



Economic drain

From the claims made by supporters of US overseas bases, you might think that the coming of a big base would spell prosperity for the host community. The expenditure of thousands of GI and their families, coupled with favourable trade relations as a US ally – what could possibly go wrong?

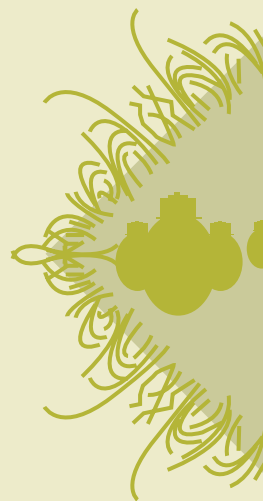
Plenty, it seems. The economies of areas around bases do not reward such optimism. US military families, be they in Britain or Okinawa, tend to want to replicate their lives back home. This means that, far from buying everything from fridges to chocolate from local suppliers, massive quantities of goods are shipped in by US companies or the military itself. US companies, such as Home Depot on Guam, set up shop to supply this homesick market, providing only low-level jobs to local people rather than opportunities for indigenous business to expand.

The situation on Guam also illustrates how the high living allowances granted to US military families stationed abroad can distort local economies, driving property and commodity prices up beyond the reach of local people. The large military population with high lifestyle expectations also means a huge drain on the island's water, infrastructure and land, raising basic living costs and taxes for local people.

Bases can also directly destroy jobs and livelihoods. On Okinawa, for instance, base expansion has destroyed villages with sustainable livelihoods based on the sea, while in Greenland economies founded on exploitation of natural resources have also been wrecked once communities were no longer allowed onto their traditional hunting and fishing grounds. Once the bases leave, national

governments are often left with the costs of massive environmental clean-up operations which, as in Panama (see page 30), inhibit the redevelopment of former military sites.

In addition to the economic impacts on communities around the bases themselves, the coming of the US military can contribute to wider economic distortions. Base agreements often come with sweeteners for national governments, including US investment and trade treaties. But these can tie countries into US models of trade relations, liberalisation and privatisation, which are of dubious benefit to host nations. In the Philippines, for example, military agreements were tied to economic deals that gave US and Filipino investors equal rights in one another's markets. But how many Filipino investors benefited from access to the USA, whilst US companies went on a spending spree of Filipino companies in the late 1990s after the Asian Bubble burst, and made a quick killing from buying them up at bargain prices?





Hawai'i

The current status of the US military in Hawai'i is a continuation of colonialism, and has its roots in outside economic interests. Kathy Ferguson and Phyllis Turnbull, researchers on militarism in Hawai'i, explain:

“The US acquired Hawai'i through the 1893 overthrow of the legitimate, internationally recognised government by a coalition of US and European businessmen with the backing of the US military. The US military has retained and expanded its presence since that time.

“The military is the second largest industry in the state, far behind tourism and preceding construction. In fact, it is difficult to separate these three economies, since much of the tourism is militarised (the Arizona Memorial at Pearl Harbor and the National Memorial Cemetery of the Pacific are two of the most visited sites on the islands) and considerable construction takes place on military bases, including housing for military families.

“While accurate figures are difficult to establish, the military owns or controls between 5 to 10 per cent of the state and approximately one quarter of the island of O`ahu, the most populated island. Some Hawaiian activists charge that over half of the land sold or leased to the military by the state and private owners rightfully belongs to Hawaiians, who never ceded their claims. Current military expansion to accommodate a Stryker Brigade [a military unit of armoured combat vehicles], while contested in the courts and through the Environmental Impact Statement process, will probably take another 25,663 acres of land, the largest expansion since World War II.

“A 1984 Bank of Hawai‘i publication found the military to have the most consistent growth pattern of the major sectors of the island’s economy, and calculated that every dollar spent by the military turned around three times in the local economy.

However, economic costs are usually undercounted in state and bank summaries. These include:

Environmental degradation. The military is the biggest polluter in the state. Uncontrolled fires resulting from live fire training, degradation of ocean and fresh water, toxic contaminants in soil, water, and air, and unexploded munitions all endanger residents, especially Native Hawaiians who live more closely to land and ocean.

Cultural destruction. While there is no definitive inventory of Hawaiian cultural and archeological sites, military building, development and training inevitably destroys cultural traces. The environmental and cultural impacts of the military also have the potential to impact on other economic sectors, including farming and tourism.

Education. Federal Impact Aid, ostensibly intended to compensate states for the costs of educating the children of military personnel, is woefully inadequate, covering less than 11 per cent of the state’s costs.

Housing. Pressure on local housing markets by military families drives up prices for residents.

Alternative economies. Traditional fishing grounds have been destroyed or rendered inaccessible to local fishermen by military development. Ancient fishponds have been destroyed. Military occupation of land removes it from use by farmers.

“Some Hawaiian and environmental groups continue to protest the military, including organisations opposing the Stryker expansion in the courts, engaging in peace education and fighting environmental and cultural damage by the military.”