

Military expenditure in Bangladesh

BRIG. GEN. SHAFAT AHMAD, ndc, psc (Retd)

Military expenditure has been a major issue and an ongoing concern in the developing countries. There are many opinions around the world, and there is always a dilemma in the minds of policy makers as to how much should be given to defence as nobody can dispute that money spent on arms, in a developing economy, is at the expense of probably more pressing needs of social and infrastructure development. Yet, defence is a prime responsibility of the state and maintaining an autonomous capability to defend a nation's sovereignty remains as one of the principal responsibilities of governments.

Military expenditure is primarily influenced by two factors i.e. the need for 'security' and the perception of 'threat' that a country faces. Many societies demand 'security' as much as they demand basic necessities such as education and health. Generally 'security' is linked with military forces; as such psychological need to feel secure is normally satisfied with military expenditure. At times the military expenditure becomes high as the country feels insecure or when political leaders deliberately pursue aggressive policies to lead to confrontational situa-

tion. Invariably all military expenditure comes from government budget, whereas other public expenditures like health and education have their counterpart in private consumption expenditure. Defence spending is predominantly a public good and is inextricably connected with government spending. As a result there is always a tussle between defence and other public sectors in getting share of the government spending. This has created dilemmas in the minds of the policy planners all over the world, whether it is the richest country of the world or one of the poorest. To some, every penny that is allotted to the military could be better utilized in other sectors, while others feel that need for security is paramount.

Government spending can be divided into four categories, i.e. defence, economic services, social services and others. Economic services would include expenditure on agriculture, industry, energy, water resources management, transport, communications, etc. Social services would consist of expenditures on health, education, housing, community services, etc. Private sector and foreign donors play a major role in funding all activities

less defence. Defence is one sector where government is the sole source of funding, unless the country is involved in some form of military alliance with other countries, and those countries are providing goods or services.

There is a very close relationship between defence and economic development. Continuous growth of society and economy would cause an expansion in spending related to security matters. With the increase in national wealth, internal and external law and order or security needs become more important as such government is obliged to increase spending on defence and policing. It has been seen that the richer nations become more security conscious as such their defence spending rise with the rise in their per capita income.

It is interesting to note that Emile Benoit in his book "Growth and Defence in Developing Countries" has tried to establish that defence expenditure stimulates the economic growth in LDCs. He writes, "It has usually been supposed by economists that defence expenditure reduces the resources available for investment and so slows down

growth.....However in a large study of less developed countries, an opposite pattern seem to appear, and this finding was so unexpected and

(3) engaging in a variety of public works roads, dams, airports, river training, and communication network that may serve civilian uses,

challenging that it seemed worthwhile exploring in detail..... Contrary to my expectations, countries with heavy defence burden had the most rapid rate of growth, and those with less defence burden tended to show the lowest growth rates."

However, there are many critics of Benoit's findings. We shall not get into the debate whether defence expenditure actually increases or decreases growth rates. Benoit further goes on to establish that military expenditure may have an indirect productivity, which can make tangible contributions towards the civilian economy. This is achieved by:

- (1) feeding, clothing and housing a number of people who would otherwise have to be looked after by the civilian economy,
- (2) providing education and medical care as well as vocational and technical training,

(4) engaging in scientific and technical specialties such as hydrographic studies, mapping, aerial surveys, dredging, meteorology, soil conservation, and forestry projects, as well as certain quasi-civilian activities such as coast guard, border guard, and disaster relief which would otherwise have to be performed by civilian personnel. Military forces also engage in certain R&D and production activities, which help the civilian economy and engage in or finance self-help projects producing certain manufactured items for combined civilian and military use.

According to the recently released SIPRI Yearbook 2005, the World military expenditure in 2004 is estimated to have been \$1035 billion. As a global average, 2004 military expenditure corresponds to \$162 per capita and 2.6 per cent of World GDP. The average annual rate of increase in world military expenditure over the 10-

year period 1995-2004 was 2.4 per cent in real terms.

Now, coming to Bangladesh scenario; Bangladesh's expenditure on defence for the period

Year	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Mil Exp	524	548	582	591	612	639	639	620	622	621
% of GDP	1.4	1.4	1.4	1.4	1.4	1.4	1.3	1.2	1.2	1.1

1995-2004 was (in 2003 constant US \$ million):

We would now like to see how some of our neighbours are spending on defence. The chart below shows military expenditure (ME) as % of GDP, % of Central Government Expenditure (CGE) and per capita expenditure on ME for a period of 15 years from 1990-2004:

*All figures are courtesy of SIPRI.

This criterion of Military

Expenditure (ME)/GDP of different countries has their limitations. The proportion of national resources allotted to defence will depend on the security perceptions of the elites and the policy-making circles

of the nation, and the security environment in which the country finds itself.

Evaluated in terms of ME/GDP ratios, Bangladesh's current military expenditure is low

Country	ME % of GDP	ME % CGE	ME per capita US \$	Armed Forces per 1000 people
Bangladesh	1.3	9.9	4	0.8
India	2.4	7.1	12	1.2
Indonesia	2.9	14.5	9	1.4
Malaysia	3.2	12.0	110	6.0
Nepal	1.1	5.0	2	1.7
Pakistan	6.0	23.0	24	4.2
Singapore	4.5	23.4	1072	19.6
Sri Lanka	4.5	15.5	29	1.3
Thailand	2.7	15.7	63	4.9

in comparison to other nations in South or South-East Asia. Nevertheless, the amount allotted to the defence is quite substantive. It is admittedly difficult to determine exactly what

amount is to be allotted to the defence sector. However, whatever amount is allotted need to be spent most judiciously. The subject of military expenditure in Bangladesh has become a taboo. The Government and opposition both are guilty of keeping this 'sacred cow' hidden from the public. It is time that the defence budget is debated in the Parliament, that will augur better days for the country.

The author is a free lancer.



Face the facts

BRIG JAHANGIR KABIR, ndc, psc (Retd)

Militancy has been a menace for a long time but the rulers never felt the urgency till it reached a desperate situation. The Liberation War had introduced arms into the society out of necessity. It had also divided political activists into pro and anti liberation camps. Unhealthy political culture found the opponents either in the anti-liberation camp or as lackeys of India. Issues would have been dead long ago if appropriate legal action against the offenders were taken on time. Politics in Bangladesh usually have more steam on non-issues.

Poverty, hunger and mismanagement agitated the people in a war-ravaged Bangladesh. It was the communists who first offered the panacea to the frustrated minds and attracted some agitated youths. Thus, we had armed struggle by Huq-Toha, Matin-Alauddin, Shiraj Sikder and many more. With the passage of time, the leaders of these groups, without the required abilities, wasted a great number of youths. The remnants are still struggling in rural pockets. The Islamic fundamentalists were in hibernation because of their role during the War of Liberation, as it was not the right climate.

With the incursion of the communists in Afghanistan under Noor Mohammad Taraki, an international battleground was found for the

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Islamic fundamentalists to fight, train and learn militant politics under the active encouragement of the West. The tsunami of militancy in Afghanistan is felt from Uzbekistan to Indonesia. West's hate-culture in occupied Iraq combined with terrorism has renewed impetus in the Middle East and elsewhere. Geographically speaking Bangladesh is an isolated Muslim country; but could not isolate itself from the upsurge of Islamic militancy breeding worldwide. Faith, simplicity and emotion are the character definitions of a Bangladeshi. We are Taleban, Bangladesh is Afghanistan" was the battle cry of the fundamentalists. Those who are dreaming of political power without democracy are in the

game of jihad and terror bombings. Like the communists of the bygone days not all fundamentalists are advocating gun-barrel politics. Communists like Joty Basu of West Bengal or Nripen Chakrabarty of Tripura, who have not proved to be harmful, must be distinguished from Naxalite Charu Majumdar. Those who are speaking too much against fundamentalism without distinction are in fact inadvertently propagating their cause on simple minds. Most of the poor people still visit the village Imams more frequently than the doctors, with medical and other problems. The Imam is respected in a village and has religious solutions on all issues. Outright accusations are not the way. The state must develop a method of constructive

engagement with the Imams of the mosques and teachers of madrasas as a long-term strategy. Fathomless corruption, unprecedented law and order problem, insecurity of life and property with abject poverty and naked luxury combined, make people absolutely hapless and angry. One must understand the language why a man on the street has a propensity to throw stones at luxury cars or glass castles of Dhaka without the provocation. It is that reaction to social rejection and neglect that is drawing some agitated youth towards Islamic militancy. Even Bill Gates says that market is not the solution of all social ills. No doubt, the richest businessman is also the greatest philanthropist on earth.

The state must ensure minimum security and opportunity to all. A society cannot infinitely remain a bottomless pit of corruption, injustice and insecurity, without drawing flaks of drastic remedy offered by the extremists. It is in fact the social bankruptcy that the terrorist outfits are terming as 'Ayam-e-Jaheliat' to allure frustrated minds. In the past, communism had failed because there were few takers of a godless system. Terrorist in the name of religion will have more sympathetic ears in a predominantly Muslim society. If you are looking for a JMB suicide bomber in the torn body-parts of Yadav Das of Netrokona, you are plain dishonest.

The worst of the fears have

come true. Nothing can be worse than the human bombs willing to explode for a mission. Public confidence is shattered. Not long ago in Motijheel, I observed, everybody was giving suspicious look at everybody else; every object suspected to be a bomb about to explode. While in New York several weeks ago, I was overwhelmed by more questions by Bangladeshi and American friends alike than I could possibly answer. Panic is spreading.

The visit of Bill Gates could have exploded a thermonuclear device in the IT sector of Bangladesh and a resultant tsunami in the capital market. It was equivalent to a commercial tragedy that a painful bearish slide prevailed in the capital market on the day he and his wife arrived in Bangladesh. Bangladesh has become infamous for missing opportunities. But the visit of media mogul Ted Turner, offers to invest multi-billion dollars with TATA, India and WG Petroleum LLC of USA, indicate that everything is not lost yet. I appreciate their insight and bravery.

As a trained man in military hardware I am not impressed by the lethality and efficiency of the bombers. The hostility towards society and motivation for sacrifice has not been backed by the killer instinct and technology. Nowhere in the world is suicide bombers satisfied with such small targets with wholesome personal sacrifices. It speaks that terror bombers are more emotional than cold-blooded murders. Obviously Bangladesh needs to meet that emotional void in the society.

We have thrown away ten truckloads of sophisticated arms, explosives and ammunition worth millions dollars, accidentally captured in Chittagong, by looking for some petty boatman in the proverbial style of 'Man Seru Mea' of Chittagong port, and played politics on serious issues like attempt on the life of the leader of the opposition, the British High Commissioner, killings of ASMS Kibria, Asanullah Master MP and many others.

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Waiting for Bush

PR CHARI

President Chirac's visit to New Delhi ahead of President Bush was a curtain raiser for the Indo-US nuclear deal. He was clear that the bilateral agreement reached by France and India on civilian atomic energy cooperation was linked to the Indo-US nuclear deal materialising. Being a member of the Nuclear Suppliers Group (NSG) France is subject to its guidelines that prohibit nuclear cooperation with non-NPT countries like India. France cannot make India an exception to the NSG guidelines unless it works out the nuclear deal with the United States and the US Congress is persuaded to amend its laws so that India could receive nuclear technology, despite being outside the NPT regime. Thereafter, the NSG guidelines, based on consensus decisions reached by its 44 members, would require modification to permit nuclear exports being made to India. Despite fond hopes in New Delhi, the basic position of Russia and other NSG members, including China, would resemble that of France.

The visit of Nicholas Burns, Under-Secretary of State for Political Affairs, was critical to ironing out differences between the two countries on the separation plan envisaged within the Indo-US nuclear deal. Some prior assurances may have been conveyed by the Indian Government. There is speculation that a compromise has been reached by agreeing to defer the contentious issue whether fast breeder reactors should be included in the civilian or the military programme for some years. Whether this is true or not, and whether this compromise solution would be acceptable to the US Congress is another matter. Apropos, the breeder reactor is believed to be a proliferation hazard since it generates more plutonium than it consumes, which can find use for manufacturing either atomic power or nuclear weapons.

Some issues inextricably linked with the fast breeder reactor issue have not gained attention in the public debate, but are crucial; they relate to the issues of "perpetuity" and "right of pursuit." Both these modalities gained salience when the Rajasthan reactors were placed under safeguards to permit the supply of heavy water for them by the erstwhile Soviet Union, following India's "peaceful" nuclear explosion in 1974 that led to sanctions being imposed upon it by the developed countries. Briefly, the principle of "perpetuity" lays down that, if a nuclear facility is placed under safeguards, these would remain forever, even if the imported nuclear material eg. heavy water is exhausted. The "right of pursuit" visualises that, if any product manufactured in a nuclear facility placed under safeguards is transferred to another facility, the latter would also come under safeguards for the duration of its processing eg. if plutonium in the spent fuel from the Rajasthan reactors is sent for separation to the Tarapur reprocessing plant, the latter would come under safeguards for the duration of these operations.

What this implies is that, should the fast breeder reactor be located in the civilian sector under the Indo-US nuclear deal and placed under safeguards, the plutonium produced therein and its movement to thorium-based reactors in terms of the Bhabha atomic energy plan would bring the latter also under safeguards. In other words, India's future atomic programme would come under safeguards, and they would be unavailable for military use. Unarguably, however, India's existing CIRUS and Dhruva reactors have been producing weapons grade plutonium for several years. According to my estimates, based on rule of thumb calculations, these two reactors could theoretically have produced some 300 nuclear bomb quantities since they became critical-CIRUS in 1964, and Dhruva in 1983. This does not include the plutonium manufactured by the 15 MW Kamini Experimental Fast Breeder Reactor that became critical in 1985, and could theoretically have produced over 5 bomb quantities of plutonium annually over the last 20 years. A total of 400 bomb quantities are thus available, undoubtedly on purely theoretical considerations. Agreed, these are maximum quantities of plutonium production, assuming that these reactors have been used only for manufacturing weapons grade plutonium, and not for any civilian purposes. Further, some plutonium must have been used up by the Pokharan devices exploded in 1974 and 1998. But, even 20 percent of the maximum figure of 400 calculated provides an arsenal of 80 nuclear weapons. Do we need more to establish a credible minimum nuclear deterrent?

The separation plan that India has to negotiate with the United States is essential for the Indo-US nuclear deal. And the fast breeder reactor program lies at the heart of the present impasse. A realistic view of India's strategic requirements is needed to bring this nuclear deal to a successful conclusion. It should be noted that, should the Indo-US nuclear deal not be finalised during the Bush visit, its momentum would be lost, making it infinitely more difficult to negotiate through the normal diplomatic processes.

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The author is Research Professor, IPCS, New Delhi.

