

# Escalating Defence Expenditure

*This article by noted defence analyst Ravi Rikhye is written from a viewpoint quite different from that expressed in the first article. He sees himself as a hawk. Even so, a number of conclusions he reaches through a separate chain of reasoning about what needs to be done in the current situation are quite similar to those espoused by opponents of the policy of military confrontation between India and Pakistan.*

DEFENCE expenditure in India is predicated on three structural conditions. Unless these conditions are altered, defence spending will continue escalating and inevitably reach eight percent of the Gross National Product (GNP) by the start of the twenty first century, making us into one of the top spenders in the world. Simultaneously, however, our per capita income will remain at the bottom for any major country.

The first structural condition driving defence spending is Kashmir. The genesis of the Kashmir dispute lies in the faulty framing of the 1947 partition which allowed states contiguous to both India and Pakistan to choose which side they wanted to join. A legitimate decision was easily reached in states like Sind and the Punjab because these had some measure of popular rule though the expression of the popular will as defined in 1947 would certainly fail to meet the more stringent criteria in vogue today. In princely states like Junagadh and Kashmir, however, the decision for accession to either side devolved solely on the ruler. There was no question of popular will.

Thus, Hindu majority Junagadh with its Muslim ruler opted for Pakistan; Muslim majority Kashmir with its Hindu ruler opted for India. Delhi sent its armed forces into Junagadh on the quite sensible principle that a minority ruler

could not be permitted to decide for the majority. But it did not follow the same principle in Kashmir. The decision to intervene in Junagadh was enforced by India's superior armed might; when Pakistan tried to intervene in Kashmir, India was able to grab part of the state back. But the issue, unlike Junagadh, was never settled one way or the other.

At the moment the rights and wrongs of India's stand on Kashmir are under hot debate. Though the debate is not germane to the theme of this article, it needs to be said that India's moral position on Kashmir is exactly zero, particularly after 1971 when India helped east Pakistan obtain its independence. If east Pakistan had a moral right to secede from Pakistan, Kashmir has a moral right to secede from India. The point is, however, that nations are not built on morality, the definition of which changes from time to time in any case. On strictly moral grounds Pakistan should allow Baluchistan, North West Frontier Provinces (NWFP) and Sind to decide their futures. And if it wants India to let Kashmir decide its own future, it must also itself respect the same rules. If this is done, Pakistan will disintegrate, because Kashmir, Baluchistan and the NWFP will, under a free vote, probably opt for independence, and Sind for partition, with much of the province joining India. If India were, too, to follow the same rules, much of India would also

disintegrate.

This would probably not trouble many of my radical friends. Nonetheless, I must make clear my consistent position that partition was illegal, that by helping east Pakistan secede India compounded the illegality, and that India must, by any means possible, reunite the entire subcontinent. Otherwise, we will split into a mindless anarchy of petty, warring states as has been the case for most of our 3,000-year history. The evil this will visit on us is far worse than the evils inherent in a unitary Indian state.

Without the festering sore of Kashmir, India would probably have gotten by with spending one percent of the GNP on defence, a level that would have caused no one any pain, and have sufficed to police our land, air and sea borders. Pakistan, however, seeing it could not compete in resources with India, decided to externalise the dispute. It joined the US led SEATO and CENTO alliances to obtain military aid. From Pakistan's viewpoint this was sensible after all, have we Indians; not always sought external help to promote our internal disputes? But it forced India to step up defence spending to about two percent of the GNP.

The China dispute is easily defined. When India, ignoring the rights of self-determination of the Tibetan people (rights it has ceaselessly championed worldwide), accepted China's

domination and annexation of Tibet, it never occurred to Delhi that Beijing might have a different view of the legitimacy of the British-imposed boundary between India and Tibet. When that dispute flared, as it must after China took over Tibet, defence expenditure jumped to 3.5 percent of the GNP.

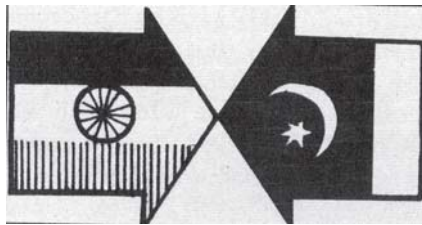
The third structural factor has been India's yearning to be counted as one of the four great powers of the world. There is neither logic nor sanity in the unbroken thread of longing that runs through our brief, five decade history after independence. But that is besides the point in this discussion. Suffice it to say that this factor added another 1.5 percent of the GNP to our defence burden. It is manifest in our desire to build a world class navy completely disproportionate to our purely defensive needs, and our tendency to buy the best weapons available to us, regardless of the threat in the west or the north.

Because of resource shortages in the period 1987-90, many weapons, programmes and expansions of force levels were held in abeyance. In the crisis we find ourselves today, there can be no more delay. For example, several new divisions need to be raised to meet the internal security threats that will arise in wartime, particularly in the Punjab and Kashmir. Manpower levels for all services have been held down on account of budgetary stringency, and widespread undermanning has become the norm, affecting our combat capability. We are locked into several replacement weapons programmes where cheaper, less capable weapons have to be phased out and much more expensive, more capable equipment inducted. When the effect of these remedial raisings and purchases are totalled, it is likely that defence spending will have to be jumped by another one percent of the GNP to total six percent.

Last, there is the nuclear weapons programme. If and when the decision to

deploy nuclear weapons is made, the

burden of defence spending will jump to eight percent. The hope of reductions in conventional spending consequent on nuclearisation will prove illusory in our case. We are spending five percent to maintain a military force structure capable only of transborder operations for short durations. Nuclear weapons will not eliminate the need for the current force structure: if Pakistan makes a grab for Akhnur you cannot unleash the nuclear deterrent, burning 10 Pakistani cities to the ground, and suffer the loss of 10 of



your cities to the Pakistani nuclear deterrent. You have to meet the threat to Akhnur purely with conventional weapons.

What can be done to reduce the rate of growth in defence spending?

Let us first be clear that it is not defence spending per se that is crippling the Indian economy, and pushing out resources for health, education, welfare, safe water, reforestation and the like. Defence takes about one rupee out of five of the government's money. It should be noted that my estimate of defence spending is Rs 20,000 crores against the government's Rs 15,750 crores, because I count pensions, the likely supplementary demands for grants, and the military part of other programmes like Border Roads, paramilitary, space, atomic energy, and purchases of equipment under the Soviet trade account. The defence part of the government's money is spent with reasonable efficiency and produces employment and income just like any other government spending.

On the other hand, the remaining four out of five government rupees are spent in a massively inefficient manner, with

horrendous corruption and diversion of money. It is true that buying a MIG - 27 fighter from Hindustan Aeronautics Limited does not produce the same economic benefits as investing that money in power or in health. But this sort of calculation is highly misleading. It assumes that the money spent on power and health is invested with some honesty and efficiency. If the real net result is calculated, I suspect that money spent on arms actually has a higher net benefit for the country's economy than the money spent on power and health.

At the same time, defence spending, whatever benefits it may provide, has negative consequences. It adds to the militarisation of our country, and that in turn gels in the way of seeking nonmilitary solutions to our security threats.

No country, not even the US or the USSR, has been able to have entirely its own way in the world. The problem for India is that is so strong in relation to Pakistan, and can so easily hold its own in relation to China, that it feels no compulsion to compromise on its disputes. Simultaneously, however, India lacks the political will to use its military to enforce solutions favourable to itself.

Thus we have the prospect of endless running disputes along our borders that threaten to be with us for another half century. As such, defence expenditure cannot be contained, let alone reduced. Rationalisation of spending can, at best, stop the upward spiral for two or three years before it again resumes its inexorable march.

The only way out of this sterile situation is to find diplomatic solutions to our security threats. It is nonetheless necessary to understand that at five percent of GNP spent on defence, or even six or eight percent, the Indian elite is not hurting sufficiently to swallow its pride and arrogance, and compromise over the negotiating table. This is because the burden of defence spending in our country falls not on the elite, but on the poor. □