roughly 35 percent more per capita than growing cities.

The changing composition of cities has made footing the bill harder. In 1950, central cities were 12.2 percent black; in 1980, 22.5 percent. From 1975 to 1978, males moving out of the cities had a median income of $12,411—compared to $10,240 for new arrivals.

The authors hold out little hope for change. Contrary to some predictions, higher energy prices will not lure suburbanites back to the cities. New price hikes of up to $1 a gallon for gasoline and $.75 for heating oil would cost suburban commuters only $250 a year more than city-dwellers—and commuters hold only 18.6 percent of jobs in cities.

"Public policies," say the authors, "should not seek to reverse or even to halt" urban decline. Instead, they should address the problems faced by remaining residents.

Cities need more money and more flexibly designed policies. Federal policies, the authors say, could include wage subsidies to employers to encourage hiring of the jobless. Federal education "vouchers" would allow poor city-dwellers to decide what schools their children should attend, thus increasing competition (and quality) in the school system. Housing vouchers would enable poor urban-dwellers to escape "socioeconomic segregation" and move to the suburbs.

The authors also advocate replacing mandated federal programs with a system that would allot a lump sum of federal aid to each city, letting local officials "buy" only those federal programs that meet local needs.

Such changes, the authors concede, will not come quickly. But when Americans finally realize that the cities need help, they will act.

WILSON CENTER PAPERS

Summaries of key reports given at recent Wilson Center meetings

"A Century of United States-Korean Relations"

Conference sponsored by the Wilson Center's East Asia Program, June 17–19, 1982. Ronald A. Morse, moderator.

During the 100 years since its first formal contacts with the United States, Korea has constantly looked to Washington for protection from hostile foreign powers—and has often been disappointed. That one-sided relationship is beginning to change, say the 21 participants in this Wilson Center conference, as South Korea's economic power grows.

Ties between the two nations date to 1882, when King Kojong signed the Treaty of Amity and Commerce with the United States to counter the territorial designs of Japan, Russia, and China. But when Japan declared Korea its protectorate in 1905, U.S. President Theodore Roosevelt refused to intervene.

After World War II, Korea was partitioned along the 38th parallel by the emergent superpowers, and the South became a U.S. protectorate. American troops were withdrawn in 1949 after civilian rule was established. Within a year the North invaded, and the United States once again stepped in.

But U.S. policy continued to be erratic. President Nixon pulled one-third of U.S. troops from Korea in 1971, when he opened talks with mainland China. In 1977, President Carter proposed a complete troop withdrawal and criticized South Korean human rights violations. Ultimately, Carter dropped the plan. Today, some 37,500 U.S. servicemen remain in South Korea.

Meanwhile, Seoul enjoyed heady rates of economic growth, averaging 11 percent a year from 1965 to 1972. U.S. economic aid to South Korea, once Washington's second largest client, ended in 1975, military grants in 1976. Today, South Korea is the ninth largest U.S. trading partner.

During the years ahead, Seoul will face two key problems. Its political and economic isolation from communist neighbors—North Korea, China, and the Soviet Union—limits foreign trade. And a poor human rights record—a decade of jailing domestic dissenters and the imposition of martial law in 1980—contributes to domestic disquiet and a marred image overseas.

Both stem from military insecurity, argues Senator Charles Percy (R-Ill.). North Korean troops massed on the border only 31 miles from Seoul outnumber the South's by two to one. To ensure progress on human rights and on the economic front, Percy says, Washington must offer a reliable guarantee of South Korea's security.

"Observations on Measuring the Military Spending Gap"

Paper by Franklyn D. Holzman, presented at a colloquium sponsored by the Wilson Center's Kennan Institute for Advanced Russian Studies, June 22, 1982. Richard Anderson, III, moderator

Proponents of increased U.S. military expenditures point to CIA estimates that Moscow outspent the United States by $420 billion on defense during the 1970s. But Holzman, a Tufts economist, argues that the CIA estimates distort the budget comparisons.

For example, the Soviets probably spent $230 billion (15 percent of their 1971–80 military outlays) to maintain a 750,000-man army along the Chinese border—a force irrelevant to any East-West confrontation. And the CIA estimate excludes the defense budgets of the two superpowers' chief allies: Canada and the European members of NATO outspent Moscow's Warsaw Pact allies by $78 billion in 1980 alone.

Holzman also faults the CIA on technical grounds. Each year, the agency calculates in dollars how much it would cost the Pentagon to buy the same military hardware and manpower the Soviets do. The figures give the Soviets a 50 percent military spending edge for 1981. But the CIA method exaggerates Moscow's outlays: It costs the United States $20,000 annually to keep a soldier in uniform, far more than the Soviets pay.

Reckoning U.S. military spending in rubles gives a Soviet edge of only 30 percent—an understatement, says Holzman, since high technology weapons are relatively costly for the USSR to produce. A more accurate measure of the Soviet lead, according to Holzman, is 39.6 percent—the geometric mean of 50 and 30.

But when all NATO and Warsaw Pact spending is included, and Moscow's Far East military outlays are excluded, the picture changes. NATO, from this perspective, spent $500 billion *more* on defense than the Soviet bloc during the 1970s.