

Captives of the Cold War Economy: The Struggle for Defense Conversion in American Communities

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Readers of this newsletter are well aware that, in its ambivalent and ultimately reactionary response to the end of the Cold War, the United States has blown a golden opportunity to reshape the international security system and to restructure its own economy toward more peaceful purposes. For despite the significant U.S. defense spending cutbacks that occurred from the late 1980s through the mid-1990s, military spending remains stuck at over 85 percent of average annual Cold War spending. And there is no sign that Congress or the president is ready to cut spending to peacetime levels.

How did this happen? A large part of the answer, of course, can be laid at the foot of the so-called Iran Triangle of the Pentagon, defense contractors and Congress, which kept U.S. military strategy rooted in Cold War thinking, which ensured that military spending would not fall far below the Cold War average, and which encouraged large contractors to avoid conversion to civilian production. The research of Ann Markusen, Greg Bischak, Lloyd Dumas, Michael Oden and others has documented this quite thoroughly.

Less appreciated are the ways that defense-dependent states and localities influenced the ultimate outcomes of U. S. military spending policy through their responses to real or potential spending cutbacks. In his book *Captives of the Cold War Economy*, John Accordino shows that federal ambivalence toward defense spending cutbacks during the late 1980s and the first half of the 1990s sent mixed signals to defense-dependent communities. As a result, state and local interests played a significant role in determining local defense and conversion policy outcomes. Drawing upon case studies of communities in Virginia, Southwestern Connecticut, Maine, Washington State, Missouri, Arizona and Southern California, Accordino describes how dominant interests in these communities – principally growth advocates and military boosters – sought to use traditional connections with Congress and the Pentagon to bolster military spending in their communities or at least to avoid cutbacks.

Yet the defense spending cutbacks that did occur and fear that more would follow also provided a small window of opportunity for defense conversion advocates in some communities to advance their vision of a prosperous local economy and to help secure federal conversion and adjustment grants. The result was that small defense contractors in many communities were able to diversify into civilian markets, and new models of laborbased conversion and business development were created. Once defense cuts occurred, even growth advocates were able to embrace some adjustment policies. Thus conversion and adjustment models worked tolerably well during the 1990s, where they were seriously tried and not subverted by military aims. What the United States lacked and still needs, argues Accordino, is a national security policy that favors less costly, collective international security arrangements over the philosophy that informed the country's Cold War strategy; in other words, a policy that makes defense conversion necessary. Until then, many American communities seem destined to remain captives of the Cold War economy. *Captives of the Cold War Economy: The Struggle for Defense Conversion in American Communities* is published by Praeger Publishers, Westport, Connecticut.

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