

# Indian military's overdrive

India Defence



By Praful Bidwai

*India's military spending has reached sky-high proportions, but the defence services have become increasingly unaccountable and are mired in scandals*

**W**HEN the last Union Budget was presented, many newspapers reported - some with a hint of pride - that India's defence spending would breach the Rs100,000-crore barrier for the first time.

Yet, to the best of my knowledge, not one general-interest paper commented critically on the widely publicised Rs.105,600-crore defence services allocation. Nor have the media asked precisely what constitutes defence expenditure in official reckoning or questioned our perverse priorities, with a paltry rise in long-neglected health and education allocations, coupled with generous (10 to 27 per cent) increases in the military budget year after year.

However, the grim truth about our fast-rising military expenditure should make us all sit up, interrogate the government and demand corrective action, including deep cuts in allocations, rationalisation of arms procurement and operational procedures, and other economy measures. A radical change in our spending priorities is imperative if we are to halt India's growing militarisation, promote a modicum of human development and social cohesion, and stop inviting social turmoil, unrest, chaos and insecurity. First, the claim that India only spends a modest 2 to 2.5 per cent of its gross domestic product (GDP) on the military is plain wrong. The Rs.105,600-crore figure only covers "defence services" (comprising the Army, the Navy, the Air Force, the ordnance factories, the Defence Research & Development Organisation, DRDO, and capital outlay, mainly for arms buying).

This is calculated to hide the true magnitude of spending by illegitimately excluding what are officially called "defence (civil) estimates", incurred exclusively to service the military. These include defence pensions, now budgeted at a hefty Rs.15,564 crore, and miscellaneous expenses, including Ministry of Defence establishment

spent on defence just 10 years ago. And it is more than one-half the military spending figure (\$57.2 billion) China cites even after recently raising it by a huge 17.6 per cent. And China's economy is almost three times larger than India's.

More important, the defence allocation is more than twice the amount (Rs.60,000 crore) of farmers' loans written off, which has attracted much adverse comment. It is also 3.6 times higher than the Centre's entire budgeted expenditure on education. It is also 5.6 times greater than the Budget's combined allocation to "public health" and to the National Rural Health Mission (including the National Disease Control Programme). Even the Central education and health and family welfare budgets put together barely add up to a poor two-fifths of the military budget.

That is not all. If we use a broader - and more inclusive and realistic - definition, India's military expenditure turns out even larger. The Stockholm International Peace Research Institute defines the term to include "all current and capital expenditure on: (a) the armed forces, including

**A society that spends a huge proportion of its scarce resources on the military when it cannot even feed all its people is very sick**

peacekeeping forces; (b) defence ministries and other government agencies engaged in defence projects; (c) paramilitary forces, when judged to be trained and equipped for military operations; and (d) military space activities". This also includes operations and maintenance, military R&D and military aid but excludes civil defence and spending on previous military activities such as veterans' benefits, demobilisation and conversion.

If the Central paramilitary forces' budget of Rs21,715 crore is added to the Rs.123,535 crore, the military expenditure shoots up to over Rs.145,000 crore. But this may be excessive. So let us only add another Rs.9,000 crore or so, which comprises the budget for the Border Security Force, Assam Rifles, the Indo-Tibetan Border Police and the Sashastra Seema Bal, and half the allocation to the Central Reserve Police Force, a good chunk of which is deployed in the border regions, including Kashmir.

Logically, one must also add

crore a year.

This total works out to about Rs.137,000 crore, which is a sizeable 3.3 per cent of the GDP, by no means a modest figure. In addition, it is known that the government directly or indirectly subsidises various public sector companies (such as Bharat Dynamics, Bharat Electronics Limited, Bharat Earth Movers Limited and Bharat Heavy Electricals Limited) involved in defence production. And then, there is the defence component of the servicing of the rupee debt owed to the former Soviet Union/Russia.

No hard numbers are as yet available for these expenditure items. But a good guess is that with their inclusion, military spending will probably turn out to be Rs.140,000 crore or even higher, of the same size as India's entire combined public spending on health and education.

This is surely unconscionable. A society that spends such a huge proportion of its scarce resources on the military when it cannot even feed all its people or overcome the chronic malnutrition prevalent among half its children is very, very sick. Its pathology is

**India cannot afford to have unaccountable agencies burning up Rs1.4 billion of public money year after year**

all the more troubling on account of three factors.

First, many of the new military capabilities - especially, sophisticated hardware - that India is acquiring have little to do with any notion of self-defence or "adequate defence". They are about power projection through offensive stances and extending India's strategic reach well beyond the neighbourhood.

This is true of the new platforms India is acquiring, including submarines, troop-landing ships, aircraft carriers and other vessels relevant to a blue-waters navy, the Airborne Warning and Control System (AWACS) and long-range aircraft of different descriptions, not to speak of an array of missiles, including nuclear-tipped missiles, and India's military-related space ambitions.

India's military spending will rise even more sharply in the coming years if it builds more and more nuclear weapons and nuclear-capable missiles and develops super-expensive high-technology programmes such as

procurement and inventory control.

This huge slack presents an opportunity for ruthless cost-cutting without loss of legitimate firepower: through the streamlining of procedures, stipulation of minimal norms of efficiency (for instance, in fuel consumption for army vehicles, which is said to be at least twice as high per kilometre as some of the oldest trucks available on the market), abolition of redundant positions and tightened manning (why should every army officer have a personal slave or orderly, a system that now only exists among the world's larger armies in India and Pakistan?)

Third, there is rampant corruption in the armed services. The numerous recently reported scams are probably the tip of the iceberg. Bribes are apparently exchanged for all manner of things - purchase of everything from eggs to airplanes, under-supply of vitally necessary material (for instance, nutritious high-energy meals or snow jackets in Siachen), in the ordering of inappropriate or low-value equipment, and diversion of funds from sanctioned and legitimate activities (for instance, counter-insurgency operations) to unnecessary or questionable procurement (for instance, buying freezers and chapatti-making plants).

Corruption is not unique to the armed forces but thrives in them because of a lack of public oversight and accountability. These factors alone explain why the DRDO gets away, and indeed is rewarded, with a budget of Rs.3,400 crore despite its failure to complete any of its major projects in time; why the Indian Air Force has lost over 200 aircraft in accidents within a decade; why the Army in the 1980s procured supposedly new combat engineering tractors, only to discover that they were second-hand British rejects; and why the Navy went in for the USS Trenton - which the Comptroller and Auditor General says, is a lemon, a 37-year-old ship, which has already outlived its service life - without "proper physical assessment" and technical evaluation of its seaworthiness.

The armed forces and the Defence Ministry are in dire need of reform and accountability. Even minor improvements in their functioning will save the nation tens of thousands of crores. Many years ago, the Arun Singh Committee, appointed to examine the scope for cost-cutting in the Army, reportedly concluded that a 15 per cent reduction was achievable without loss of effectiveness. The government must release its report and have it widely debated so that an independent and objective assessment

other economy measures. A radical change in our spending priorities is imperative if we are to halt India's growing militarisation, promote a modicum of human development and social cohesion, and stop inviting social turmoil, unrest, chaos and insecurity. First, the claim that India only spends a modest 2 to 2.5 per cent of its gross domestic product (GDP) on the military is plain wrong. The Rs.105,600-crore figure only covers "defence services" (comprising the Army, the Navy, the Air Force, the ordnance factories, the Defence Research & Development Organisation, DRDO, and capital outlay, mainly for arms buying).

This is calculated to hide the true magnitude of spending by illegitimately excluding what are officially called "defence (civil) estimates", incurred exclusively to service the military. These include defence pensions, now budgeted at a hefty Rs.15,564 crore, and miscellaneous expenses, including Ministry of Defence establishment costs, the Coast Guard, canteen stores, housing, various public works, and so on (another Rs.2,371 crore).

If these are added, the military budget even in the narrow sense swells to Rs.123,535 crore (\$30.9 billion) or 2.95 per cent of the GDP. This is no mean sum by any standards. In dollar terms, it is three times higher than what India

peacekeeping forces; (b) defence ministries and other government agencies engaged in defence projects; (c) paramilitary forces, when judged to be trained and equipped for military operations; and (d) military space activities". This also includes operations and maintenance, military R&D and military aid but excludes civil defence and spending on previous military activities such as veterans' benefits, demobilisation and conversion.

If the Central paramilitary forces' budget of Rs.21,715 crore is added to the Rs.123,535 crore, the military expenditure shoots up to over Rs.145,000 crore. But this may be excessive. So let us only add another Rs.9,000 crore or so, which comprises the budget for the Border Security Force, Assam Rifles, the Indo-Tibetan Border Police and the Sashastra Seema Bal, and half the allocation to the Central Reserve Police Force, a good chunk of which is deployed in the border regions, including Kashmir.

Logically, one must also add to this the budget for residential accommodation for the paramilitary forces (Rs.540 crore), for public works (Rs.580 crore), and for India-Bangladesh and India-Pakistan border fencing (Rs.700 crore). Over and above is the expenditure on nuclear biological and chemical defence, probably of the order of Rs.2,000-3,000

all the more troubling on account of three factors.

First, many of the new military capabilities - especially, sophisticated hardware - that India is acquiring have little to do with any notion of self-defence or "adequate defence". They are about power projection through offensive stances and extending India's strategic reach well beyond the neighbourhood.

This is true of the new platforms India is acquiring, including submarines, troop-landing ships, aircraft carriers and other vessels relevant to a blue-waters navy, the Airborne Warning and Control System (AWACS) and long-range aircraft of different descriptions, not to speak of an array of missiles, including nuclear-tipped missiles, and India's military-related space ambitions.

India's military spending will rise even more sharply in the coming years if it builds more and more nuclear weapons and nuclear-capable missiles and develops super-expensive high-technology programmes such as ballistic missile defence and space-based weapons. The past decade since the Pokhran-II tests is only the beginning of the process.

**Huge slack:** Second, the military typically uses hopelessly inefficient or outdated systems - whether in transportation and personnel management or in weapons

Force has lost over 200 aircraft in accidents within a decade; why the Army in the 1980s procured supposedly new combat engineering tractors, only to discover that they were second-hand British rejects; and why the Navy went in for the USS Trenton - which the Comptroller and Auditor General says, is a lemon, a 37-year-old ship, which has already outlived its service life - without "proper physical assessment" and technical evaluation of its seaworthiness.

The armed forces and the Defence Ministry are in dire need of reform and accountability. Even minor improvements in their functioning will save the nation tens of thousands of crores. Many years ago, the Arun Singh Committee, appointed to examine the scope for cost-cutting in the Army, reportedly concluded that a 15 per cent reduction was achievable without loss of effectiveness. The government must release its report and have it widely debated so that an independent and objective assessment can be made of what is achievable today.

We simply cannot afford to have unaccountable agencies burning up Rs.140,000 crore of public money year after year. Lack of oversight and proper auditing is not merely undesirable in itself. It is an affront to the spirit of democracy.

COURTESY FRONTLINE