

Rumsfeld's Base-Closing Plan Is a Huge Real Estate Swindle

by Carl Osgood

Lyndon LaRouche, commenting on Secretary of Defense Donald Rumsfeld's base closing plan on May 15, noted that embedded in those decisions is an insane plan to decentralize U.S. military infrastructure. This is not base closing, LaRouche said, because there is no net closure of bases. It is base switching—to far-out suburbs of the major urban centers of the United States. The action is aimed at building up a new real estate bubble in remote suburban areas, which do not have the infrastructure to absorb these bases, and the families and service requirements that go along with them. The resulting process will *increase* costs, not decrease them.

This is yet one more totally insane real estate swindle playing out, LaRouche asserted. The Pentagon plan is another intervention into the bubble economy, much as the “Year-2000 bug” was used to prop up the IT bubble in the late 1990s. As if to confirm LaRouche's analysis, the Pentagon's Base Realignment and Closure (BRAC) report in fact states, “For some communities, surplus military installations represent advantageously located real estate in the midst of rapidly growing and prosperous local economies.”

In the days following LaRouche's comments, evidence emerged, in news reports, that tended to confirm his view. The most prominent example was the *Washington Post's* May 23 coverage of the plan to close the Walter Reed Army Medical Center in Washington, D.C., and transfer its operations to a new facility, to be built next to the Bethesda Naval Medical Center in nearby suburban Maryland. The *Post's* coverage focussed on the desirability of the 113 acres that the current hospital sits on in Northwest Washington, and reported that everyone, from real estate brokers and developers, to city planners and elected officials, was already laying claim to it. The paper quoted one developer, drooling over the site's size. “There's not 113 acres anywhere around here that's going to be available. The size allows you to do

a lot of different things that can really have an impact.”

As for the area of Maryland around the Bethesda Center, the receiving end of this transfer, local officials quoted made clear that the area's roads would be overwhelmed by the traffic of staff, patients, and visitors to current Walter Reed. On another “transfer,” Virginia Sen. John Warner said that two lines of Washington's Metro subway system would have to be built out to the Ft. Belvoir area in Virginia, to handle the gridlock.

Walter Reed is hardly unique, however. Willow Grove Naval Air Station occupies 1,100 acres about 20 miles north of Philadelphia, the possible closure of which has real estate developers' tongues hanging out. “When I hear 1,100 acres might be available, I think about how many houses I could build,” said one developer quoted by the May 15 *Philadelphia Inquirer*. “It is mind-boggling,” said another. Another such prospect is the Portsmouth Naval Shipyard in Kittery, Maine. Developers, because of its waterfront location near the major highway that leads north from Boston, are hoping to put up office buildings for information technology and related types of businesses. All of this speculation is happening despite the history of the base-closing process of the 1990s, which warns that it will take anywhere from three to nine years before each facility on the list is available for development.

Nor is this speculative lust limited to facilities that are going to be closed. Certain large Army bases are slated to gain up to 11,000-12,000 people, as troops are withdrawn from Europe, and they will require housing, schools, health care, and some place to work. Fort Carson, Colorado, for example, expects a net gain of 4,377 positions, mostly military, from the relocation of an Army brigade from Germany. Fort Benning, Georgia expects a net gain of almost 10,000; Fort Bliss, Texas, 11,501; and Fort Riley, Kansas, 2,855.

LaRouche noted that infrastructure to support all of these new people doesn't exist, and so would have to be built.

Since the economic impact of military bases extends well outside their gates, these relocations would also have an impact on local communities, driving up real estate prices and increasing the burden on local economic infrastructure. The Army reports that a review of that infrastructure has revealed "some issues" regarding the ability of communities to support the additional forces. The cities of El Paso (Fort Bliss) and Manhattan, Kansas (Fort Riley), the Army report warns, "must cooperate fully and quickly to assess requirements and implement them, especially in areas of housing and schools." It further warns Ft. Bliss that the proposed growth "results in significant additional water demands for the Fort Bliss region and therefore the installation will likely have to purchase or develop new potable water resources."

The BRAC Commission, chaired by former Secretary of Veterans Affairs (VA) Anthony Principi, is charged with reviewing the Pentagon recommendations and submitting its own report to the President by Sept. 8. The President must

then submit the commission's recommendations to the Congress by Nov. 7. If the Congress does not enact a joint resolution of disapproval (which must be signed by the President), then the recommendations become binding, 45 legislative days after the President's submission.

Although Principi has declared that the commission will not "rubber stamp" the Pentagon's plan, and has even hinted at changes, the commission did not give Rumsfeld, and Joint Chiefs of Staff chairman Gen. Richard Myers, a particularly difficult time when the two appeared before the commission on May 16. Principi and some other members did express concern about 70,000 troops (plus 100,000 family members) quitting Germany for the United States in the middle of the process—especially since the plan appears to account for only about 15,000 of them. Principi's main qualification for the job, however, appears to be the fact that he presided over a similar process, euphemistically called "CARES," while he was at the VA. That plan will result in numerous VA hospitals being closed throughout the country, including some that, like Walter Reed Hospital, occupy prime real estate.

House, Senate Bills To Delay Closings

Freshman Sen. John Thune (R-S.D.), whose state stands to lose Ellsworth Air Force Base in Rapid City, introduced legislation (S. 1075), on May 18, that would effectively stop the military base closing process until certain conditions are met. Companion legislation was introduced in the House (H.R. 2427) the same day, by Democrat Stephanie Herseth, also from South Dakota; and another to postpone closings (H.R. 2511) was put in May 19 by Rep. Ron Paul of Texas. Joining Thune's legislation are ten other Senators whose states also stand to lose major bases: Jeff Bingaman (D-N.M.), Susan Collins (R-Me.), Pete Domenici (R-N.M.), Judd Gregg (R-N.H.), Tim Johnson (D-S.D.), Trent Lott (R-Miss.), Lisa Murkowski (R-Ak.), Olympia Snowe (R-Me.), Ted Stevens (R-Ak.), and John Sununu (R-N.H.). Likewise, Herseth's bill has 16 cosponsors. Seventeen Senators and 14 governors have written in protest to Defense Secretary Rumsfeld

Three conditions are specified in the Thune legislation, to be met before any stateside bases are closed: 1) the overseas reposturing is completed; 2) the upcoming Quadrennial Defense review is completed; and 3), there is a substantial draw-down of U.S. forces in Iraq. At the conclusion of these events, and before closing any more bases, the Defense Department would have to submit a study to the Congress on the impacts of those actions.

If implemented, the Administration's current policy of closings is huge. Maine stands to lose the Portsmouth Naval Shipyard in Kittery, which also employs workers from New Hampshire; New Mexico will lose Cannon Air Force Base; and Mississippi, the Pascagoula Naval Base. Although the only closing in Alaska is an Air National Guard station that will transfer its operations to nearby Elmendorf Air Force Base, total realignments are calculated to cost that state more than 4,600 jobs.

Speaking at a bi-partisan press conference May 19, Thune said, "To be, in sort of an indiscriminate way, closing all these bases around the country, seems to be very poorly timed." Senator Snowe, noting how hard the base closings of the 1990s hit New England, added, "What we're seeing is a total abandonment of our region of the country, without a doubt."

An effort by Rep. Jeb Bradley (R-N.H.), who is a co-sponsor of the Herseth bill, to amend the overall FY 2006 defense authorization bill with language similar to the bi-partisan anti-closings bills, failed in the House Armed Services Committee on May 18. This, despite the fact that committee chairman Duncan Hunter (R-Calif.) has expressed support for keeping open the Navy's submarine base at Groton, Conn. Bradley pushed consideration of his amendment to the whole House on May 25, where lengthy debate ensued, followed by a yea-or-nay vote, lacking a quorum.

Bradley is stressing the base closings' threat to the advanced industrial capabilities of the nation. The Portsmouth Naval Base, 200 years old, is licensed for advanced nuclear technology work, for example.—*Carl Osgood*