



MILITARY COLLAPSE AND ECONOMIC CONSEQUENCES

The learned counsellors to the imperialist establishment had however inadvertently left out two minor details regarding that 8-year period—the Vietnam war and the military budget.

From 1961 to 1969—the period covered by the report of the President's economic council—U.S. spending for military purposes amounted to no less than \$546 billion! In the year 1969 the military budget alone was \$81 billion, or 56 percent of the federal government's total budget of \$146 billion (Pentagon Capitalism by Prof. Seymour Melman, p. 72).

Imperialist finance capital regarded the largest chunk of this fabulous sum of money as a "sound investment" from which it would derive enormous super-profits if the Southeast Asia adventure turned out to be a success.

The collapse of this mad dream began to make itself felt soon after the 1968 Tet offensive. Johnson's resignation underlined this. And the collapse of the Penn Central (basically civilian) and Lockheed (almost all military), which had been artificially maintained by further subsidies, brought home that the post-World War II era of U.S. imperialist ex-

pansion and imperialist successful adventures was nearing an end.

Military investment is only a "sound one" when it is successful, when it is able to conquer vast territories with an abundance of raw materials and sources of cheap labor and a means for the disposal of capitalist surplus production.

\$104 BILLION TO PRODUCE INFLATION AND DISASTER

Military expenditures, especially of the gargantuan dimensions of the last few decades, and particularly in a period of the contracting fortunes of finance capital, *instead of acting as a stimulant to capitalist expansion and accumulation turns into its dialectical opposite and becomes a depressant. Like any drug, it may operate to accelerate recovery from illness, but if administered on an ever-continuing and ever-increasing basis without let up, it becomes toxic and poisons the organism.*

Only recently, Senator Kennedy after a visit to the Middle East ventured to remark that "the U.S. is becoming hooked on the heroin of arms buildup in the Persian Gulf." But it is not only the Persian Gulf, it's also in Europe, Latin America, parts of Asia, anywhere on the face of the globe where the U.S. can dispose of its ever-increasing military equipment. Kennedy's cure for the heroin-addicted military-industrial complex was to "declare a moratorium for six months." He has no more a solution to the problem than the "heroin addicts" in the Pentagon.