

## Promoting Real Security – Implications for Policy in the North

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The war on drugs in Bolivia, where peasant farmers grow coca, has multi-million US dollar backing and Britain's support.<sup>1</sup> It is, though, a losing battle. As one US official candidly explains: 'These people are not addicted to coca, they are addicted to food'.<sup>2</sup> The menacing portrayal of Third World drug growing is only one of the ways the western military represent the South as an increasing threat. In a world ever more divided between the haves and have-nots, the Soviet threat is being replaced by fear of those whose desperate demands for basic economic justice can only be contained by the gun. The fall of the Berlin Wall has not yet changed the old concepts of arms-based security.

However, drawing up the castle gates and arming ourselves against a 'chaotic and threatening' Third World will only fuel the cycle of war, repression and wasteful weapons spending blighting the lives of millions in the Third World. Policies must tackle the root causes of conflict and insecurity there:

- the desperation propelling peasant farmers to grow coca as prices for crops such as coffee cease to pay a living wage;
- the gross inequality and poverty upon which fundamentalism and totalitarianism feed;
- the insistence of the rich on maintaining their 'right' to cheap access to scarce natural resources.

Governments worldwide need to listen to what their citizens say makes them feel secure, in the dictionary's sense of being 'free from fear'. In wealthy countries people fear worsening crime, losing their job, polluted air and water. In the Third World poverty, illiteracy, landlessness and consequent powerlessness lead to daily insecurity for millions. Poor countries feel insecure in the face of the pressures of mounting debt, falling trade earnings and closed markets.

The World Development Movement (WDM) believes Britain and other Northern countries must shift the emphasis of their security policy and budget priorities to face these real threats. Britain, for example, cannot go on spending twice as much of its national wealth on the military as its European allies. It cannot continue to bear the long-term costs of excessive support for the military. This chapter argues that Britain should cut its military spending by half by the year 2000, bringing it down to two per cent of GNP. It shows how these savings could then be used to fund programmes for *real* security. It proposes a fundamental revision of Northern security policies, using Britain as an example, and a reordering of spending priorities to back up the real security agenda. Finally, it broadens the discussion to cover some of the issues facing Europe in responding to people's real security needs.

## THE CHANGING WORLD

The British government's 1993 Defence White Paper *Defending Our Future* drew unanimous criticism from commentators for its failure, in the words of the *Financial Times*, to 'undertake a root-and-branch examination of Britain's defence commitments'.<sup>3</sup> A leading war studies professor, Lawrence Freedman, concluded: 'What we really need is a foreign policy review'.<sup>4</sup> For too long British security policy has been driven by the MoD, commented former Foreign Office Minister Tristan Garel-Jones. He argues that this 'military domination is an anachronism and must be curtailed: the decisions that have to be taken are essentially political.... Part of our strategic reassessment must surely lead us to the conclusion that military capability is only one of the instruments at our disposal'. Other instruments, he says, include 'national diplomatic effort, membership of international economic and security organizations, aid, overseas broadcasting and so on'.<sup>5</sup>

Such calls reflect the now urgent need for a rigorous re-assessment of:

- how Britain and other Northern countries seek to promote security;

- how much to spend on the military (and on what types of capability); and
- how much on other instruments of security policy.

This reassessment must reflect the policy realities of the new world: first, the ending of the Soviet threat; second, economic necessity; third, the increasing number of 'humanitarian interventions'; and finally, the continuation of conflicts.

### *After the Soviet threat*

The first of these new realities is the ending of the Soviet threat, and with it the central assumption of Britain's military and security planning within NATO. Former enemies are now recipients of western aid and some are in the first stages of joining the European Union (EU). Several of these countries, including Russia, want to join NATO. Soviet military capability has been decimated by the end of the Warsaw Pact military alliance, the withdrawal of Russian troops from Eastern Europe, a halving in the former Soviet Union's military spending in 1992 alone<sup>6</sup> and deep cuts in conventional and strategic nuclear forces.

Despite these vast changes, British policy seems stuck in the Cold War era. Policy on the ground belies official statements of the 'irreversible transformation of the strategic setting'.<sup>7</sup> The British government sees military spending falling by only 12 per cent in real terms in the five years up to 1995-96 (not allowing for the costs of the Gulf War and redundancies).<sup>8</sup> Britain still keeps large army and air force deployments in Germany and has strongly resisted calls for major reform to Cold War institutions, notably NATO.

### *Economic necessity*

With a growing public deficit, economic necessity adds weight to the urgency of reassessing Britain's high levels of military spending. Even so, despite accounting for nearly 10 per cent of total government spending, the MoD has been exempted from the government's major, long-term review of public spending announced in February 1993.<sup>9</sup> As scrutiny of spending in other departments tightens, so the pressure for greater MoD savings grows. Concerns about arms industry job losses are also being weighed against the evidence that Britain's economy has suffered, not gained, from heavy investment in the military. Britain spends nearly twice as much of its national wealth on the military than the average of its major European allies, 4.1 per cent compared to 2.3 per cent.<sup>10</sup> This is a hangover from the 1950s: the huge commitment in

1954 to station a large army and air force in Germany locked Britain into a pattern of devoting more of its national wealth to the defence of West Germany than any other country except the US.<sup>11</sup> However, Britain's brief post-war economic and political leadership of Europe has long gone, and the then devastated German economy is now the strongest in the continent. Yet the British Government is not grasping the end of the Cold War as the opportunity for a long-overdue rebalancing of military burden-sharing; instead it eagerly embraces costly new military roles such as leadership of NATO's new Rapid Reaction Corps. As the *Financial Times* has commented:

Is there a case for economically battered Britain to outspend its richer European neighbours?... The motives behind such thinking too often stem from nostalgia for a country that was more powerful and relatively richer than it is today. More insidiously, attempts to keep up defence spending spring from a desire to impress the Americans and to maintain a place at top tables.<sup>12</sup>

### *Humanitarian intervention*

Recent international crises have mixed up 'Third World development' and 'military strategy' as never before. Controversial 'humanitarian military intervention' in Iraqi Kurdistan, Bosnia, Somalia and elsewhere, poses many longer-term questions for development workers and military planners. A leading international relations academic, Fred Halliday, says it is 'arguably the greatest change to the international agenda in recent years'.<sup>13</sup> Many people's cherished beliefs in the sharp dividing lines between the 'non-political' nature of humanitarian relief and the – fundamentally political – use of force inside another country's borders have been hurriedly abandoned.

The initial enthusiasm for humanitarian intervention was prompted by the moral imperative of preventing tyrants from using 'national sovereignty' as an obstacle to the world community 'doing something' to bring help to needy peoples appearing on nightly broadcasts around the world. But 'short, sharp' military solutions have proved inadequate, with long-term questions raised about political status and how long to commit resources to safe havens. In Somalia,<sup>14</sup> ordinary Somalis and aid workers have come into the firing line of the troops supposedly there to help. Was the UN or the US in control? In Bosnia, was humanitarian intervention a fig leaf for the lack of early and more decisive western action? The soldiers themselves have complained that the politicians have failed to spell out a clear political purpose for their presence. Can,

in fact, military forces do the job?<sup>15</sup> The answer is often no. A coherent, long-term strategy is needed to tackle the underlying political and economic causes of insecurity. Ensuring the hungry are fed and bringing peace are indeed inextricably linked. But developing the debate beyond the belated fire-fighting of humanitarian intervention is now crucial.

### *Continuing conflicts*

Without a change of direction, the horrific body-count of conflicts will continue to mount. Despite the new and bloody hostilities in the former Eastern bloc, the greatest numbers of direct and indirect victims of conflict continue to be in the Third World – just as during the Cold War. The promise that, with the rusting away of the Iron Curtain, the superpowers could work together to douse wars in the Third World has been only partly realized.

The hurried retreat of the former Soviet Union from its Third World entanglements has helped resolve some conflicts, for example in the ending of the South African occupation of Namibia and its independence in 1990, and in allowing rebels to beat the formerly Soviet-backed Mengistu regime in Ethiopia in 1991. In Asia, the Soviets encouraged the Vietnamese withdrawal from Cambodia, and in the Middle East, western-backed North Yemen and the Soviet-backed South merged. In Central America, the easing of East–West tension helped bring progress towards the ending of a decade of civil war and brutal repression. But for every example of progress, there seems to be a counter-example of new or continuing conflict. According to the Stockholm International Peace Research Institute (SIPRI), the number of places in the world with at least one major conflict only dropped from 32 to 30 between 1989 and 1992<sup>16</sup> and most of these are in the Third World.

## THE BRITISH RESPONSE TO THE CHANGING WORLD

There are two clashing strands of policy in Britain's response to this new world. On the one hand, the government has proclaimed a new determination to promote human rights, democracy and development around the world. British ministers were among the first to push the idea of promoting 'good government' in the Third World as an integral part of aid and development policies. Overseas Development Minister

Lynda Chalker spelled out some of the key components of the new approach:

A major new thrust of our policy is to promote pluralistic systems which work for and respond to individuals in society.... We firmly believe that democratic reforms are necessary in many countries for broad-based sustainable development.<sup>17</sup>

Action to ensure 'respect for human rights and the rule of law' is also crucial. She says: 'We do not believe it is an interference in the internal affairs of sovereign states to raise human rights violations with them'. She has also said:

The Gulf War has demonstrated how excessive military expenditure can create political and military insecurity. It can also seriously damage development by preempting resources. It is vital therefore for developing countries to examine their security needs and tailor their military expenditure accordingly. We regard an appropriate level of such expenditure as part of good government.

Yet these proclamations on good government are time and again brushed aside by recourse to a more familiar approach to 'solving' problems of insecurity in the Third World – military muscle. Where lucrative arms deals are to be had, human rights abuses are overlooked (as in Indonesia or in Iraq). Where dictators are deemed to be important for Britain's strategic interests, speaking out for democracy goes by the board, and military training and assistance is supplied (as in many Gulf states). This contradiction has intensified as the military in Britain and its allies seizes on conflict and insecurity in the Third World as a means to justify their large budgets, as outlined in Chapter 1. This 'threat from the South' thesis is most candidly expressed by US policymakers. In 1992, the Pentagon's first detailed planning exercise for the post-Cold War world was leaked to the press. Of the seven scenarios for potential foreign conflicts which could involve US troops over the next ten years, five centred on intervention in major regional conflicts in the Third World.<sup>18</sup> They included another Iraqi invasion of Kuwait; a coup in the Philippines; a 'narcoterrorist' coup against the government in Panama, threatening access to the Panama Canal; and a North Korean attack on South Korea.

The risk of losing the North's access to the South's raw materials is one major element behind these potential scenarios. The desire to protect access to the oil of Saudi Arabia and the other Gulf States leads to discrete, but clear, western backing for Iraq in its war against Iran.

This 'tilt' towards Iraq (in the words of one British minister at the time) was a key issue in the decision by the British Government to supply military-related equipment to Iraq in breach of its publicly-declared policy of arms restraint. Foreign Secretary Douglas Hurd recently underlined the resource issue when he warned of the 'new disorder' and of a 'chaos [that] would threaten our supplies of raw materials, our markets, our investments, our values'.<sup>19</sup> In *Military Intervention in the 1990s* (Routledge, 1992), the British Army's former Head of Defence Studies, Richard Connaughton, points to the 'growing, dangerous instability in large parts of the Third World' as the central rationale, arguing for military intervention as the 'new logic of war' for the 1990s.

The government's annual *Defence Estimates* have reflected this changing emphasis – British military strategy now places a much greater and more explicit stress on military action in the South outside the traditional NATO area. 'The old distinction between "in" and "out-of-area" is no longer relevant for defence planning', declares the 1993 *Defence Estimates*. 'Instead the criteria will be the depth of British and allied interests involved and the implications for international peace and security', it adds. The armed forces will need a 'graduated range of military options, from the employment of small teams of Special Forces to the mounting of an operation requiring the deployment of a division with maritime and air support'.<sup>20</sup> Britain needs a 'national intervention capability' for potential military action around the globe, either acting alone or with other allies. However, while military capability on the ground is changing in response to the perceived threat from the South, in part this 'Third World threat' is just convenient ammunition to be used in spending battles with the Treasury. For example, Britain is putting up £3.56 billion as its share towards developing the Eurofighter 2000 – conceived in the Cold War as a response to the Soviet MiG-29. The Defence Minister Jonathan Aitken defends the project, saying, 'Russian aircraft are now being sold in increasingly worrying numbers to Iran and other Middle Eastern powers. Countries we regard as being hostile or unstable are acquiring Russian-built aircraft.'

#### *Military training and the arms trade*

Preparations for the direct use of force are just part of a wider range of more indirect military means deployed in the name of defending 'British interests'. Military assistance and arms sales are part of a pattern of support for Third World allies which is shrouded in secrecy. An extensive programme of military assistance to Third World countries

(the precise list of recipients is secret) cost over £36 million in 1991–92, channelled roughly fifty-fifty through the MoD and the Foreign Office.<sup>21</sup> The MoD says its:

military assistance takes place mainly in support of wider foreign policy aims; the defence objective is limited to promoting stability and military effectiveness in countries where we retain valuable facilities, including for transit and training, or where we have an obligation to assist in the event of a security threat.<sup>22</sup>

Military training has been given to dictators and military governments with scant respect for Lady Chalker's 'good government' indicators of human rights, democracy and development (including Indonesia, Somalia, Nigeria, Zaire, Sudan and Saudi Arabia). The government also works closely with the arms industry and its financiers to ensure that their activities mesh with official strategic and commercial goals. According to the *Defence Estimates*, Britain's arms exports are a 'key part of our wider diplomatic relationships with our friends and allies throughout the world'.<sup>23</sup>

Britain is the sixth largest arms exporter in the world – with 80 per cent of sales going to the Third World. It is also one of the permanent five members of the UN Security Council which account for 80 per cent of world arms sales.<sup>24</sup> In 1992, the government proclaimed a record £5 billion worth of new arms orders – a fifth of the world market.<sup>25</sup> The government actively supports selling arms around the world. The £10 million a year Defence Export Sales Organization (DESO), based within the MoD and with offices around the world, helps British companies to sell arms; as do the military attaches based in many British embassies. The government also promotes arms fairs, and, through the DTI's Export Credit Guarantee Department (ECGD), underwrites British companies doing business in countries regarded as credit risks. Over the last four years, a quarter of ECGD backing for export of major goods and projects has been for the military sector.<sup>26</sup>

Most major British banks are involved in financing the arms trade: Midland Bank, for example, established a special Defence Equipment Finance Team. During the House of Commons Trade and Industry Committee hearings into the Iraqi Supergun affair, Midland said how it 'appeared to us that the Ministry [of Defence] welcomed the team's activities'<sup>27</sup> and defended its involvement in lending to Iraq by stressing that 'ECGD must give specific approval of each particular transaction'.

Officially the government says it only encourages the sale of arms 'as

long as this is compatible with our political, strategic and security interests and does not conflict with our international obligations'. Yet the government's promotion of the arms trade and the provision of military assistance is totally at odds with its espoused 'good government' policies on promoting regional security, human rights and development.

First, arms sales can increase violent repression and human rights abuses. Amnesty International has highlighted Britain's involvement in this 'repression trade',<sup>28</sup> including the export of:

- leg-irons banned by UN rules for the treatment of prisoners;
- an electronic torture chamber to the United Arab Emirates;
- tear gas canisters used by Chilean security forces; and
- telecommunications equipment for use in the notorious State Research Centre of Idi Amin's Uganda, where as many as 500,000 political killings took place.

The British Government repeatedly claims to 'take into account' the human rights record of countries to which it is exporting weapons, but refuses to give any details of the criteria involved. In reality, many of the top customers for British weapons are major human rights abusers and dictatorships.

Second, while rich countries are quick to chide the poor for diverting resources from pressing human needs to high military spending, they are slow to make the connection with the way they promote arms sales to these very same countries. For example, India and Pakistan between them are home to over a third of all the world's people living in absolute poverty – 460 million people.<sup>29</sup> Both countries are large recipients of British aid, and yet they are both major customers for British weapons. The Indian military has a budget 80 per cent larger than that for education and health; their Pakistani counterparts get twice what schools and hospitals do.<sup>30</sup>

Third, arms sales can fuel and prolong existing international conflicts or heighten the tensions that lead to war. In Somalia, the conflict has been fuelled by the large stocks of weapons left over from the alliances, first with the USSR and then with the US. Similarly in Afghanistan, there is a vast legacy of weaponry from the superpowers' previous activities. India and Pakistan seem on the brink of a third major conflict over the disputed region of Kashmir, with an intensified arms race between the two. Yet Britain supplies weapons to both countries. Indeed, India is second only to Saudi Arabia in the league table of British arms markets.

## THE COSTS OF CONFLICT

As the earlier chapters have shown, the emphasis on military solutions to conflicts carries a terrible cost in human life and economic destruction. Efforts to defeat poverty and promote development will be doomed in many poor countries until conflict and the accumulation of weapons and military power are tackled.

The direct human suffering is clear, with children being among war's major victims. In the last decade more than one and a half million children have been killed in wars, more than four million disabled, more than five million have been forced into refugee camps and 12 million have lost their homes.<sup>31</sup> Worldwide many children have suffered torture, abuse, imprisonment and even recruitment as 'child soldiers'. Seventeen million people have had to flee their country as refugees from war and repression – a further 23 million are internally displaced.<sup>32</sup> The overwhelming majority of refugees are being hosted by other poor countries – over five million alone in Africa.

War's indirect casualties often far outnumber the victims of the violence itself. Most of the famines of recent history have been caused by, or are strongly linked to, conflict – Biafra, Bangladesh, Uganda, Ethiopia, Mozambique, Chad, Sudan, Liberia, Somalia. National economies are badly hit, infrastructure destroyed, food production drops, tax revenues fall and so on. Military spending swallows up wealth, inflation rises, panic and racketeering takes hold and currencies can plummet.

However, even before bullets are fired, they can kill. Total world military spending stands at an estimated \$750 billion a year – the equivalent of the combined annual incomes of the poorest *half* of the world's people.<sup>33</sup> The Third World accounts for about 20 per cent of the global total of military spending – having grown rapidly from some 6 per cent in 1965.<sup>34</sup> The swift growth of Third World military budgets in the 1960s and 1970s<sup>35</sup> slowed and turned downward in the last decade as debt and falling oil and commodity prices squeezed economies – although average spending levels may now have levelled out once again.<sup>36</sup>

While poor countries' military spending may not be large in global cash terms, it still represents a heavy burden and competes directly with desperately-needed social spending within government budgets. Many poor countries in South Asia and sub-Saharan Africa now spend two or three times as much on arms as education or health. With the onset of a severe economic crisis in the 1980s the trade-off between the two

became even more intense. The IMF itself recognized in an internal study 'the evidence that military spending tends to exhibit resilience under Fund-supported programmes that emphasise fiscal tightening'.<sup>37</sup>

A UNICEF/SIPRI study of the data for sub-Saharan Africa concluded that, although there are notable exceptions, high military spending as a share of national wealth tends to increase the child death rate.<sup>38</sup> But Ethiopia, until recently one of the most heavily militarized and poorest countries in the world, is moving the other way. Half a million soldiers have been demobilized. The military's share of government spending has fallen from nearly 60 per cent to under 30 per cent, while that on health and education has risen from 12 per cent in the late 1980s to nearly 20 per cent today.<sup>39</sup>

Military spending also distorts poor countries' economies over the long term and damages their prospects for economic growth by diverting investment, production and scarce trained personnel into the military sector. The flawed argument that military spending injects a boost into domestic industrial development holds even less water the poorer the country, as the poorest countries tend to rely the most heavily on arms imports. Scarce foreign exchange is thus squandered on arms, while military debt service now accounts for as much as a third of the total, according to the World Bank.<sup>40</sup>

## THE ROOTS OF CONFLICT

The bleak cycle of poverty, conflict and environmental decay can only be ended when security strategies are redirected towards confronting their economic and political root causes. Governments have to tackle the glaring world inequalities and pressing unfulfilled needs upon which conflicts breed.

The causes of conflict, as we have seen in earlier chapters, cannot be reduced to one-dimensional formulas. Nevertheless, as SIPRI has concluded:

Often internal security problems such as civil war or the loss of legitimacy of the government or even the state are directly attributable to economic crises, as in much of Africa. The central problem in the developing world is that of economic security.<sup>41</sup>

The failure of development to meet people's most basic aspirations leads to festering frustration and anger upon which some of the most bloody Third World civil conflicts feed.

In a number of open or simmering civil conflicts, the majority are kept from a fair share of the country's natural and economic wealth by a small minority (sometimes also ethnically distinct) who protect their interests by the threat of armed force. With growing pressure on diminishing natural resources, such conflicts may grow. The struggle for fairer access to land has been the basis for some of the most brutal and long-running Third World conflicts. In El Salvador, the peasant majority have been crowded onto the poorest, most ecologically vulnerable land, because two per cent of the population – the 'Fourteen Families' – controlled 60 per cent of the country. In Brazil in 1991, 54 people died in 383 land conflicts involving 242,000 people.<sup>42</sup>

The struggle over water is also a focus for conflict. For example, nearly 40 per cent of the groundwater Israel uses originates in the occupied territories, but it has denied permission to Arabs to drill for water; Jewish settlers consume four times per head the water that Arabs do.

Many of these cycles of civil conflict and underdevelopment have international dynamics – through financial and trade policies. Debt has been called the 'oxygen of the fire of war' by development writer Susan George.<sup>43</sup> This is shown in the immediate outpouring of anger at swingeing social cutbacks caused by debt packages, and in the remorseless desperation and hopelessness of the poor who are the main recruits of guerrilla armies across the world. The violence spawned by drugs growing shows how international economic pressures and local poverty combine to sow the seedbed of conflict.

### *The drug wars*

Many peasant farmers growing coca in the Andean countries of Latin America are fleeing poverty, economic crisis and political violence. Inhabitants of the Chapare, Bolivia's main coca-growing region, came there fleeing poor land and low prices for their traditional crops – often under government and aid-backed schemes in the 1970s. Others were miners who lost their jobs when the international price of tin collapsed, and with it the Bolivian economy, in 1985. In 1993, a GATT report on Bolivia called on rich nations to cut their farm subsidies and open their markets as a way of supporting moves away from drug production. When the coffee price plummeted by half in 1989, the *International Herald Tribune* noted that the US 'had offered aid in the war against the cocaine dealers, but that aid is trivial compared to the enormous losses to which the international quarrel over coffee is subjecting them.'

An estimated one and half million people directly rely on growing coca in Bolivia, Colombia and Peru<sup>44</sup> – even though coca farmers only receive around 1 per cent of the final street value of cocaine. In Bolivia one in five of the economically active population is estimated to owe their income in some way to the cocaine trade, which is the country's biggest foreign exchange earner.<sup>45</sup> The cocaine trade has brought the Andean countries violence, corruption, growing numbers of young people addicted to the drug and environmental damage. But farmers go on growing because they have little other choice. As one Bolivian farmer said: 'Coca is the last resource we have. Foreigners come and tell us to grow different things but the soil has been spoilt by coca and we have no market or transport for other products.'<sup>46</sup>

Instead of addressing these economic causes of drug production, the importing countries, led by the US, have made coercion their main weapon. In 1989 President Bush announced a 'war on drugs', centering on the Andean Initiative, a five year \$2.2 billion plan to curb cocaine production<sup>47</sup> – half of which was earmarked for military and police assistance.

Britain has been a strong supporter of the US approach.<sup>48</sup> British aid and Foreign Office funding has been supplied for drugs-related training and equipment for police and customs officials from Indonesia to the Caribbean. In 1989 John Major, as Foreign Secretary, promised to support the US strategy with a first tranche of what would be 'substantial' British aid in the form of training and technical assistance to Colombia in the war against drugs, which would 'draw on our experience of fighting terrorism'.<sup>49</sup> In 1990, the *Sunday Express* reported on the involvement of an SAS team 'under a cloak of secrecy' which had been sent to Colombia to 'pass on their skills to Colombia's internal security and intelligence agency'.<sup>50</sup> Colombian security forces have a prominent role in human rights abuses.<sup>51</sup>

The failure of the war on drugs illustrates that military answers offer no long-term solutions to the 'new' agenda of Third World 'security threats'. First, cocaine production has grown – as has consumption in both the US and Europe. A leaked Pentagon memo on US policy in January 1992 stated that the Andean Initiative had so far 'only marginally impacted on the narcotraffickers'.<sup>52</sup> Second, in a region just struggling to emerge into democracy and away from the dominance of the military in political life, it has bolstered the military. The presence of foreign troops involved in coercive measures against peasant growers threatens to build support for guerrilla movements. A US Congressional watchdog reported that US officials do not have 'sufficient oversight to provide

assurances that the aid is being used as intended for counternarcotics purposes and is not being used primarily against insurgents or being used to abuse human rights'.<sup>53</sup>

Alternative approaches, tackling the problem at the roots, are possible. Britain does support international programmes to help put in place rural development schemes to give the poor an alternative to growing drugs. But such crop substitution programmes remain grotesquely underfunded in relation to the scale of the problem – and in comparison to international resources spent on fighting drugs-growing with weapons.

## A BRITISH BUDGET FOR REAL SECURITY

WDM has argued for a shift in the emphasis of security policy to take account of all people's real security needs and the changing world. This recognizes:

- the end of the Soviet military threat and consequent need for NATO to scale down further its huge forces;
- the logic of reducing the disproportionate military burden Britain bears compared to its major European allies;
- the need to reject the growing thesis that 'threats from the Third World' provide a new rationale for not cutting forces;
- the potential for substantial long-term gains for jobs and economic growth to be reaped from reallocating military spending to other areas;
- the terrible human and economic costs of failing to tackle the poverty, global inequality, environmental pressures and militarization which constitute the most fundamental threats to global security.

Shifting the traditional emphasis on military power as the primary means by which governments claim to protect their citizens is a huge and multifaceted task. But it must be undertaken before the broken mould of East–West divisions hardens again along an even more damaging North–South line of confrontation. Policies to meet this challenge require a redirection of British military spending. Just how Britain could change its budget priorities in line with promoting 'real security' is set out below. To find the resources for such a shift means reducing the amount of national wealth spent on the military by half, to 2 per cent of

GNP, the average of Britain's major European partners, by the year 2000. This cut-back on military spending presents two major policy issues: first, the wider effects on the economy and jobs and, second, the military implications of where the cuts would fall.

### *The arms industry and jobs*

Halving British military spending is achievable. In fact, such a reduction is small compared to Britain's post-Second World War reductions and is comparable with cutbacks after the Korean War – both successfully implemented. Nevertheless, against the background of recession the prospect of high-profile job losses has led some to argue that the public enthusiasm for reaping the peace dividend is turning to a fear of a 'peace penalty'. In 1992 there were 433,000 jobs in the armed forces (about two-thirds services, one third civilian) and an estimated 135,000 jobs directly dependent on MoD contracts in the arms industries.<sup>54</sup>

The potential impact on the industry cannot, however, be examined in isolation from the wider economic implications of reducing military spending. After reviewing historical studies and economic projections of the effects of arms spending on jobs, three Cambridge and London economists recently stated that:

The almost unanimous conclusion of these [studies] is, despite the predilection of economists to see a cloud behind every silver lining, that in economic terms disarmament is an opportunity, not a problem.... There is no evidence that cuts in military spending in conjunction with sensible macro-economic policies would cause an increase in total unemployment.<sup>55</sup>

They predicted that cutting UK military spending by 50 per cent by the end of the decade – as recommended here – could, in fact, create half a million jobs and add 2 per cent to the economy's growth over the period. The central reason for this is that while military cuts would hit jobs in the arms industry, they would also allow government to spend in other sectors which create more jobs per pound (in turn allowing these people to spend and create further jobs). In their model, the economists assume money is redirected across the range of government spending. WDM's Budget for Real Security allocates half to domestic spending and half overseas. However, even the savings earmarked for promoting real security overseas would have major pay-backs for Britain.

There is a notion that aid is something spent 'over there' and therefore is a net loss to the British economy. The reality is very



different. Over 70 per cent of Britain's country-to-country aid is tied to buying British goods and services – from Land Rovers to power stations. For every one pound Britain puts into aid through international agencies, it gets back one pound forty pence. Even if stricter rules on untying aid were implemented, Britain would still be likely to get a good share of the business generated; indeed it might well gain. Debt relief too would bring benefits. According to one estimate, Europe has lost between half and three-quarters of a million jobs, as debt-strapped countries have had to cut back savagely on their imports. Britain, still a trading nation with a traditionally strong presence in the Third World, has suffered particularly from this process.

While reduced military spending could be a major opportunity for British jobs and the economy overall, programmes would still be needed to cushion the immediate jobs fall-out. Arms-reliant industries would need help to switch to civil production and develop strategies to diversify away from reliance on government funding through arms contracts to a successful high-technology civilian sector.<sup>56</sup> In the US, such a strategy has become a major plank of government policy, with \$1.3 billion being spent on arms industry conversion in 1993. Gene Sperling, deputy economics advisor to President Clinton, said the defence conversion programme was a 'major sea change in economic policy' and that:

from soldiers to scientists, it is morally right and economically right that we seek to redirect the energies and talents of the people who were responsible for winning the Cold War to the new investments in the economy that we need for national economic security.<sup>57</sup>

In Britain, although the government actively intervenes to support arms contracts, it insists that any conversion to civilian production must be left to the market. Three trade union leaders representing workers in the industries affected stressed that they:

welcome without reservation the moves to a safer world. However, the one million British people whose livelihoods depend on defence spending deserve better than to be dumped on a government scrapheap.... As a matter of urgency Britain needs to plan the inevitable forthcoming changes so they do not result in vastly increased unemployment and economic disarray.<sup>58</sup>

In 1993, the conference of the Transport and General Workers Union passed a motion calling for 'a reduction of defence spending in Britain

to the average level of other Western European countries'. It argued for the establishment of a Defence Diversification Agency and for the government to help channel resources into regeneration of Britain's manufacturing base where the 'industries could be developed by industries currently making military equipment'.<sup>59</sup>

Domestically, then, an agenda of action for conversion is needed which might include the government setting up the following:<sup>60</sup>

- a Conversion Agency within the DTI as a centre of export advice for those seeking to demilitarize their industry;
- a low interest fund to finance conversion, retraining etc;
- redirecting the 44 per cent of the government research and development budget which goes on the military to key civilian areas of the future – micro-electronics, biotechnology, telecommunications, robotics, civil aviation, computers, software – areas in which our low-military-spending competitors like Japan and Germany so often outstrip us;
- tax incentives and the strategic use of the government's civilian procurement budget to support conversion.

These elements of a national strategy should be part of a wider European approach and could be linked with existing collaboration on major civilian high-technology development programmes. They also require action at a regional and local level in Europe.

### *Military implications*

The second major argument advanced against such a cutback is that it would cause an unacceptable loss of British military capability. The identification of new military threats against which we must be armed, as these critics would argue, has already been discussed in some detail. The point here is not to advocate the details of a precise package of cuts but to show that it should and could be done, while still leaving Britain with modern, well-equipped armed forces on a par with our European allies. The cuts suggested would still leave ample resources to ensure Britain was able to fulfil the two core military objectives of defending British home territory and coastal waters; and playing a major part in overseas deployments within carefully worked out UN-controlled, or other non-partisan, forces when called upon – for example in peace-keeping.

The key areas to tackle in achieving a 50 per cent reduction are:

- stopping the expansion of Britain's preparations to fight wars in the Third World and curtailing funding which increases militarization in the Third World;
- cutting weapons systems and personnel not needed because of the end of the Cold War; and
- winding down Britain's end-of-empire overseas deployments.

Not expanding Britain's military capability for Third World involvement would mean cancelling such things as major new projects for amphibious capabilities. The first criterion would also mean curtailing funding for promoting arms sales and militarization in the Third World, including the closure of DESO; ending ECGD credits for military equipment; halting military aid and training for Third World countries (at least until a full and open review is carried out); and cutting back on military-related anti-drugs programmes.

The second criterion would lead to a major reduction of army and air force deployments in Germany, the cancellation or scaling down of expensive equipment projects (such as the Eurofighter 2000 or Challenger 2 tank) and other measures such as:

- further cutbacks on submarines allocated to the Eastern Atlantic;
- scaling down the number of frigates to about 25 (from the 48 in 1990 and the 35 envisaged in the White Paper);
- cutting RAF squadrons to 14 (from the 33 in 1992 and the 24 planned for 1995); and
- reducing central support services and training in line with overall reductions in service personnel.<sup>61</sup>

The third criterion would include winding down involvement in Belize (where withdrawal has already been announced), Hong Kong (planned after 1997 when it reverts to China), and possible reductions in the Falklands if diplomatic negotiations could achieve the necessary assurances.

#### *Investing in real security – the financial implications*

Under these proposals Britain's military spending would fall at about 8.5 per cent a year to about £12 billion a year (in current prices) by 1999/2000 from the £22.7 billion planned for 1995/96.<sup>62</sup> This would

generate total savings of £42 billion – representing £1000 of every British adult's tax over the period (rising from £50 a year in 1994/95 to £300 by the year 2000).

WDM's Budget for Real Security would see half these resources redirected into British efforts to promote real security around the world, and half into domestic spending. Each of these halves could then be split again to fund equally four programmes to:

1. achieve the UN aid target of 0.7 per cent of GNP by the end of the decade, with money concentrated on programmes to tackle poverty directly, rebuild after conflict and help the victims of war;
2. cancel the poorest countries' debts and fund initiatives to resolve conflicts through diplomacy and other peaceful means;
3. invest in a programme for shifting Britain's economy away from making arms to civilian production and jobs;
4. allocate funds towards other pressing needs at home in a time of constrained government budgets.

#### *Aid*

Earmarking a quarter of the savings from military spending cuts for aid would fulfil an international recommendation set out by the United Nations Development Programme (UNDP).<sup>63</sup> It identifies two broad areas which should have priority call on the resources released by defence cuts: 'the urgent social problems in many industrial nations, from homelessness to drug addiction, and the wide range of development needs in the Third World'. It would enable Britain to reach by the year 2000 the UN target of 0.7 per cent of GNP spent on aid. Current spending planned for 1994/95 is £1900 million which gives an aid/GNP ratio of approximately 0.30 per cent. Increasing aid to developing countries (excluding Eastern Europe and the former Soviet Union) by £500 million each year, starting in 1994/95, would allow for a budget of £4900 million (at current prices) by the year 1999/2000. This would enable Britain to show an aid/GNP ratio of 0.77 instead of the likely further decline in the ratio expected in the next few years. Britain would have then reached the target 30 years after it was adopted by the UN and more than 25 years after being accepted by the British government, but would still expect to have a ratio lower than Norway, Denmark, Sweden and the Netherlands.

Increasing Britain's overseas aid budget to the UN target would also remove fears expressed by the House of Commons Foreign Affairs

Committee that the country's bilateral aid programme will be squeezed to unacceptably low levels by the escalating demands of commitments to the EC's development cooperation programmes (set to rise by 35 per cent by 1995/96) and the rapidly escalating emergency relief budget, up fivefold from £34.7 million in 1987 to an estimated £171.7 million in 1992/93. Part of this money is represented by the nearly £9 million ODA has had to refund to the Ministry of Defence between 1988 and 1992 for 'providing humanitarian services' such as RAF airlifts, notably Operation Safe Haven for the Kurds in Northern Iraq. As the ODA itself notes, 'this money spent on saving lives now is at the expense of funds for development and improving people's lives in the future'.<sup>64</sup>

A fully funded ODA programme will not have to face this unacceptable dilemma. The increase in aid could thus be used to promote real security, first, by ensuring that Britain had enough emergency funds to react to disasters around the world – many of them conflict-related – without digging into long-term funds. Second, it would enable expansion of assistance for countries and communities suffering from the effects of conflict or just emerging from war. Rehabilitation programmes are vital if fragile peace deals are to last. Help in rebuilding infrastructure, mine clearance and refugee resettlement would be primary candidates for such aid.

Third, it would fund programmes to tackle long-term causes of insecurity. A key need would be to increase the level of aid funds going directly to tackle poverty. UNDP has set a modest target of spending a fifth of aid on providing basic needs (which it defines as primary health care, sanitation, nutrition, clean water, primary education and family planning). At present, Britain spends only an estimated 8.8 per cent of its bilateral aid on these basic needs. Reaching the target of one fifth by the year 2000 would mean that Britain could spend nearly a billion pounds on these pressing needs (ten times what it does at the moment). This would be enough, for example, to pay for the estimated costs of ridding the world of polio. A 'basic needs' aid package which Britain could fund by the end of the decade could, for example:<sup>65</sup>

- provide basic health care services to 500 million of the world's poorest people;
- bring safe, piped drinking water to 4000 Indian villages and 20 small towns;
- supply a programme of improvements to the living conditions of 8 million Indian slum dwellers.

Remaining aid funds could also be channelled into economic development and environmental initiatives to benefit the poorest. Britain could, for example, contribute £22 million to match the French contribution to the International Fund For Agricultural Development's (IFAD) second Special Programme for Africa with its proven track record in helping the poorest farmers grow food, especially in drought-affected and desert-prone countries. Britain would also be able to contribute funds towards programmes to put into action the Agenda 21 programme of action for sustainable development, agreed at the Rio Earth Summit.

### *Debt and diplomacy*

The second tranche of funds released from military spending would go to non-aid initiatives for promoting real security worldwide. One third of this money (ie £3 billion) would be enough to write off about 80 per cent of the debts owed to Britain by the poorest countries, in a deal to enhance the Trinidad Terms debt relief initiative along lines already suggested by the government.<sup>66</sup> The rest of the money could then be used to strengthen Britain's ability to solve conflicts through diplomacy and other peaceful means.

While the German and French governments have each increased spending on their diplomatic services, the British Foreign Office is being squeezed.<sup>67</sup> This is at a time when there is an unprecedented upsurge in the demand for diplomatic efforts to resolve conflicts and to support UN peacekeeping operations. Between 1983 and 1988, Britain's average annual contribution to UN peacekeeping was £10.5 million but by 1992 it had grown to £93.5 million.<sup>68</sup> In April 1993, *The Times* reported that 'peace keeping is expected to cost Britain an estimated £200 million in the current financial year – more than one-third of the Foreign Office's running costs'. Peacekeeping costs may not continue to grow at that rate, but the current level is unsustainable without the additional funding for the Foreign Office that is possible under the Budget for Real Security. This would fit with the spirit of UN Secretary-General Boutros Boutros Ghali's call in his *Agenda for Peace* to shift the cost of funding UN peacekeeping efforts from foreign ministry budgets to defence budgets.

### *Real security at home*

The remaining half of the savings could then be used, first, to pay for

the investment needed to put in place a comprehensive programme of central and local government action to fund the transition away from a military-reliant economy – of the kind outlined in the agenda for conversion. This could leave a final quarter of the savings to fund programmes to meet important social needs – from health to homelessness – which would also contribute to efforts to help stimulate the economy and create jobs in the process. Extra resources for domestic spending would also help ease the way for cutting Britain's large public sector deficit.

## LOOKING BEYOND BRITAIN

Redirecting current military spending into areas that improve real security for all people is a central but partial answer to securing a well-developed world. Another requirement is for a much more open, accessible and wide-ranging approach to security issues. In Britain, as the Scott Inquiry into arms to Iraq has shown, the first step to redress the policy contradictions arising in the post-Cold War world is to increase public information on and political accountability over the government's arms trade policy. Without change, Britain will go on bolstering the violent regimes and regional arms races killing people in the Third World – and from which ultimately, as Iraq shows, we cannot isolate ourselves. The government should make available a register of arms export licence applications – with the right of Parliament to inspect, debate and veto such applications (along the lines of a system in operation in the US) in the light of their implications for human rights, development and regional security.

In an increasingly interdependent and interconnected world – from financial and communication networks to commercial and trading institutions – a broader, less nationalistic and military-reliant approach to security is needed. Work to bring this about must start at the national level, but cannot end there. Strategies for change must match the high-level international coordination of policy shaped by key institutions, such as NATO, which remain deeply imbued with the orthodox assumptions about 'security'.

The ratification of the Treaty on European Union (the Maastricht Treaty) means that the EU could be one of the most important institutional arenas for this debate in the next few years. The cause of some of the most ferocious debate, the Treaty's provisions for a Common Foreign and Security Policy (CFSP), opens the door for

significantly greater coordination of security policy at an EU level, including 'eventually, the framing of defence policy'.

The stated aims of the CFSP include:

- preserving peace and international security in accordance with the UN charter;
- promoting international cooperation; and
- consolidating respect for human rights.

The CFSP will be applied by 'establishing systematic cooperation between member states'. Full-blown 'joint action' is to be introduced 'gradually... where the member states have essential interests in common'. Much remains to be decided: the speed and degree to which EU member states will in practice move down the path of Europeanizing security policy; the approach and content of any emerging EU security policy; and how any changes will affect the South.

The tide of political opinion behind the most ardent proponents of European unity may have slackened off. But those wishing to influence the direction of security thinking would be foolish not to shift greater attention to the EU level. The present lack of clarity about policy directions must be grasped as an opportunity to mould them. This means greater debate amongst ngos, academics and campaigners across Europe in order to develop a strategy for influencing the decision makers.

One starting point for ensuring that promoting development is at the heart of an emergent common policy could be the Treaty's commitment to ensure the 'consistency of measures carried out under the CFSP with measures carried out by the Community in the context of external economic relations and development co-operation'. This consistency would have to have regard to the Union's commitment elsewhere in the Treaty to foster the 'lasting economic and social development of the developing countries, and most especially the most disadvantaged of them' and its backing to the 'campaign against poverty'. The challenge is to make the grand words match the policy reality.

Proposals for controls on the EU's trade in arms and dual-use equipment with the rest of the world (18 per cent of the world total) reflect the deep lack of clarity in practical policy due to the Treasury's uneasy compromise between member states on this issue. A clearer EU policy is now an urgent priority, not only because of the moves to a CFSP, but also because the Single Market presents the danger of arms

producers in one member state exploiting the lack of internal barriers to export weapons out through the country with the weakest export controls.<sup>69</sup>

Dual-use goods (those with both military and civilian uses) were meant to have been dealt with under the Single Market provisions; but the details of the regulation have still to be settled. Within the Maastricht Treaty, the issue of a common European policy on arms export regulation is recognized – but fudged and postponed in reality. The broad framework for a policy does, however, exist in a European Council statement of June 1991 setting out seven criteria on arms exports. These included: respect for UN sanctions and other measures; respect for human rights in the importing country; internal tension and conflict in the country of destination; regional peace and stability; and the possibility of arms being diverted or re-exported from the country involved.

But the statement's broad principles need to be tightened up with detailed and objective criteria for control if they are to work and are not to be interpreted in the way most politically expedient for the exporter. Action at a European level must also go hand-in-hand with attempts to press for controls in other countries (such as present attempts to do so in the US) and through multilateral fora such as the UN.