## STRATEGIC ISSUES

## Defence budget 2005-06: Parliamentary silence!

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N 9 June 2005, the Finance Minister in his Budget Speech reviewed the performance of the Government in the closing financial year and outlined the budget for the next FY i.e. 2005-06. The marathon speech covered all aspects of national development objectives the challenges and the opportunities, strategies and tactics. From education to environment, from fisheries to forestry, from law enforcement to land reform, the finance minister went at great length to describe the performance of different sectors of the government their aims and objectives, successes and failures. However, when it came to the department of defence, he had nothing to say. The whole nation was left in the dark as to how did we do during the current year in the field of defence spending and how do we propose to spend the money in the coming year. This was unprecedented. Although defence details were not discussed on the floor of the Parliament, but in the past, at least few sentences were spared in the Budget Speech eulogizing the role of the defence forces and the usual humdrum of building up a strong (!) defence force etc. etc. This year those formalities were dispensed with

From the published sources we came to know that the defence expenditures of Bangladesh in 2005-06 is planned at Tk. 4,320 crore, an increase of Tk. 419 crore over the current year's final expenditures of Tk. 3,901 crore. While the GDP growth rate is expected to be around 5-6% next year, there would be nearly 10% rise in the defence expenditures. Rise of defence expenditures would thus be double

that of the GDP growth. On the whole, the share of defence in the national budget is declining since the 80s when it used to be around 10%. Defence consumed 7.01% of the national budget in 2004-05 and is estimated to account for 6.71% in the coming FY. Traditionally, the revised budget at the end of the FY shows additional expenditures for defence. Thus, the defence budget is expected to exceed the planned allocation by the end of the FY.

Defence expenditures annually

account for about 1.3% of the Ban-

gladesh's GDP. While it continues

to be low regionally as well as globally, its burden on the national exchequer is quite heavy. Complete blackout of the expenditures from parliamentary or public view is sure to generate speculations and apprehensions. The newspapers reported recently that hundreds of financial irregularities and audit objections raised by the Auditor General's Office regarding various defence purchases remained unanswered. In the not too distant past, there were serious allegations of mismanagement and misappropriation of defence fund and allegation of large-scale corruption in defence deals. Many senior civil and military officers and front ranking politicians were involved. Many junior officers, far removed from the decision making chain, were implicated, and their career came to abrupt and unceremonious end. It cannot therefore be said that everything in defence is ship shape. The need for transparency and accountability is of prime importance. There is a need for public debate inside and outside the parliament for all government spending and defence can be no exception. While there have been occasional discussions and debates in seminars organised by various institutes and intellectual



bodies, our parliament had been quietly oblivious of this issue. How much is to be spent, why we need to spend and on what account these are the questions, which the citizens, as taxpayers, have the right to know. The MPs, as the representative of the people, should raise important questions on defence that is vital to our security. How do we ensure that the money we spent for defence is giving us the best value in

national security? While there will be long speeches and heated debates and discussions during budget session, some on quite trivial issues, the defence budget will be 'guillotined' on the closing session and passed without any discussion. This has, unfortunately, been the parliamentary tradition in Bangladesh.

In the recent past, there were two very interesting and illuminating

articles in the Daily Star. The first article that appeared on 10 June entitled "Policy on the Defence of Bangladesh" by Brig Gen Sakhawat Hussain (Retd) argued for a robust and clear-cut defence policy and an organisational structure for higher defence management suitable for a democratic polity. He pointed out that due to lack of policy and clear-cut statement of aims and objectives, the forces have each been

developing in its own cocoon without central coordination. While the writer urged for greater political control on the military, he also stressed the need for a Cabinet Committee headed by the Prime Minister or the Minister for Defence in which the Services Chiefs and important Secretaries will be members. This committee could set the defence objectives and goals, deliberate on force structure and the procurement programmes. The writer also suggested an organisation such as the Joint Chiefs Secretariat that would ensure a jointservices approach towards defence planning. He strongly advocated for an end of ad-hocism in defence and the need for delineating a policy guideline for the future. The second article appeared on 16 June entitled "Defence or development: The unending debate" by Brig Gen Shahedul Anam Khan (Retd). The writer pointed out the lack of parliamentary debate and discussion on defence only fuels those who speculate that the defence budget is mostly wasted and adds to unproductive expenditures of the nation. People in high places, even our parliamentarians are quite in the dark about the role and task of the defence forces, their capabilities and limitations. Thus, we often hear sweeping remarks in open forum, such as "What is the need of maintaining a military at such a high cost when it has no capabilities to fight a foreign aggression?" The writer points out the need for balanced and effective defence force for Bangladesh in view of the emerging strategic significance of the whole region.

The need for a national defence policy, a higher defence management structure and the need to build up an effective defence force to meet the emerging security threats of Bangladesh have often been highlighted in the past. Governments have come and gone, but took no concrete steps in this regard. Take the duality of the Ministry of Defence (MOD) and the Prime Minister's Armed Forces Division (AFD) as an example. This is a unique system unknown to the rest of the world. What started as a legacy of the Martial Law government in 1975-6 as C-in-C's Secretariat, evolved into Supreme Com-

mander's Secretariat and finally PM's AFD. It had been repeatedly argued in the past that we need a strengthened MOD for all administrative and financial matters and a Joint Services Headquarters for operational matters, but nothing has been done to change the status quo. We have a Parliamentary Committee on Defence, but if we go through the proceedings one would clearly see that these deal with minor matters and have neither the means nor the desire to delve into higher policy matters. I, for one, have always argued that the threat Bangladesh faces at present and in the coming decades is not so much from external aggression but more from internal dissention and disorder. The threat posed at present by the extremist forces of the religious right and the Maoist left is evidently clear. Although we have to take a multi-pronged approach to deal with these forces, military forces might have to be used if the situation deteriorates. Are we ready for that? Tanks, fighters and frigates procured at enormous cost may be lying idle while the insurgents may be able to operate unhindered People do not expect that to hap-

In fine, let me say that while the operational plan of the military must be a closely guarded secret, its role and task, its goal and objectives, its organization and equipment procurement etc should be open to public scrutiny. Truly national armed forces rely on the informed support of its people, not on blind faith. In all these, our parliamentarians should take pioneering lead in the debate on the national defence and security.

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## The future of European Union

NAZMUL HASAN AZAM

HE European Union (EU) plays the role of an economic and political organisation concurrently. The European Commission, which was formed in 1958 by six West European Nations (France, Germany, Italy, Belgium, Netherlands and Luxembourg), has now emerged as greater European Union. The process of the enlargement of EU happened gradually till 1995. Till then total members of EU were 15. The enlargement had never inducted more than three at one time. But in 2004 the membership of EU was increased by ten at a time. This was the most disastrous event for EU. Becaus European member of EU were in former Soviet block and were communist country as well. It was no surprise that they could not adjust with West European Free Market Economy. The East European countries emerged as democracies in 1991 after the collapse of the USSR. And 13 years is not enough to adjust with the developed and highly democratic west European countries. Moreover these East European countries were not in a financially sound position like the West European countries such as UK. France and Germany. So it was predictable that after the enlargement within a short time, EU would face a crisis. The most recent referendums in France and Netherlands held for the ratification of EU draft constitution, and against which the French and Dutch voted, reveal the looming crisis. And this mightl act as a setback to the European integration process.

Just a couple of weeks ago, for example, Roman Prodi, the former president of the European Commission, predicted that a French 'no' would mean "the end of Europe. After the referendum he called the outcome "a disaster." but insisted that it could be worse. He also said in an interview, "we don't have a treaty, but we also don't have wars. The buzzword of present time, the 'draft constitution' is a process that took two-and-a-half years. But the European leaders could not understand the real desire of their peoples. And the result of recent referendum is the outcome of their insensible act.

The European Union represents 450 million people of 25 member countries. France and Netherlands are founder members of EU. Therefore the French and Dutch 'no' to the draft constitution will slow the European integration process. In France 55% voted 'no' while in the Netherlands 60% voted 'no'. Nine other European Union members had ratified the constitution before French rejection. After the French vote. Prime Minister Jan Peter Balkenende of the Netherlands told, "The Dutch, of course, do not take any order from France." But a new Dutch poll taken after the French vote, NOS public television showed an increase in voters intending to vote "no" to 55%, up from 51% just two days ago. Only 38% said they planned to vote in favor of the constitution. And after the Dutch referendum we found that 'no' won by getting 60% vote.

According to the polling agency in France, 70 percent of farmers voted 'no' despite the fact that France is the largest recipient of European Union farm subsidies 11.7 billion Euros in 2004, or one-fifth of the Union's agricultural budget. Publicsector and blue-collar workers and the unemployed, all low-pay groups vulnerable in a country with 10% unemployment which is highest unemployment rate since 2000, voted 'no' by large margins, between 60% and 79%. Although, most of the Socialist Party hierarchy lobbied in favour of the constitution, 56% of

tion is because of the high unemployment rate of the west European countries because of free flow of labour. Workers from new European Union members like Poland, who are free to move west, are willing to work for lower pay than the French. And a factory owner will always produce his product at lower cost. . Therefore he will recruit Polish workers; and thereby unemployment will rise gradually. In Germany unemployment rate is the highest since WW II. Thus, economically advanced countries are having to bear being with the high unemploy-

victory of 'no' is campaign. Most young people campaigned in favor of 'no'. They have been given to understand that the EU integration would not bring them prosperity. The process will endanger their future and reduce life expectancy. Another grave concern for the Europeans is the possibility of Albania and Tunisia, the other two Muslim countries in Europe, becoming members is not absurd. So the politicians should assert overtly about this process.

The rejection of EU draft constitution demonstrates that the French and Dutch are quite reluctant to



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Bush said after meeting with EU leaders that he wanted a "strong" Europe to work with the United States on key international issues.

socialist voters rejected it. On the political extremes, 98% of the Communist Party and 93% of the extreme right National Front voted 'no'. 55% of young people from the ages of 18 to 25 rejected the constitution, underscoring the lack of trust in the future of France. Mr. Chirac is now at one of the lowest point of his 10-year presidency. The French press openly mocked him. He must realise to what extent the failure of the referendum is a personal disas-

ter.

The most crucial reason of reiec-

ment rate. The draft constitution upholds the idea of united Europe. Most European think that it will enrich the elite and impoverish the working class.

Some political scientists consider that the rejection is also because Turkey is going to be an EU member in October 2005. If that happens then Turkey will be the only Muslim member in EU. And the fanatic among the Christians will not be eager to vote on behalf of a Muslim country. So a large number of people voted 'no'. Another reason for the

follow their government. The governments obviously failed to understand their peoples' mind. No politician explains what EU is and that is the reason for rejection. The main goal of EU is still vague to most Europeans. So it is essential to let the people know what are the main objectives of EU?

Many have been highly sceptical about EU after the French and Dutch the referendum. Britain has already postponed its referendum. This decision reveals Britain's weakness. Some experts think that Britain did

so because a few months later Britain will assume the EU presidency; and for her narrow interest it took that decision. German Foreign Minister said. "The halt of Britain is like stab on the chest of EU constitution. Taking this decision Britain lost its ability to run EU in crisis time. France and Germany intend to hold referendum in all EU member countries gradually. Two different possible solutions can be taken for the French and Dutch rejection to EU constitution. Those are either it has to introduce new article according to public demand or has to rerun refer-

The Single European Act which was in effect since 1987 was to generate a united Furone, development and the relevance of an integrated Europe to the Europeans. All EU member countries endorsed the Maastricht treaty intended to expand political, economic and social integration among the member states. The 1997 Amsterdam treaty emphasised consolidation rather than addressing outstanding issues. The people of Europe have to remember that what the EU today is because of their unanimous decisions of the past. So, to some extent they will be also liable for any disaster. They should not forget the nemesis of former USSR. They have to realise that the current crisis will not last long. In near future EU will be the dominant economic power in the world, as the value of the Euro is growing high day by day. There is no time to think. It is time to take initia-

European commission and Bangladesh relations date from 1973. The Furopean Commission has been represented in Bangladesh since 1982, and since 1989 has had a full-fledged delegation to the country. The EC-Bangladesh Commercial co-operation Agreement signed in 1976 is now replaced by the co-operation Agreement signed in May 2000. The EU is the biggest trade partner of Bangladesh. Presently among the LDCs. Bangladesh is the foremost exporter to the EC. representing 20% of the total exports to EU are textile products, 75% of the EU imports from Bangladesh. It has enjoyed in the last decade a growing trade surplus with

The enlargement of EU in 2004 was a premature act. Therefore, it will take time to cope with the consequences. But the European people are being impatient. It is obvious that the referendum, which will be held in the new member countries, will be in favour of this constitution. In recent referendum Latvia ratified the constitution. The commission chairman said that the constitution is not yet failed and the ratification process will go on in all EU member countries gradually. To compete with USA, Japan and potential growing economy of China and India EU has to concentrate more on integration process. It is high time to proclaim on behalf of this constitution otherwise the integration of Europe will be hindered and that will be bad for the

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## Peace is possible in Kashmir

Kashmir will continue to bleed, hopefully, in a lesser scale. But time has come for reality to have a grip over sentiments. India has a historic opportunity to anchor the uneasy peace and open a window of reason on a quarter of mankind. Like once fearsome Laldenga of Mizoram, time has come to politically accommodate Mirwaiz and all like him to give peace a chance.

BRIG GEN (RETD) JAHANGIR KABIR, ndc, psc

Kashmir is in deep thaw this summer touching the core of the glacial problem that has been freezing over half a century. Characteristically, she is like a live volcano with frequent eruption, all the time threatening peace of the surroundings. The change of attitude is however not a yearning for peace but the recognition of the ground realities.

There has been a sea change since last full-scale war in 71, that has reduced Pakistan to an unchallengeable state. Ever since, Pakistan has been without a long-term strategy on Kashmir, which could absorb the changing circumstances. The make shift policy of prodding the political dissidents of Kashmir has reached the danger level. Parrying any retaliation on the body of Pakistan under Mutually Assured Destruction (MAD) by nuclear capability is less appealing these days. As Kargil conflict proved it, India has the strength and determination to reverse local setbacks with punishing effect in spite of nukes.

The newly found strategic allies in their struggle against Islamic fundamentalism are pulling and pushing to prop up India as a regional policeman. With impressive growth and technological advancement, confident India is acquiring antiballistic missile umbrella from the willing friends like Russia, USA and Israel to counter any flying nukes. Deployment of American Patriot antimissile system along with superior version of F-16 multi-role aircraft that USA has offered to India will reduce much of its nuclear vulnerability. India is fast reaching a level where Kashmir at worst is a local irritation and nuclear threat from Pakistan an unlikely slippage of anti missile shield. She has finally reached the long awaited take off stage. Ready for delivery, this one looks like not another of many false pains. Kashmir can no longer ooze enough Indian blood.

Peace is not natural to human nature, competing is. At this juncture Pakistan has very tight space to manoeuvre between meeting all international obligations or chaos within the restive nation: at worst, a failed state. The mentors demanded in the language of 'either with us or against us', that Afghanistan, Kashmir along with Pakistan is de-Islamised. Helping jihad is neither paying nor risk free anymore. President Musharraf knows that the threat is from three sources that can destabilise Pakistan- fundamentalism, nuclear bomb and of course Kashmir. As long as Kashmir conflict is alive Pakistan, even with her nukes, can't deride from both conventional and nuclear war preparations in the defensive and offensive scenario. That is tying down present level of well over 70% of national resources. With Arab money nearly dried up, USA still willing to see the so called Islamic bomb rolled back or frozen beyond activation, cost of maintaining and upgrading seven hundred thousand armed forces is sure retardation. The arms race is lost due primarily to economy and technology with no reversal from uneven course in the foreseeable future. Peace is the only course left open to Pakistan.

President Musharraf can rightly be accused of being too economical with the truth, but it is not easy for him to give up the uniform. In an extremely delicate manoeuvre of U-turn he is

'riding a classical tiger while chasing the so called lions of Allah'. Deception, more at home than abroad, is the part of that delicate balancing Does not matter what he says, politics and military is interwoven in Pakistan. It will be risky to bet on Musharraf without uniform. Politics is uncertain outside garrisons. No wonder democracies are so willing to pamper his regime for reasons of their own. With bagfuls of greenbacks to energise the regime against terrorists there is however, occasional swash of whip in the air to satisfy the democracy lovers. Sir Winston Churchill had to wait for the British Empire to plunge into the Second World War to become the Prime minister and quit on the people's mandate immediately after the war. Musharraf has made himself available and Pakistan is not yet out of the woods. He does not need the mandate of the people to act

The denial of sanctuaries to the fundamentalist and terrorists of Afghanistan are not proving easy. The tribal areas of NWFP and Baluchistan are defiantly hostile. Attempts were made without a worthwhile record in history of imposing outside will on those fierce looking Afghans and Pathans. A prolonged conflict in the neighborhood is making Musharraf entrenched on the saddle, farther marginalising democracy. But there is more danger to his personal life than to his presidency. The next undeclared phase will be the cleansing Pakistan itself of the fundamentalist elements if only war is won in Afghanistan. Signs, however, are discouraging if not altogether ominous.

Jihad has always been the main motivation in Kashmir. There is a thin line between willingness for jihad and terrorist activities. Jihad in Afghanistan has become terrorism now. Pakistan could not continue to help jihad in Kashmir while denying sanctuaries to the renegades of Afghanistan, as war on terror has no boundary. Without the religious motivation the struggle for Kashmir, at best, is half hearted. Since 1985, the fighting in Kashmir has taken more than forty thousand lives. Incessant fighting for two decades under extreme condition made some leaders wise out of sheer exhaustion; they are on the lookout for an honorable alternative to fighting till death. Once firebrand Maulovi Mirwaiz Omer Farook, now leading a moderate faction of All Parties Hurriyat Conference said in Islamabad with due encouragement from President Musharraf, the Kashmir problem can be resolved peacefully without altering the Line of Control. Normalcy in Kashmir- once known as paradise on earth - will take many years to bloom. Healing of heart takes years and a new generation. As I was articulating on the peace prospect, a truck bomb claimed 15 lives in Pulwan.

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