



MILITARY SPENDING AND HUMAN DEVELOPMENT: SETTING PRIORITIES RIGHT IN THE ERA OF COVID-19

By

Aamna Rafiq

Research Associate

Arms Control & Disarmament Centre, ISSI

Edited by

Najam Rafique

May 10, 2020

(Views expressed in the brief are those of the author, and do not represent those of ISSI)



According to the latest statistics released by the Stockholm International Peace Research Institute (SIPRI), global military expenditure in 2019 has increased 3.6 per cent as compared to 2018 and represents 2.2 per cent of global gross domestic product (GDP). This upsurge has been declared as the highest annual military spending since 2010 and reached US \$1917 in 2019.¹ The global arms transfer in 2015 – 2019 was 5.5 per cent higher than in 2010 – 2014.² This time two Asian countries, India and China made it to the top five. It has come as no surprise because military spending in Asia is constantly increasing since 1989.³ Both countries have the lowest Human Development Index (HDI) ranking among the top ten global military spenders.⁴ However, the performance of other top military spenders on HDI is not as impressive as their military build-up (Table 1) and the recent coronavirus crisis has badly exposed this reality. This is a time when countries could set their priorities right by choosing human development over the excessive military modernization.

¹ "Global military expenditure sees largest annual increase in a decade...," *Stockholm International Peace Research Institute (SIPRI)*, last modified April 27, 2020, <https://www.sipri.org/media/press-release/2020/global-military-expenditure-sees-largest-annual-increase-decade-says-sipri-reaching-1917-billion>.

² "Trends in International Arms Transfers, 2019," *Stockholm International Peace Research Institute (SIPRI)*, last modified March, 2020, https://www.sipri.org/sites/default/files/2020-03/fs_2003_at_2019_0.pdf.

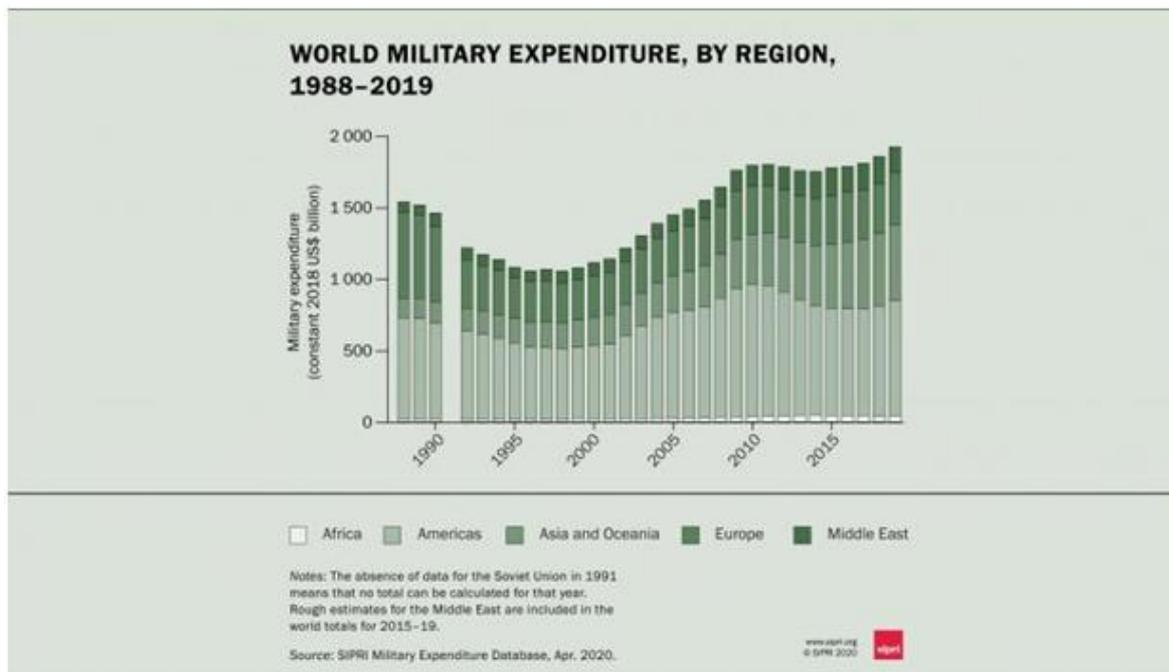
³ "Global military expenditure...," *SIPRI*.

⁴ "Human Development Report (2019)," *United Nations Development Programme (UNDP)*, accessed May 2, 2020, <http://hdr.undp.org/sites/default/files/hdr2019.pdf>.

Table 1: Level of Human Development in Top Ten Global Military Spenders (2019-20)

Global Military Expenditure Rank	Countries	Annual Military Expenditure (Current US \$ Million)	Global Arms Exporter Rank	Global Arms Importer Rank	Human Development Index (HDI) Rank (Total 189)
1	United States	731751.4	1	13	15
2	China	261081.9	5	5	85
3	India	71125.0	23	2	129
4	Russia	65102.6	2	---	49
5	Saudi Arabia	61866.7	---	1	36
6	France	50118.9	3	---	26
7	Germany	49276.8	4	---	4
8	United Kingdom	48650.4	6	18	15
9	Japan	47609.0	---	16	19
10	South Korea	43890.9	10	7	22

Source (s): *SIRI Military Expenditure Database, April 2020.*
SIPRI Arms Transfer Database. March 2020.
United Nations Development Programme (UNDP), Human Development Report, 2019,



The United Nations (UN) recognized this imbalance and its dire consequence for humanity decades ago. Article 26 of “the UN Charter” promotes “the maintenance of international peace and stability

through least diversion of global economic resources for armaments.”⁵ The UN Secretary General Antonio Guterres is also determined to align the international arms control and disarmament regime with the 2030 Agenda for Sustainable Development through his new disarmament agenda. According to Mr. Guterres, “Excessive spending on weapons drains resources for sustainable development.”⁶ Despite an increasing UN focus on diverting valuable resources from extreme military build-up to lasting human development, states across the globe continue to ignore the link between military spending, human development, and surviving a pandemic.

According to the latest data published by the UN Development Program (UNDP) on COVID -19, countries with better performance on HDI are more likely to survive the pandemic. The population in these countries is less vulnerable to “multidimensional poverty” because of the high employment rate, increasing remittance inflows, robust social protection and labor programs. This enables them to sustain in the face of immediate economic vulnerability due to pandemic e.g. Norway, Switzerland, Ireland, and Iceland. These countries, placed in the group of highly developed countries on HDI, can successfully survive through the economic setbacks of COVID-19. The low rate of economic inequality, health expenditure and medical infrastructure makes them the most prepared countries in terms of response to the pandemic.⁷

Taking into account the trends of previous global economic crises and the recent economic downturn due to COVID-19, SIPRI has predicted a reduction in future military spending.⁸ Expecting a decline in future military spending as a result of COVID-19 seems to be a realistic assessment at this juncture of time. But the accurate assessment of the impact magnitude is highly dependent on the duration of this crisis. If states somehow manage to control this pandemic within a year, then this reduction in future military spending will be a temporary interruption. However, if COVID-19 lasts for two or more years, like the Spanish Flu, then it might cause a shift in global military spending patterns.

⁵ United Nations, Charter of the United Nations, accessed May 06, 2020, <https://www.un.org/en/sections/un-charter/un-charter-full-text/>.

⁶ Catherine Benson Wahlén, “UN Secretary-General Announces Initiative for Global Disarmament,” *International Institute for Sustainable Development*, last modified May 29, 2020, <http://sdg.iisd.org/news/un-secretary-general-announces-initiative-for-global-disarmament/>.

⁷ United Nations Human Development Programme, Human Development Dashboard 2: Vulnerability To Pandemics, accessed May 7, 2020, <https://datastudio.google.com/reporting/abd4128c-7d8d-4411-b49a-ac04ab074e69/page/qk3NB>

⁸ Global military expenditure sees largest annual increase in a decade...,” *Stockholm International Peace Research Institute (SIPRI)*, last modified April 27, 2020, <https://www.sipri.org/media/press-release/2020/global-military-expenditure-sees-largest-annual-increase-decade-says-sipri-reaching-1917-billion>

In addition to economic slowdown due to COVID-19, prevailing military mind-set and great power competition among states are important factors to be taken into account while predicting the future of global military spending. The ongoing massive social, political, economic and human loss due to COVID- 19 could have revived global attention on human development but instead, it has made the existing fault lines of the global strategic landscape more visible and deep. US and China are embroiled in the vicious circle of accusations regarding the origin of the virus and blaming each other of biological warfare. At the same time, conflict between US and Iran is escalating. Iran is among the list of countries which has been hit hard by the coronavirus pandemic, yet still it managed to launch its first military satellite. The entire humanity is struggling due to coronavirus pandemic but North Korea has conducted 8-9 missile tests in a single month which is the highest number since 2016.⁹ Russia tested its Anti-Satellite (ASAT) missile last month.¹⁰ US Army also conducted a test of its “Precision Strike Missiles” recently.¹¹ US has decided to pull out two batteries of its Patriot Missiles and combat aircrafts from Saudi Arabia amid recent oil price tensions.¹² The global economic crunch due to this pandemic will cause shifts in global military spending and strategic alliances while escalating the existing conflicts among states. The only sector which will remain unchanged will be the global approach on human development.

⁹ “North Korea Hails ‘Super Large’ Launcher Test As Virus Timing Condemned,” *BBC*, March 30, 2020, <https://www.bbc.com/news/world-asia-52087810>

¹⁰ “Russia Tested Anti-Satellite Missile, U.S. Says,” *The Moscow Times*, April 16, 2020, <https://www.themoscowtimes.com/2020/04/16/russia-tested-anti-satellite-missile-us-says-a70007>

¹¹ Ankit Panda, “US Army Conducts Third Test of Precision Strike Missile,” *The Diplomat*, May 06, 2020, <https://thediplomat.com/2020/05/us-army-conducts-third-test-of-precision-strike-missile/>

¹² “US Pulls Anti-Missile Systems From Saudi Arabia Amid Dispute,” *The Washington Post*, May 8, 2020, https://www.washingtonpost.com/world/national-security/us-pulls-anti-missile-systems-from-saudi-arabia-amid-dispute/2020/05/07/fafb0f70-9094-11ea-9322-a29e75effc93_story.html