



ECAAR's Essay Contest Project Moves Forward

A great deal of time and effort have gone into the international essay contest which ECAAR first proposed more than a year ago. Originally planned to solicit serious plans for the "peace dividend," the war in the Persian Gulf necessitated a reevaluation and focus. Under the new title, "Global Reconstruction and Arms Reduction: A Blueprint for the Next Five Years," the contest speaks to the critical international problems facing the world.

Last winter, ECAAR's treasurer and trustee, Robert Schwartz was interviewed by a senior staff writer, Mr. Nagaharu Hayabusa, of *The Asahi Shimbun*, a major Japanese newspaper. As a result of that meeting, *The Asahi Shimbun* expressed interest in co-sponsoring and funding the project. With the help of Diana V. Lopez, Esq., working *pro bono*, a contract covering the terms of the contest and details concerning judges, copyrights, prize awards and publicity was drawn up and is being reviewed by managers and counsel for *The Asahi Shimbun*. We have received an agreement in principal and await their final comments.

The contest will be open to any individual, not merely economists, though the essays, limited to 3,000 words, must be submitted in English. A screening committee made up from ECAAR's board members and others will review essays prior to them going to the judges. The panels of judges will be composed of ECAAR trustees, three prominent Japanese economists and four world renown non-economist political leaders.

The contest will be announced during a press conference to be held both in the United States and Japan, followed by a call for papers. Deadline for essays will be December 31, 1991 with awards being announced on Hiroshima Day, Aug. 6, 1992. Further details will be available in the next newsletter or you may contact the ECAAR office.



Michio Kaku to Address ECAAR's Third Annual Public Forum in East Hampton, NY

Professor Michio Kaku, a theoretical physicist at City University of New York, will be the guest speaker at an ECAAR-sponsored afternoon public meeting to be held on Saturday, July 27th. Dr. Kaku who is well-known both within his discipline and the peace community for his firm positions against the production of nuclear (and other) weapons, approaches his critique from a scientific as well as moral basis.

Professor Kaku's interest in science and physics began when he was a child in California. His particular sense of the connection between science and peace was informed by internment of members of his family during World War II and the deaths of other family members, killed by the atomic bombs dropped on Japan.

A critical point in Dr. Kaku's professional life occurred when, having been chosen by and worked with Edward Teller, he rejected having his work as a physicist used for destructive purposes.

As an active advocate of disarmament and peace, Professor Kaku lectures widely, hosts a weekly radio call-in show on WBAI in New York and has lead a movement within his field against the Strategic Defense Initiative (Star Wars). To date, he and his fellow organizers have gained the support and signatures of thousands of the country's most highly skilled and respected physicists in refusing to participate in any aspect of Star Wars projects.

This will be the third educational/fundraising forum hosted by ECAAR in East Hampton. Previous guest speakers have been John Kenneth Galbraith and Lawrence Klein.

Dr. Kaku will speak at a cocktail reception at the home of Robert and Evelene Wechsler beginning at 5:00 p.m., with a question and answer period following his address. The event is open to the public with a requested contribution of \$50.00. For further information please contact the ECAAR office at (212) 874-0027.

IN THIS ISSUE

Essay Contest _____	1	ECAAR in Western Europe _____	6
Michio Kaku _____	1	Membership Report _____	7
Peace Volume _____	1	Mail Box _____	7
U.N. Notes _____	2	Brief Notes _____	7
Conferences _____	3	Employment Notices _____	7
Foreign Affiliate Reports _____	5	Brimmer Joins Board _____	8

Peace Economics Volume Being Compiled

Work on the forthcoming book on *Economics of Arms Reduction and the Peace Process* to be edited by Walter Isard and Charles Anderton and to be published by North Holland is proceeding as scheduled. The book collects selected papers presented by scholars at ECAAR and Peace Science conferences. Kenneth Arrow's provides a broad theoretical background for examining the subject by evaluating four different approaches, those of (1) neoclassical welfare theory, (2) Keynesian and more modern versions of macroeconomics, (3) modern growth theory and (4) political choice theory. Amyrta Sen's then further broadens our perspective on the implications of arms reduction, particularly in developing countries, by presenting considerable evidence that both militarization and wars "often adversely influence the ability of famine-prone countries to escape mass starvation."

A series of in-depth analyses on more confined issues follows. As an example, Lawrence Klein and Miroslav Gronicki, utilizing a macroeconomic approach, probe deeply into the question of the extent to which military cutbacks in the Eastern European economies are aiding and harming them. Papers by Jeffrey Bergstrand, Robert Kuenne, Martin McGuire, Carlos Seiglie and Murray Wolfson have already been received and accepted. Others are in process.

UN Notes: Conference to Amend Partial Test Ban Treaty Highlights Spring Briefings

By Dorrie Weiss

The Amendment Conference to the Partial Test Ban Treaty (PTBT), held at the United Nations headquarters in New York, January 7-18, left a puzzling legacy because it was hard to assess what, if anything, had been accomplished during the two weeks of meetings by world delegates. Many observers were disappointed by the lack of substantive changes and by the seeming intransigence of the U.S. during the course of the Conference. The fact that military action in the Gulf began two days before the end of the Conference also served to dampen hopes for real progress. At the conclusion of the Conference the President, Ali Alatas of Indonesia, was given a mandate by the delegates to continue as the functioning head of the body and to continue to seek solutions, with the understanding that the conference would reconvene "at the appropriate time."

A meeting of the NGO Committee on Disarmament at which there were two invited speakers, Dr. K.C. Lin, and Aaron Tovish of Parliamentarians for Global Action, presented a more sanguine picture than many of us had dared to draw. Progress, they seemed to suggest, is incremental, and small movements can lead inexorably, albeit slowly, toward a goal. Both men saw hope in the fact that a vote was taken despite the expressed displeasure of the U.S. The attendance throughout the Conference was good, even though there was no hope for a permanent solution. One hundred of the one-hundred seventeen participants attended the final session. They were hamstrung by the need for consensus and had no choice but to go to a vote despite the opposition. For the first time, however, a pattern was broken and seven Western countries voted for the test ban amendment. Usually the voting is done in blocs with a non-aligned countries voting 'for,' the U.S. and Great Britain 'against,' and the rest of the European nations abstaining. The U.S. may find itself isolated in its position. While the U.S. maintains that it will not attend a second conference, it will surely attend if all other nations do so, the speakers felt, since it seeks the cooperation of other nations and must offer to reciprocate. Many non-aligned nations are already threatening to withhold their signatures when the Non-Proliferation Treaty is taken up in 1995. There is strong sentiment for a new test-ban amendment conference in 1992. There is a feeling that other nations may break away as did the seven Western

countries who joined the majority. Public sentiment within the U.S. may create internal pressure for the government to take a more conciliatory stance. The work done at the Conference may not be lost.

On another issue, a briefing at the end of April dealt with the prospects for a nuclear-weapon-free zone in the Middle East. Two such zones already exist—one in the South Pacific and one in Latin America. The aftermath of the Gulf War has created a fluid situation and the states in the area may now be more concerned about the need for regional security. Perhaps Arabs and Israelis can surmount their differences. This was shown symbolically at the briefing when Ambassador Ephraim Tari of Israel and Ambassador Amre Moussa of Egypt sat down in public together to discuss the area's need for a nuclear-free zone. They were joined by Jan Prawitz and Benjamin Sanders, two of the consultants for the Report of the Secretary-General's Study on Effective and Verifiable Measures which would Facilitate the Establishment of a Nuclear Weapons-Free Zone in the Middle East. Implicit in the discussion was the belief that Israel is a non-declared nuclear weapon power. Mr. Prawitz, noting this, noted also that there would surely be other nuclear powers in the region soon, and that chemical weapons and other weapons of mass destruction were were nuclear weapons.

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The nuclear-free zones in the South Pacific and Latin America have different concerns from those in the Middle East, Mr. Sanders pointed out. Both were attempting to keep the nuclear powers out of their areas and trying to prevent weapons testing from damaging their environment. In the Middle East, the feeling is that nuclear weapons are already there, and the attempts are directed at Israel, with some cause for worry about Iraq's nuclear capability as well. An additional problem is that some Mideast countries will not negotiate with Israel directly, arguing that, since they are already parties to the Non-Proliferation Treaty (NPT), only Israel must come into compliance.

The basic problems that lie at the heart of the controversy were set forth by the two ambassadors. Israel insists that any treaty be the result of direct negotiation with the Arabs, and not a solution imposed by outside forces. The Arabs already view Israel as the product of outside interference, said Ambassador Tari. Only fundamental self-interest can motivate the parties involved. Ideology stands in the way of reality and irrational thinking may hinder the chances of survival in the area, he said. Only small steps toward confidence building are possible at this time. He said Israel does not threaten the Arab countries, but is subject to threats of annihilation that have nothing to do with solving political problems; history has taught the Israelis to pay more heed to threats than to promises. Before they will negotiate a nuclear-free zone they must feel secure—the Arab states must recognize the state of Israel and not threaten its very existence, and must renounce all warlike acts. The desire for peace must emanate from the states in the region and result from free and direct negotiations between the states directly concerned, he said.

Ambassador Moussa felt that there was little time left for a solution. Egypt had called for a Nuclear-Free Zone over fifteen years ago, in 1974. There was a need to create a sense of security in the region, which was fraught with tension and political confusion. The Palestinian issue would have to be solved before they could move ahead. Though each issue had to be addressed on its own merit, solving one would help pave the way toward the solution of the others.

Israel, he said, must renounce the nuclear option and adhere to the NPT as a confidence building measure, and agree to submit to IAEA inspection, following all verification and control procedures. He made it clear that Egypt supported general and complete disarmament. Ambassador Tari responded that Israel in 1980 had prepared a draft resolution on the Zone which was not presented for a vote because "if we had presented a resolution of love for one's mother and father, it would have been voted down." Israel, he said, preferred to support the resolutions presented by other states.

There was agreement by all the parties that the establishment of a nuclear-free weapons zone in the Middle East was a highly desirable goal, but there was divergence about the best means to achieve that goal.

National Security Issues Focus of Washington Conference

By David Bosser

From May 5-7 over sixty peace advocates from throughout the nation gathered at the 4-H Center in Chevy Chase, MD, for a conference entitled, "After the Gulf War: National Security in a Post-Cold War World." Sponsored by the Union of Concerned Scientists and the Professionals' Coalition Education Fund, the meetings were designed to update the participants on national security issues and prepare them for meetings with Congressional representatives.

The conference began with welcoming remarks by Robert K. Musil, Executive Director of the Professionals' Coalition Education Fund. He explained that before 1988, peace proponents focused their efforts on specific weapons programs, but that since then have concentrated on the entire defense budget. While significant cuts in the general defense budget were made last year, the Gulf War halted that trend. However, he pointed out that progress has continued in some areas such as the B-2 bomber program where only seven more votes are needed in the Senate to eliminate it. He also explained how the Gulf War shifted attention from East-West to North-South relations.

The first session presented David Cohen, President of the Professionals' Coalition, who provided insight into the changing future of national security and Congress's role in it. Acknowledging the disruption caused by the war, he argued that old battles over the defense budget would have to be waged to secure past victories. In order to convince the population and decision-makers of the need to cut the defense budget, weapons expenditures must be linked to the declining state of the country, and put in human terms (for example, the number of teachers laid off due to insufficient funding, its contribution to unemployment and its effect on the quality of education). A participant mentioned a poll taken in Chicago indicating that while the Gulf War has generated popular desire for a strong military, this does not mean that Americans are willing to allow their communities to deteriorate. Cohen also suggested that peace advocates demonstrate the environmental degradation and high costs of clean-up resulting from weapons production.

He also pointed out the significance of the language used by peace proponents and referred to a recent op-ed in *The New York Times* which suggested that they might be more successful in diverting funds away from the military by demanding a "victory dividend" for "winning" the Cold War rather than a "peace dividend." In response to an attendee's inquiry, Cohen suggested that ideas for conversion be offered to politicians who would protect their districts' defense industry to save jobs. He was encouraged by the growing number of professionals involved in the peace movement and by the closing gap between experts and grass-roots organizers.

Staff members from the sponsoring groups began the second day of the conference with a session on ways peace advocates can win the battles over costly and questionable weapons such as the B-2 Stealth Bomber. David Lewis of Physicians for Social Responsibility reported that the perceived success of the Patriot missile in the Gulf War was being used to justify increased spending for Star Wars even though the two systems operate very differently. Becky Weaver of the Professionals' Coalition outlined the budgetary process and illustrated how

some steps serve to perpetuate expensive programs. Participants were urged to be diligent at every step of the process to ensure that defense cuts are not softened.

In the next session, Dr. Allan Krass of the Union of Concerned Scientists described the Department of Energy's nuclear production network. He pointed out that tens of millions of dollars will be needed to clean up the Hanford site alone. He also outlined the DOE's reconfiguration report and while he was pleased that environmental impact and safety were given careful consideration, he lamented the continuation of underground testing. David Culp of the Plutonium Challenge joined Dr. Krass in describing the enormous environmental destruction at the DOE facilities and suggested that an excellent idea for economic conversion might be for workers at these soon-to-be closed facilities to redirect their efforts toward cleaning up these sites.

In another meeting, Matthew Bunn, Editor of *Arms Control Today*, explained the nearly completed START Treaty. This arms reduction agreement would begin a weapons rollback, instate verifiability, give the Soviet Union better management of its nuclear capability and lay the groundwork for deeper cuts in the future while saving billions of dollars/year in the process. Jonathan Dean of the Union of Concerned Scientists also helped direct the session. He stated that instability in the Soviet Union was being used to justify the maintenance of a significant U.S. deterrent in the event that the Soviet leadership became more militaristic.

Next, Defense Budget Project spokeswoman Dr. Natalie Goldring elucidated the controversial topic of arms transfers which has received widespread public attention due to the Gulf War. She outlined the arguments of both sides. Proponents of foreign arms sales argue that they preserve the defense-industrial complex, improve our balance of trade, subsidize expensive research and development, and that weapons would be supplied by another country if not the U.S. Opponents claim arms sales provide future enemies with weapons, prevent consolidation of the nation's defense, sabotage otherwise workable treaties, will unlikely make up the difference caused by decreasing domestic need,

and are unnecessary since, she contends, U.S. forces are likely to be deployed to areas of conflict. She pointed out that ensuring that some countries have adequate controls on arms transfers is sometimes difficult for the U.S. because it must then publicly acknowledge these countries' nuclear capabilities.

On the final day of the conference, participants met with U.S. Representative Louise Slaughter (D-NY) who prepared them for legislative meetings. She offered advice for these exchanges and suggested specific policy issues. Participants spent the rest of the day speaking with their local representatives about, among other things, a temporary moratorium on arms transfers, defense budget reductions, or the elimination of specific weapons programs, economic conversion in the defense industry, as well as a bill authorizing the Import-Export Bank to underwrite, finance, or subsidize arms sales.

Thanks to very knowledgeable speakers and ample time for questions and discussion, participants left the conference with the energy and understanding necessary to raise public awareness and participate in public debate.

Environmental Issues and Growth in Africa Examined at New Jersey Conference

By Mary Camper-Titsingh

The Center for Economic Research on Africa at Montclair State College, New Jersey convened a conference titled "Environmental Policies for Sustainable Growth in Africa" on Monday, May 6, 1991.

A lively exchange of policy perspectives by Senior Officials from the African Development Bank, The World Bank, the Environmental Defense Fund and the World Resources Institute was followed by a discussion of promising initiatives as African countries struggle with the pressures on their natural environment while promoting economic growth.

Kevin Cleaver, Chief of the Agriculture Division, Africa Technical Department of the World Bank, Washington, D.C., ably provided the facts of demographic growth rates, drought, deforestation, and land tenure practices that imperil economic growth in Africa.

Korinna Horta, Staff Economist, Africa Division, Environmental Defense Fund, Washington, D.C., took the International Monetary Fund, as well as the World Bank, to task for secretiveness, inadequate oversight, and lack of environmental concern in their lending practices. She urged that loans to the timber industry be ended and that incentives for environmental protection be included among loan considerations.

Mr. M.M.I. Shondwe, Chief of the Social and Environmental Policy Division, African Development Bank, Abidjan, Ivory Coast stressed that most African countries are aware of the fragility of their natural environment and are developing guidelines to preserve it in the face of the economic growth rate required to meet their rising international debt.

Peter Vanager of the "From the Ground Up" Program, World Resources Institute, Washington, D.C. urged far greater public participation in the planning and implementation of local development policies in African countries.

During the discussion period, ECAAR Treasurer Robert Schwartz, who attended with me, called attention to the need for reduction in spending for armaments not only in developing countries of Africa, but worldwide. He pointed out that no one speaker cited the heavy African expenditures for arms and received welcome support and a few new members for ECAAR. Kevin Cleaver received most of the questions during the open part of the meeting and recognized the heavy debt burden upon the African countries. His personal view was clear, that repayment placed too heavy a burden on the debtor countries. Other participants said that poverty alleviation is most important on the African agenda, followed closely by greater political pluralism that permits long-term, individual ownership of land which is one of the best motivations for protecting Africa's natural environment.

The conference and discussion which followed was both interesting and of high quality. One of the serious African problems is the population explosion and its negative impacts, including the inability to get ahead on food production and the lack of financial resources to combat environmental deterioration and natural resource over-utilization. The audience

of about 100 included a large percentage of representatives of African nations, academics, representatives of international organizations and students. The Center for Economic Research on Africa might lend itself to a future, joint-sponsored conference with ECAAR.

FOREIGN AFFILIATE REPORTS

ECAAR-Japan to hold autumn conferences

ECAAR-Japan will hold an annual meeting of the organization in Hokkaido on September 14, in conjunction with the Japan Economic Theory and Econometrics Society. Professor Walter Isard who will attend will also deliver a special lecture on Regional Conflict Management after the End of the Cold War at the Japan Center for Economic Research.

A month later, on October 15, the affiliate will sponsor the Nikkei conference in Fukuoka at which the main guest speaker will be Professor Lawrence Klein, joined by Professor Walter Isard. The conference topic will be "International Peace and Economic Development." In the days preceding that meeting, ECAAR-Japan will hold a panel discussion at the Center for East Asian Studies in Kitakyushu City. Participants from ECAAR-USA, including Professors Klein and Isard, board members Professors Manas Chatterji and Jurgen Brauer, will be joined by eminent Japanese researchers. Robert Schwartz will deliver a speech at the opening of the Kitakyushu meeting.

Economen Voor Vrede holds first General Assembly

On May 17th, a large national conference on economics was held in Amsterdam. At this conference EVV organized a special session on Peace and Security with three speakers: P.A.G. van Bergeijk from the Ministry of Economic Affairs gave a presentation on the rationality behind the decisions and actions of Saddam Hussein during the Gulf War, C.J. Jepma of the University of Groningen lectured on the possible sources of conflicts in the light of the recent developments in Eastern-Europe, and

P. Terhal from the Erasmus University in Rotterdam spoke about economic safety and international developments. About forty persons attended the meeting which ended with a lively discussion.

On the 25th of May the yearly General Assembly of the EVV members took place in Amsterdam. After the discussion on the routine business, Robert Schwartz held an excellent lecture on ECAAR and the change of economic science from a dismal science to the science of global harmony. It was a great honor for EVV to welcome Robert Schwartz and a great pleasure for the members of EVV to meet him.

On May 21-23, 1992 EVV is planning to organize a large international conference on the economic aspects of peace, security and disarmament. The conference will be held at the Peace Palace in The Hague, a beautiful palace in which the International Court of Justice is seated. The conference is organized in cooperation with the Tinbergen Institute, a large graduate school and research institute in the Netherlands on Economics and Econometrics. The conference will consist partly of plenary sessions and partly of workshops. The conference language will be English. Different subjects related to the field of Economics, peace and disarmament will be dealt with such as: The Economic Impacts of Arms Production and Disarmament; Arms Production, Disarmament and Third World Development; Economics of the Military Sector and its Conversion; War, Power, Conflict, and Economic Analysis of Terrorism, Economic Causes of Conflicts, Instruments and Consequences.

People who want to receive information on this conference are requested to send a small note or fax with their name, affiliation and main field of interest, to EVV, P.O. Box 1738, 3000 Dr. Rotterdam, FAX: +3110 452 0204.

Australian Chapter Formed

A Chapter of ECAAR has been established in Australia following an exploratory meeting held during the Annual Conference of Economists at the University of New South Wales, Sydney, in October last year. The aims of the Australian group have grown

out of the original objectives of ECAAR. In particular, the Chapter will aim to coordinate research and discussion in Australia on matters related to ECAAR's interests, to promote visits to Australia by international scholars in the field, and to liaise with the international ECAAR organization and chapters in other countries.

At present there is not a great deal of research in the economics of defense, disarmament and peace studies being carried out in Australia. One of the objectives of the Chapter will be to stimulate a wider interest in these matters, both in the community generally and in the economics profession in particular.

Planning is in hand to arrange a visit by one of the ECAAR trustees to coincide with the 1992 Conference of Economists, to be held in Melbourne.

A Steering Committee for the Chapter has been set up, with the following membership:

Convener

Professor David Throsby
(Macquarie University, Sydney)

Members

Professor Fred Gruen
(ANU, Canberra)
Professor Keith Hancock
(Adelaide)
Dr. Peter Kenyon
(Murdoch University, Perth)
Professor John Neville
(University of New South Wales, Sydney)
Dr. Robin Pope
(University College, University of New South Wales, Canberra)
Professor Clem Tisdell
(University of Queensland, Brisbane)
Professor Glenn Withers
(La Trobe University, Melbourne)

Secretary/Treasurer

Mr. Tony Bryant
(Macquarie University, Sydney)

Visits to ECAAR in Western Europe

By Robert Schwartz

At the invitation of Economen Voor Vrede (EVV), ECAAR's Dutch-Flemish affiliate, I was pleased to address their General Assembly meeting in Amsterdam on May 25, 1991. The title of my talk was "Economists Against the Arms Race: From the Dismal Science to the Science of Global Harmony." Dr. Annemarie Rima, the president and organizer of that ECAAR affiliate, had attended the ECAAR-Institute for International Peace Studies conference in December 1990 at Notre Dame University. The EVV General Assembly of May 1991 was primarily concerned with the usual organizational and administrative matters. It was not necessary to know Dutch to recognize the interest and concern in even the procedural matters by the members of this very successful affiliate with more than 200 members. The questions and discussions after the meeting, as well as the personal conversations with many of the members offered a good opportunity to exchange ideas and experiences. ECAAR's Dutch-Flemish affiliate is prospering and is emerging as a center of leadership and inspiration for other ECAAR affiliates developing in Europe. It was rewarding to meet with EVV's other officers: Vice President Philip Nauelaerts, Secretary Hans Opdam and Treasurer John van de Pol.

Annemarie Rima, EVV's president, rearranged her schedule and joined me to attend meetings in Paris with Professor Jacques Fontanel on May 26 and 27, 1991. Professor Fontanel, director of the U.F.R. Faculty of Economic Sciences at the Universite des Sciences Sociales in Grenoble, France, known to some ECAAR Board members for his commitment to disarmament and peace work, hosted us at a fine Parisian dinner Sunday evening, May 26, and we met with him again the next morning. With Professor Ron Smith of London University, Professor Fontanel authored a major article in the March 19, 1991 issue of *Le Monde*. They argued persuasively that beyond the strategic, ideological and psychological factors of armed conflict, the production of military goods itself remains a major barrier

to human progress and to resolution of world problems. The article also favorably mentions the development of ECAAR. Professor Fontanel has obtained a government charter for the new ECAAR affiliate in France

We discussed locating economists to help organize ECAAR affiliates and upon my return to New York, I found a FAX from him with the names of colleagues on three continents for ECAAR. We promptly faxed the names of the Swedish contacts to Walter Isard, who was about to attend a conference in Sweden. Professor Jacques Fontanel plans to attend the January 1992 AEA meetings in New Orleans and we hope that he will participate on one of ECAAR's panels.

Before going to Amsterdam, I was in London where, upon my arrival, I found an invitation from Tony Hart, the Co-Chair of World Disarmament Campaign, asking me to participate in its annual meeting the next day. It was a good way to start the brief trip. A number of participants were old friends from world peace activities and their concerns were very familiar. Considerable attention was given to the destructive use of massive force in the "100 Day Middle East War" and the post war havoc, human and environmental. The presentations were briefer than at most U.S. meetings and the response to my talk about ECAAR was very positive.

During our stay in London, my wife, Dr. Josephine Martin, and I were invited to lunch at Britain's House of Lords by two Labor Party friends: Baroness Muriel Turner and Clive Jenkins. They presented me with a publication "The New Industrial Challenge," which has been widely circulated there and is concerned with some of the basic problems to which ECAAR addresses itself. Clive Jenkins was for many years the General Secretary of the MSF (Manufacturing, Science and Finance Union), one of the three labor unions that produced that publication which focuses on the need for the conversion of defense production. The Preface of "The New Industrial Challenge" states:

The three unions which have produced this report welcome without reservation the moves towards a safer world. However, over one million British people whose livelihoods

depend on defense spending deserve better than to be dumped on a government scrapheap. The British economy is crying out, not just for new products, but for many of the skills that are now tied up in the defence sector.

We believe that rapid changes present new challenges to industry and government to compete in the civil world markets of the future. The European single market is now two years away. Our European NATO allies, who are also our commercial competitors, spend less on defence than Britain. This has allowed them to prepare more effectively for 1992.

As a matter of urgency Britain now needs to plan the inevitable forthcoming changes so that they do not result in vastly increased unemployment and economic disarray. The first shares in the 'peace dividend' must be directed at those areas in both private and public sectors where research, production and skills are at greatest risk.

At another interesting meeting in London we discussed ECAAR's growth, its outlook, its importance, and the problems and hopes of the world, with four economists: Richard Minns, Joint Chief Executive, Greater London Enterprise; Irene Brunskill, Research Staff, Institute for Public Policy Research (IPPR); Ron Smith, Professor of Applied Economics, London University; and Linda Hesselman, Senior Economist, Unilever. The four, who know her well, all agreed that Dr. Susan Willet would be an excellent organizer for ECAAR's affiliate in England. Two days later, Dr. Willet, Research Officer at the Center for Defence Studies, King's College, University of London, agreed to assume that responsibility. I am confident that with the number of interested economists, political scientists, peace activists, and Dr. Susan Willet, we will soon have a thriving ECAAR affiliate in Britain.

This brief trip to Western Europe has resulted in new contacts with economists in Germany, Switzerland and also in Egypt. Furthermore, John van de Pol, the Treasurer of Economen Voor Vrede, who left the Netherlands at the beginning of June 1991 for a two-year program in Poland, is determined to help organize a Polish ECAAR. John, a registered accountant

with the Dutch firm KPMG, will be helping Poland to cope with the problems of the "Free Market." We have started his coordination with Mirosław Gronicki who will be returning to Poland this summer. Dr. Gronicki was a member of an ECAAR-sponsored AEA panel in 1990 and works with Professor Lawrence Klein and on the United Nations' LINK project.

Thus, ECAAR has taken another step in furthering projects abroad and in building the base of an international organization.

Membership Survey and Renewal Report

Approximately 175 or 25% of ECAAR's more than 700 members have renewed their membership. We encourage those of you who have not, to do so as soon as possible. The projects described in the newsletter need your financial support. By renewing your membership, you can recommit yourself to peace and disarmament and ensure that the voice of economists is heard on defense-related matters.

Attached to the renewal form in the last newsletter was a survey concerning our members' areas of specialization. To date, we have received 125 surveys, representing 71% of those who returned their membership renewal forms. As of this time, the most popular areas of specialization are Third World Development, General Economics, and Domestic Issues. We intend to use the survey's results to call individual members' attention to matters of special interest and assist them in their individual endeavors. This information will not be made available to other organizations or people. Please either send the survey from the last newsletter or provide us with the information in writing.

In Our Mail Box

Occasionally we get hate mail, but sometimes letters of support arrive that we would like to share. This one comes from Zimbabwe:

Dear ECAAR,

Please keep up the good work! It seems to me that you're doing a very



good job of steering a steady course between strident, easily-ignored clamoring for "peace" and condoning the folly of the defense industry and its ideologues. Carry on!

As you're very aware, the absurdity of devoting so many resources (and degrading the environment) to arms is particularly appalling in the Third World. Loaning money to Third World "allies" so that they can buy sophisticated arms is a strange form of "aid."

John R. Herzog

Brief Notes: Conferences, Curriculum, Publications, Travel and More

- As noted, in our report on foreign affiliate activities, Walter Isard will be attending several ECAAR-Japan meetings and conferences. This month he will be delivering a lecture on peace economics at the Institute of Future Studies in Stockholm. While there he will meet with Swedish colleagues to explore the creation of an affiliate there.

- ECAAR was invited by coordinator Professor Edwin Charle to attend the John and Elizabeth Baker Eighth Annual Peace Conference, held April 11-12 at Ohio University in Athens. The conference theme was "Will There Be a Peace Dividend? Social and Economic Alternatives to Military Spending." One of the major speakers was ECAAR Board member Jurgen Brauer whose paper was entitled "Economic Conversion and the Health

of the U.S. Economy." Other speakers included Professor Bruce Kunihold (Duke University); Professor Aaron Friedberg (Princeton); Jon Keeton (Peace Corps); Jonathan Feldman (National Commission on Economic Conversion and Disarmament); and Professor Murray Weidenbaum (Washington University). Attendees included Manas Chatterji (SUNY-Binghamton); Mark Kamlet (Carnegie Mellon); and Johann Schultz (Asia Department, IMF) who also attended the ECAAR co-sponsored Notre Dame disarmament conference last fall.

- ECAAR's membership list was requested by the publishers of the journal *Defence Economics*. In the past we have declined such offers. However, we are familiar with *Defence Economics* and some ECAAR members serve on its editorial board as well as contribute articles. Therefore we provided the publishers with our domestic members on a single-use basis. We do not foresee many occasions in which we will be selling or giving out our mailing list; each request will be considered individually.

- ECAAR representatives attended the premier of and press conference on *Deadly Deception* in New York on June 12. The powerful, twenty-nine minute documentary examined the role of General Electric as a major contractor at nuclear weapons facilities such as Hanford (WA) and Knolls (NY). *Deadly Deception*, produced and directed by Debra Chasoff, is being distributed by INFACT as a part of the national and international boycott of G.E. Highlighted by moving interviews with radiation exposure victims, their family members and former employees who pressed G.E. to protect its workers, the film exposes the serious health and environmental hazards resulting from past and current corporate practices, callousness and cover-ups. Distribution of *Deadly Deception* is a major part of INFACT's campaign to educate the public and convince G.E. and other companies to get out of the nuclear weapons business, suggesting that, if for no other reason, consumer boycotts and future liability make it bad for business. For more information call 1-800-688-8797.

- The Presbyterian Peacemaking Program is sponsoring a January term Peace Studies Course for undergraduates at the United Nations lasting from Sunday, January 5 to Wednesday, January 22, 1992. The program will include global issues of peace and justice, ecumenical spiritual insights on war and peace, international conflict resolution, and the peacemaking functions of the United Nations. There will be lectures by visiting scholars, briefings by U.N. personnel, visits to non-governmental agencies and institutions, interviews with delegates and staff from several of the Missions to the U.N. and independent research and study.

The faculty mentor will be Dr. Scott Brunger, Associate Professor of Economics at Maryville College in Tennessee. Dr. Brunger who has considerable experience in undergraduate studies at the U.N., has conducted Model U.N. programs for four years, and has lived and worked in China, Hong Kong, Lebanon, and West Africa. He will be the evaluator and grantor of academic credits through the Registrar of Maryville College.

The 17-day basic program will cost \$900. Students seeking three undergraduate semester credits would pay an additional \$300 to Maryville College.

To register call the Registrar at Maryville College: (615) 981-8000. Registration deadline is November 1, 1991.

For information contact either:

Dr. Douglas Bartlett
Colleges' Peace Studies Project
Warren Wilson College
Swannanoa, N.C.
Tel. (704) 298-3325, Ext. 372

Dr. Scott Brunger
Department of Economics
Maryville College
Maryville, TN 37801
Tel. (615) 982-8262

Employment Notices

UN/Kurdish Refugee and Reconstruction Recruitment

Immediate openings are available for a minimum three-month commitment on United Nations sponsored teams to work with Kurdish refugees in Iraq, Iran and Turkey. The contract is being handled through the Center for Collaborative Services, contact Ray Kelly at (516) 324-1587. The project includes round trip airfare, and food, housing and relocation stipend.

Fellowship of Reconciliation

Fellowship of Reconciliation (FOR) is looking for a coordinator of the Disarmament Program. The staff position includes work on nuclear and conventional disarmament and low intensity conflict as well as reordering budget priorities and integrating justice and disarmament issues. For more information contact David Schilling, Program Coordinator, FOR, Box 271, Nyack, NY 10960 or call (914) 358-4601.

Dr. Andrew Brimmer Joins ECAAR Board

Andrew F. Brimmer, President of Brimmer & Company, Inc., a Washington, DC-based economics and financial consulting firm, has joined the Board of Directors of ECAAR. Dr. Brimmer, who served as a member of the Board of Governors of the Federal Reserve System from 1966 through 1974, currently holds additional positions as the Wilmer D. Barrett Professor of Economics, University of MA-Amherst and Public Governor, Commodity Exchange, Inc., New York. He also writes a column: "Economic Perspectives" in *Black Enterprise* magazine.

Andrew Brimmer's work has had a far-reaching impact on government policy. In a letter to President Gerald Ford (Dec. 20, 1974), Brimmer originated the suggestion of a 10% rebate of 1974 personal income taxes to stimulate the economy and to help end the 1973-75 recession. After modification, Congress enacted the provision which accounted for \$8.1

billion of the \$22.8 billion tax reduction passed early in 1975.

While serving at the U.S. Dept. of Commerce in 1963, Dr. Brimmer prepared the testimony presented to Congress which demonstrated the burden of racial segregation on interstate commerce. The U.S. Supreme Court cited the testimony in its unanimous decision upholding the constitutionality of the Public Accommodation's section of the Civil Rights Act of 1964.

A graduate of the University of Washington (1950 and 1951), Harvard University (1955) and a Fulbright Fellow at the Universities of Delhi and Bombay (1951-52), Dr. Brimmer holds 21 Honorary Degrees, has received numerous awards from academic institutions and professional organizations and serves in a voluntary capacity on the boards of Tuskegee University, Harvard College, and the Joint Center for Political and Economic Studies among others.

New Home New Phone and FAX

ECAAR moved into a small office at the beginning of March. We are now located on the Upper Westside of Manhattan at:

The Interchurch Center
475 Riverside Drive, Rm 828
New York, New York 10115

You can continue to send mail to us at:

P.O. Box 20365
New York, NY 10025

We have a new phone/fax number: (212) 870-2207. This machine is primarily used as a phone during business hours and a FAX after 6:00. You can FAX us anytime but if the machine you are transmitting from does not recognize voice prints, call us first and we'll turn it over to FAX only. A little complicated, but you'll get the hang of it.