Letter from the Director

Thea Harvey

[The majority of the country has already decided that the war in Iraq has become too costly. Americans have rejected the prospect of funding a massive and prolonged occupation… Questions about the price of war keep resurfacing not because there’s a credible argument for most Americans that the price is reasonable, but because our elected officials thus far have only pushed those costs ever higher… What remains is for us bring the political price of war into line with the human and financial costs that we will continue to bear.

- Mark Engler, Alternet, Feb.25, 2006

This is our third “anniversary of the Iraq War” issue. Kate Cell, editor of EPS Quarterly, and I decided that it was appropriate and right that our organization should take time each March to present analysis of various aspects of the war and its economic effects.

One thing that can be said for dictatorships is that they provide a certain amount of stability. Remove that heavy hand and old unsettled issues are bound to out. The current Sunni/Shiite conflict in Iraq was a predictable, even likely, consequence of removing Saddam Hussein from power without a clear plan for what to do next. Now the US is stuck in an unwinnable situation. To replace the dictatorship with half a million US troops, imposing order with an equally iron hand? To leave now, having unleashed a big mess, admitting defeat, and throwing the average Iraqi to the wolves? To continue to try to assist Iraq in building a stable democracy, at an extreme cost to the US and Iraq? There are no really viable choices available. And thus, as Walter Cronkite said in February of 1968 about another famous mess:

To say we are closer to victory today is to believe, in the face of the evidence, the optimists who have been wrong in the past…To say that we are mired in a stalemate seems the only realistic, yet unsatisfactory, conclusion.

In this issue, as Iraq struggles to create a government, establish economic policy and begin the business of recovery and rebuilding, two of our authors look at the formation of Iraqi economic policies. They examine the influence that American liberal market philosophy is having on the formation of these policies, and present some alternatives that they believe would create more prosperity for more Iraqis.

A recent Washington Post article opined, “The goals of balancing the budget, waging a global fight against terrorism and making Bush’s first-term tax cuts permanent may be fundamentally at odds.” We tend to agree. And so in this issue we also take a look at the US federal budget request and the Quadrennial Defense Review (QDR), both released in early February.

In a nutshell, the Pentagon is digging in for a “Long War against Terrorism,” defense spending is up, social spending is down, and the deficit is not being ameliorated. The president proposes a budget driven by the assumption that military muscle is the primary tool for creating global stability, world peace, international security, and safety for the people who live in this country. According to the Friends Committee on National Legislation, 42 percent of our income taxes went to military spending in 2005. Since the Iraq occupation is being future-funded this number looks like it will continue to rise.
There is some good news, however. Due in part to pressure from EPS members and other citizen activists, the Bush Administration has taken its request for funding for Robust Nuclear Earth Penetrators, also known as Bunker Busters, off the table. Additionally, the request for the “advanced concepts initiative,” that could have included a new, small nuclear weapon, has been left out. The White House has been keen on these programs, but Congress has refused to fund them in years past.

It’s going to take a lot of work to get Iraq to the point of democratic self-government. Certainly I do not have a magic solution. Still, I remain an optimist; things will change in Washington. It is our job at Economists for Peace and Security “to promote greater understanding of the full range of economic causes, costs and consequences of violent conflict,” including the political costs. I think those politicians who have not yet realized that public opinion is overwhelmingly against the war will find out for sure next November. Meanwhile, as we have since before the war started, EPS will continue to educate those in Washington and beyond as to the folly of continuing on our current path.

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