Congress. These range from the traditional response of making assistance available to unemployed workers, to the contemporary approach of providing diversification assistance to defense-dependent local economies, to the more direct plan of requiring defense contractors to set up alternative-use committees in their plants to do conversion planning.

Bierwirth provides a discussion of the political problems of each approach and an effort to find a compromise among the three. In the process she makes clear the particular problems of policy making in Congress, and especially the influence of the Pentagon on that branch of government. Ultimately, she concludes, conversion policy needs to be recognized and formulated as part of the larger issue of the economic redevelopment of the United States.

The difficulty of achieving conversion without a comprehensive national policy is made especially clear in chapter 7. This study, conducted by Catherine Hill, Sabina Dietrick, and Anne Markusen, represents the most comprehensive effort yet to analyze what happens when site conversion is attempted. The examples included here are: Quincy Shipyards, a division of General Dynamics, making military ships in Massachusetts; Blaw-Knox foundry, a subsidiary of White Consolidated Industries, making tanks in Indiana; the Long Beach plant of McDonnell-Douglas, manufacturing military aircraft in California; Lockheed Shipyards, Marine Division, outside Seattle; Philadelphia Naval Yards, repairing and overhauling military ships, and a Unisys Corporation plant in Minneapolis producing military computer systems for the Navy.

What is evident in these case studies is the extraordinary complexity of the conversion process. While technical in nature, it also involves countless other factors including the planning prerogatives of management, labor-management relations, the involvement of the local community, and the response of local and state elected officials, as well as the Pentagon and related federal agencies. It becomes clear that site conversion is technically doable but that defense contractors are often opposed to the process despite the downturn in military contracting. Their opposition may soften with a more dramatic downturn in defense spend-

ing. While the labor and community efforts chronicled here have not achieved success they are, nonetheless, important. They have demonstrated the broad-based support that exists for conversion, they have been catalysts for planning efforts at all levels of government, and they have highlighted a number of non-production problems (e.g., marketing) that need to be addressed.

For Michael Closson, director of the Center for Economic Conversion, the term *conversion* is not simply the process of transitioning workers from the defense industry into civilian manufacturing. In chapter 8 he discusses both conversion and diversification, explaining the latter as an opportunity for citizens in a defense-dependent area to redirect their economy to meet the needs of the community. In this respect diversification is first a democratic planning process in which the community assesses its resources, including the skills of workers at the defense plants, and determines how these resources can be used to produce a local peace economy. The focus is not on site conversion but on redeveloping the local economy in a civilian-oriented and environmentally sustainable way. This process, Closson emphasizes, is one that best includes not only management and labor but also the variety of groups that make up local community life. With these criteria in mind Closson evaluates a host of diversification projects including responses to military base closings in New Jersey, Texas, California, and New Hampshire as well as a varied set of community planning efforts in response to defense plant cutbacks in St. Louis, San Diego, Los Angeles County, Maine, and Vermont. This chapter also surveys the policies by municipal and state governments to encourage the economic development advocated by Closson.

An international approach is added by David W. McFadden in chapter 9 as he examines the state of the conversion movement in the former Soviet Union. A scholar of Russian and Soviet history who has also been involved in conversion efforts in this country, McFadden is in a unique position to analyze the situation in Russia and the other former Soviet republics. He explains the enormity of the Soviet military-industrial complex and its impact on the Soviet economy, where military production played an even more significant role in the economy than it has in the United States. McFadden describes the conversion program promoted by Mikhail Gorbachev, its acceptance as policy by the Soviet government, the formidable and largely successful obstacles placed in its way by the military-industrial bureaucracy, and the legacy inherited by Boris Yeltsin and his advisors.

But with the decentralization achieved through the dissolution of the Soviet state and the acceptance of free-market economics, the opposition to conversion by the bureaucratic elite is no longer as important a factor. The centralized economic system is now being overtaken in many areas by local and regional cooperatives able to attract managers and skilled workers ordinarily committed to industries associated with military production. Moreover, some of the most promising conversion efforts are happening through the participation of foreign companies in Russian economic development. McFadden chronicles these new international efforts which may ultimately prove to be the most influential factors in the conversion process there.

Chapter 10 recapitulates the major themes in the book and discusses them in the broader context of their contribution to democratic life in America. There has long been a concern over the lack of democratic participation in the making of public policy and nowhere is this more evident than in the formulation of national security policy. Military corporatism, as described by Bischak, has dominated this discussion to the virtual exclusion of alternative approaches such as common security. Military interests have been the major obstacle, as Bierwirth has pointed out, to comprehensive congressional policy on conversion as well as a dominant force against those who, like Yudken and Renner, have called for the transformation of American (military) industrial policy into one designed to meet civilian and environmental needs. Conversion can help democratize national policy making by restructuring military corporatism and, in so doing, reduce the pressure in Washington for a militaristic national security policy. This may open the policy-making process to the numerous individuals and groups who are committed to the kinds of alternatives addressed in this volume.

On the grass-roots level the myriad of conversion and conversion-related organizations cited throughout these chapters is testimony to the active group life that is at the heart of a truly democratic society. Moreover, the conversion case studies presented by Hill, Dietrick, and Markusen, and the diversification projects described by Closson, show how these groups have expanded the meaning of democracy by taking its values beyond strictly political institutions and into the economic realm itself. Chapter 10 uses two concepts, workplace democracy and "anticipatory" democracy, to explain the significance of this extension of democracy into the economic sector. The question of economic democracy invariably brings up another, related question: what is the role of gov-

ernment, and especially public planning, in the economy? Obviously this question is central to the conversion cases themselves and support for this type of public planning is explored here in terms of contemporary democratic theory as well as in the arguments of economists.

Such planning has to be focused on the goal of meeting so many fundamental social needs that have been ignored throughout the years of the arms race. Modern democratic political thought, as discussed in this chapter, has often made such positive material outcomes central to the meaning of democratic life. Conversion, especially at this extraordinary point in the nation's history, can contribute to this vision of a genuinely humane and participatory society.