

Rising cost of Britain's war drive to fall on working people

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There are to be no “financial restrictions” placed on Britain's military operations against Serbia, Alan Milburn, chief secretary to the Treasury, announced on Tuesday.

Giving evidence before the Commons Treasury Committee, Milburn admitted that the seven-week NATO bombing of the former Yugoslavia has so far cost the UK almost £100 million. These costs were climbing, he continued, and it was “virtually impossible” to say what the end figure would be.

Milburn said that expenditure until the end of April was comprised of some £40 million in humanitarian aid and £37 million on military expenditure. This was in addition to the normal Ministry of Defence budget. His answer was meant to refute claims by defence analysts that the war was costing Britain £3 million a day.

However, Milburn's figures excluded a number of major items. The estimate does not include the cost of replacing depleted munitions, which is expected to run into the millions as NATO daily escalates its bombing campaign and refuses to countenance any immediate stoppage.

His report also left out the potential expense of sending in ground troops, which significant sections of the British establishment and media are demanding. There are currently some 16,600 NATO troops stationed in Macedonia and Albania. The Allied Rapid Reaction Corps is attempting to build up a minimum 30,000-man force in Macedonia, where the proposed Kosovo Force (Kfor) is stationed, ready to police any settlement. Britain so far accounts for a total of 6,300 troops and an arsenal comprising 28 Challenger tanks, 80 Warrior armoured fighting vehicles, 12 AS90 self-propelled guns and 20 Scimitar light reconnaissance tanks.

But, according to the *Times*, the bulk of these forces

are not equipped as an invasion force. Only the 5,700 US soldiers, who came as a “protective force” alongside the Apache helicopters and Abrams tanks, would be able to easily switch roles. A minimum of 40,000 to 60,000 troops would be required if NATO were to invade. Besides the political headache of agreeing which countries would contribute ground forces, the UK government has not financially accounted for such an operation.

The Treasury estimate also excludes the cost of repairing the damage in Kosovo caused by NATO's bombings—re-housing millions of homeless refugees, re-establishing water and power supplies, etc. Such reconstruction would “require substantial international burden-sharing in which the UK will play a role”, Milburn admitted. John Llewelyn, global chief economist at the investment bank Lehman Brothers—who has estimated the cost of one month's NATO bombing at \$3 billion (£1.8 billion)—said that humanitarian expenditure, including re-housing, would be approximately £13 billion.

Milburn went on to claim that “on any likely military scenario, the cost of operations poses no threat to public finances”. In fact, the government has not made clear where the money will come from, saying only that it will be met out of the budgets of other government departments and central contingency reserves. Labour has allocated just £1.2 billion for the latter this financial year.

Nonetheless, Milburn's casual remark highlights a glaring discrepancy in Labour's professed “humanitarian” agenda. Whilst the Treasury is apparently prepared to write a blank cheque for military expenditure, it has proved far more miserly in its attitude towards the Kosovar refugees. It has pledged just \$1.1 million, including public donations, towards

sheltering refugees and has allowed less than 400 into the country. On the same day as Milburn spoke, the UN Refugee Agency warned that it was running out of money to help those fleeing Kosovo because the European Union countries were failing to pay their share of the costs. The British government is amongst the least generous donors, having stumped up just £490,000 in cash towards relief operations that have so far cost £43 million.

Those refugees making it to Britain face tremendous poverty, as Prime Minister Tony Blair presses ahead with plans to severely restrict the amount of financial help asylum-seekers will receive. Under Labour's new Immigration and Asylum Bill, a family of four claiming asylum will receive a total "support package" of £90.80 a week, to pay for all their food and accommodation needs. Much of the package consists of vouchers. Just £21 a week will be paid in cash, a daily allowance of £1 for adults and 50p for children. Those asylum-seekers with an independent means of subsistence—including what few personal possessions they might have, such as jewellery—will not be regarded as destitute and must first sell them before being given anything.

Labour's attack on asylum provisions has been justified using the same rationale with which it has carried through spending cuts in virtually every area of welfare provision, i.e., that they are no longer "affordable". This week Parliament is set to approve the government's Welfare Reform Bill. Cuts in incapacity benefit will plunge an estimated 170,000 disabled people into poverty. The bill implements just part of the £14 billion cuts in public spending over the next three years outlined in the last budget. Milburn's reference to the cost of military expenditure being borne by other "government departments" indicates that these cuts have already proved to be inadequate, and that more are to come to pay for Labour's Balkan war.



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