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## **Chapter IX**

# **GLOSSARY**

## GLOSSARY

### A. ORGANIZATIONS AND TERMS-ABBREVIATIONS

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|-------|--|-------|--|
| AEC   | Atomic Energy Commission   | ICSID | - International Convention on the Settlement of Investment Disputes  |
| ANMB  | Army-Navy Munitions Board  | IMAC  | - Interdepartmental Materials Advisory Committee                     |
| BDSA  | Business and Defense Services Administration (Department of Commerce)  | ITC   | - International Tin Council  |
| BEA   | Bureau of Economic Analysis (Department of Commerce)   | JCS   | - Joint Chiefs of Staff  |
| CIEP  | Council on International Economic Policy   | LDC   | - Less-Developed Countries   |
| CIPEC | Council Intergovernmental des Pays Exportateurs de Cuivre (Inter-Governmental Council of Copper Exporting Countries) | MB    | - Munitions Board  |
| CSP   | Candidate Stockpile Policy   | MNC   | - Multinational Companies  |
| DMA   | Defense Materials Administration (Department of the Interior)  | NCMP  | - National Commission of Materials Policy                            |
| DMO   | Defense Mobilization Orders  | NRPB  | - National Resources Planning Board                                  |
| DMPA  | Defense Materials Procurement Agency (General Services Administration)   | NSRB  | - National Securities Resources Board                                |
| DMS   | Defense Materials System   | OCDM  | - Office of Civil and Defense Mobilization                           |
| DOD   | Department of Defense  | ODM   | - Office of Defense Mobilization                                     |
| DPA   | Defense Production Act   | OEM   | - Office of Emergency Management                                     |
| EEC   | European Economic Community  | OEP   | - Office of Emergency Planning (September 22, 1961-October 21, 1968) |
| EPA   | Environmental Protection Agency  | OEP   | - Office of Emergency Preparedness (October 21, 1968-July 1, 1973)   |
| ERDA  | Energy Research and Development Agency   | OP    | - Office of Preparedness (General Services Administration)           |
| FEA   | Federal Energy Administration  | OPEC  | - Organization of Petroleum Exporting Countries                      |
| GATT  | General Agreement on Tariffs and Trade   | OPIC  | - Overseas Private Investment Corporation                            |
| GSA   | General Services Administration  |       |  |
| IBA   | International Bauxite Association  |       |  |
| ICC   | Interstate Commerce Commission   |       |  |

OTA - Office of Technology Assessment  
PAW - Petroleum Administration for War (Department of the Interior)

RFC - Reconstruction Finance Corporation  
RFF - Resources for the Future  
WPB - War Production Board

## B. DEFINITIONS

**Stockpiling Policy**—An economic stockpiling policy which has as its purpose the solution of a specific materials-related problem. Eleven such policies are covered by this assessment,

**Consumer Surplus**—The difference between consumers' willingness to pay for a good or service and its market price,

**Decision Criteria Model**—Formulations which can be used to determine optimal stockpile acquisition and release. These formulations include cost functions, benefit functions, and net benefit determinations,

**Economic Stockpile**—A stockpile of materials acquired, held, and released as required to achieve an economic objective, such as supply assurance or price stabilization, which the market would not otherwise accomplish.

**External Costs**--Costs incurred by the economy (society) which are not borne by the direct consumers of the specific materials under consideration.

**Impacts and Issues**—The economic, social, political, environmental, legal, and other effects of economic stockpiling under various assumed scenarios.

**Landscape of Scenarios**—The landscape is a set of scenarios, designed around assumptions which illustrate a range of specified trends.

**Materials**—For the purposes of this assessment, "materials" means "natural resources intended to be utilized by industry for the production of goods, excluding foods. "

**Materials Selection Criteria**—Standards established for each candidate stockpile policy to determine which materials should be stockpiled to meet its problem-related objectives.

**Producer Surplus**—Economic rents accruing to factors of production, or the difference between what a factor earns and what it could earn in its next best alternative use,

**Relevance Tree**—A hierarchical structure in which the entries at each successive level in the aggregate describe completely the next immediate level above. It is a tool for depicting the organization of relationships among groups, interests, or activities related to the rationale proposed for the initiation of stockpiling and for identifying various areas of impact (political, social, economic, legal).

**Risk Aversion Factor**—A measure of society's reluctance to be exposed to damaging events.

**Scenario**—A plausible, self-consistent narrative concerning a future time period. Major determinants of change are examined through delineation of past trends and plausible changes in future population levels, technological developments, demand patterns, gross domestic product, public preferences, and government policies,

**Technology Assessment**—Projection of an existing physical, economic, social, political, etc., environment and related technologies to some future, and assessment of the impacts and related issues, both independently and as part of the total structure. Techniques and methodologies used to accomplish technology

assessments include studies of cost/benefit, materials management, information systems, and operations analysis.

**Weighting Matrix**—A device for presenting in tabular form a series of assumed relationships between impacts on stockpiling and the groups which are affected or the policies which produce impacts. The impacts are identified from the most specific area of impact (domain) provided by relevance trees. The im-

pacts are weighted according to their relationship to particular policies. The most important impacts for one or more stockpiling policies are then weighted according to their importance to particular interest groups. The summation of impacts in this matrix gives the total impact on all interest groups for a particular set of candidate policies within a particular scenario. In this way, sensitivity evaluation can be arrived at quantitatively for each candidate policy,