

# STANFORD UNIVERSITY NEWS SERVICE

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FOR IMMEDIATE RELEASE

STANFORD - The Pentagon has replaced Wall Street as the decision center of America, Prof. Seymour

Melman of Columbia told 100 engineers at Stanford Friday (MAY 22).

Previewing a new book he is writing on "Pentagon Capitalism," Melman said "nothing in the world compares in concentration of decision-making power with the new state management" in the Pentagon.

The combination of political, social, and economic decision-making power it provides the President has only been known previously in "statist societies," of the fascist or bolshevik variety, he added.

While Vietnam has been a military, fiscal, and moral "calamity" for the U.S., it has been "a full scale succeed" for new industrial managers in the Pentagon, he said. Their bureaucratic drive to enlarge to scope of their decision-making power has resulted in a growth of military spending from \$45 billion in 1961 to around \$80 billion now.

Congress, which has been "a virtually unlimited source of capital" for these managers, also could prove pivotal in reducing their power, he suggested. "If there is no reallocation of budget resources (away from the Pentagon), even if there is peace in Indo-China there will be no peace for the U.S." The Defense Department is "relentlessly programmed" to prepare for nuclear conflict and war of intervention abroad, Melman explained.

He suggested reducing defense expenditures to \$25 billion, about one-third their present level. One-fifth of the nation's total work force is now directly or indirectly affected by the allocation of military spending, he said. And the concentration in certain professional fields and states is far higher.

Because costs have not been a primary consideration in developing military technology, conversion to peacefully oriented work may prove more difficult than many anticipate. Where Polaris submarines cost about \$12 a pound to produce, he noted, merchant vessels must be built at less than \$1 a pound to be competitive.

The concentration of technological manpower in defense work has led to "gross disrepair and depletion" of U.S. resources in such varied fields as housing, steel production, machine tools, and commercial fishing, Melman said.

"For the last 20 years, the departments of engineering at the universities have placed themselves at the service of the Defense Department without stint, because Defense uniquely made large funds available (for research)," he declared.

"Students now have to decide if they want to become technicians uniquely qualified to function on behalf of statist management.

"Engineers have abdicated decisions on how their skills are used," he concluded. "Engineers should place limits on who practices in our profession. Otherwise, we open ourselves to the admissibility of activity totally destructive of life and liberty."

An industrial engineer, Melman is the author of books on "Our Depleted Society" and "The Peace Pace."

He spoke at the opening session of a day-long program on "The Engineer and Scientist in Transition," sponsored by the Engineering Action Coordinating committee in cooperation with the Graduate Student Association, the International Association, and the Technology and Society Committee.