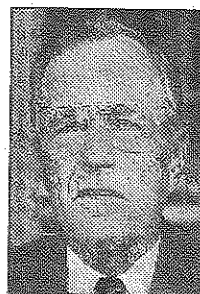


Viewpoints

What is going on here?

■ I can drive down to the nearest sporting goods store or pawn shop — virtually without question — and purchase a .38 Special, .44-caliber Magnum or 12-gauge shotgun. But there is a very good possibility that soon I won't be able to go to the toy store and buy a "Super Soaker" water gun ("Squirt guns turn deadly — Ban urged after water power triggers use of real weapons" Chronicle, June 11).

■ My self-proclaimed "environmental president" goes to the world's largest-ever environmental conference and re-



Bush

fuses to sign the biodiversity agreement, claiming that it will cost American jobs ("Bush insists that he will not relent and sign biodiversity pact" Chronicle, June 8). Meanwhile, the Europeans and Japanese are gearing up to cash in on billions of dollars in jobs and revenue that the coming worldwide environmental awareness movement is sure to generate.

■ My neighbor's black teen-age son is more likely to be shot, put in prison or executed than in virtually any other Western nation (including South Africa), before he even has a chance to grow up and raise a family.

Given the above, should we be surprised that many nations of the world no longer look to the United States for enlightenment and leadership?

William S. Wilson, Houston

Houston cannot afford to see Continental fold

Regarding the letter, "Cheap air fares will help, not hurt airport" (Viewpoints, June 11):

I am not currently employed by Continental Airlines, but as a seven-year employee of Continental Express, I do agree that if Continental were to go out of business, other airlines would come in to fill the void. But, they still would not offer the service or the revenues for the city that Continental is now responsible for.

Think of the money that would be lost to the concessionaires at Intercontinental Airport if Continental were to fold. Many customers connect to other flights in Houston. If those connecting flights were to go through say, Dallas, then our neighbors to the north would see a dramatic increase in sales at the airport of such things as magazines, food and drinks and souvenirs.

And last, but certainly not least, the unemployment figures would take a dramatic rise. Continental gives jobs to a large number of Houstonians. If they were to fold, only a fraction of those employees would be able to get jobs with other airlines. And, those jobs would be at entry level, carrying a smaller pay check.

The consequences of Continental

the public into electing him president by using his own money.

But it's thumbs up, he says, to George Bush.

Bush has a known track record with no vision at all, only watered-down solutions and experience in hoodwinking the public into electing him president by using the taxpayers' money.

The letter writer had better wipe his glasses and take another look. The decision ain't all that clear after all.

Jim Walter, Houston

Tax-hike backers are failing Economics 101

Regarding the story, "HISD reveals how it would use 47% hike" (Chronicle, June 19):

Send Houston Independent School District Superintendent Frank Petruziello and his supporters back to where they came from, they are failing Economics 101. Anyone proposing a 47 percent increase in today's environment deserves a plane ticket out of town.

Daniel P. McGuire, Houston

It really is a matter of life and breath

Outlook

Items on this page do not necessarily reflect the opinions of the Houston Chronicle.

Biggest looter of U.S. cities — the Pentagon

By MARION ANDERSON and PETER DREIER

IN all the recent discussions of urban decay, especially since the Los Angeles riots, few have pointed their finger at the biggest looter of all — the Pentagon. For decades, the Pentagon has redlined most major American cities. The result: corporate flight, job loss and fiscal trauma.

The \$1.3 billion Congress just passed for its emergency urban aid program pales in comparison to what the Pentagon drains from America's cities. The Department of Defense saps that much just from New York City every eight weeks.

In 1990 alone, 18 out of the 25 largest cities suffered a total loss of \$24 billion in their balance of payments with the Pentagon. This means a net loss of funds. A new study by Employment Research Associates for the Boston Redevelopment Authority analyzed all of the money coming into each city from military contracts and salaries. It then compared this sum with the amount drained out of the city in federal taxes which went to the Pentagon.

The sums lost are enormous. Houston loses \$1.7 billion a year. New York City loses \$8.4 billion; Los Angeles, \$3.3 billion; Chicago, \$3.1 billion; Dallas, \$731 million; and Detroit, already devastated by auto plant closures, over \$900 million a year.

The employment impact of this drain-off of funds is equally dramatic. New York's annual loss is about 250,000 full-time jobs; Los Angeles and Chicago each lose about 100,000 jobs; Houston, over 50,000 jobs; Detroit, about 30,000 jobs; and Dallas, 22,000 jobs.

Americans understand that military contracts and payroll coming into an area mean jobs. The converse is also true. Money going out means jobs destroyed. But it is not a zero-sum game. The jobs lost in New York do not all show up in San Diego, which shows a net gain from Pentagon spending. Tens of billions of dollars are being spent overseas to subsidize the defense of Europe, Japan and other rich allies who no longer need it. While the United States is paying soldiers and building B-2s, our competitor nations are outperforming the United States, because they are investing in their children, their work force, their infrastructure, their civilian factories and non-military research and development.

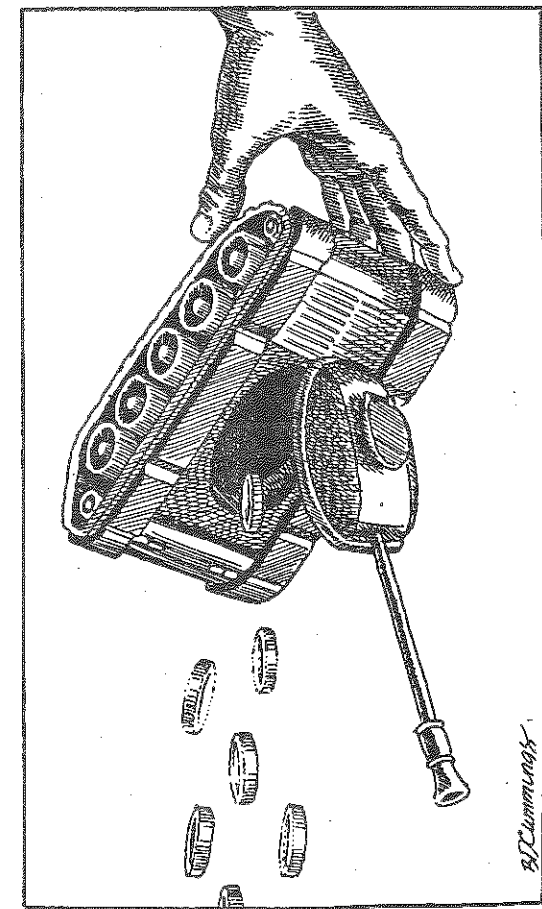
The end of the Cold War provides an unprecedented opportunity to cut the military budget substantially. Even mainstream defense experts now believe that the Department of Defense budget can be cut by as much as \$150 billion a year in the next five years without hurting national security.

Earlier this year, Congress failed to tear down

Anderson is director of Employment Research Associates, an economic consulting firm based in Lansing, Mich., and is author of *Converting the American Economy* and *The Empty Pork Barrel*. Dreier is director of housing at the Boston Redevelopment Authority and a board member of the National Housing Institute.

the federal budget wall between the military and domestic sections of the budget, guaranteeing that we will see no peace dividend this year. Why? Partly because of what we call the Pentagon NIMBY (Not in My Backyard) syndrome.

Sen. John Warner, R-Va., has used his clout to fund two expensive and unnecessary nuclear aircraft carriers built in his state's Newport News shipyard (owned by Houston-based Tenneco Inc.). But even many liberal members of Congress say: Cut bases and contracts in someone else's district. Sen. Chris Dodd, D-Conn., facing re-election, successfully lobbied his Senate colleagues to vote to fund two Seawolf submarines (built in his state), which had already been cut by the Bush administration. It was a perfect exam-



ple of what happens when there is no game plan for converting America's war economy to a peace economy.

The Pentagon has always fought conversion bills filed in Congress. It prefers to keep the employees of military firms frightened of cutbacks and dependent on military largesse. As a result, many local officials, chambers of commerce and affected trade unions fear the impact of Pentagon cuts in their communities.

The workers, firms and communities who have depended on military spending should not be the victims of the end of the Cold War. But the only way to guarantee that the peace dividend will be a win-win situation for all Americans is to link large-scale military budget cuts to large expenditures for critically needed domestic civilian programs. It will also require retooling plants, while retraining workers for these new jobs, and shifting research-and-development priorities to civilian uses. This combination of reallocating our federal budget and planning for a civilian peace economy is the only way to alleviate the anxiety of military contractors and personnel so they stop blocking Pentagon budget cuts.

For decades, America has put its domestic needs on hold, allowed our cities to deteriorate, and mortgaged our children's future, while feeding the Pentagon and the arms race. Investing the peace dividend in America's civilian economy will generate more jobs and do more to revitalize our economy than maintaining our military-industrial complex. Now we can repair our crumbling infrastructure, restore the American dream of home ownership, improve our educational system and employ our talented engineers and scientists in improving our society.

The annual shift of \$150 billion out of the military into a mix of critical civilian goods and services would generate a net gain of about 1 million jobs.

Of the major presidential candidates, neither President Bush nor Ross Perot has addressed the need to make major cuts in the defense budget and put significant funds into a conversion plan. Only Arkansas Gov. Bill Clinton, who outlined his broad economic plan at the U.S. Conference of Mayors in Houston on Monday, has had something serious to say about conversion.

During the campaign he has suggested that savings from the defense budget be used to retrain defense workers while giving them an economic lifeline so they do not lose their houses or health benefits, and to help rebuild the cities. Monday he offered specifics for what that plan might look like.

At the dawn following the end of the Cold War, and in the wake of the riots in Los Angeles, reinvesting the peace dividend in America's cities should be the centerpiece of this year's presidential debate.