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Unchecked and opaque militaries threatening Asian stability

Transparency International warns that unchecked military power in Asia is a threat to regional stability.

Several Asian powers are at high risk of corruption posing a threat to stability in the region according to a new Government Defence Index from Transparency International.

Six of the seventeen states assessed in the index receive either E or F grade, representing either a “very high” or “critical” risk of defence corruption. India was awarded a D indicating high vulnerability to corruption.

Katherine Dixon, Programme Director Transparency International Defence and Security, said:

“In many countries across the region, military budgets are growing faster than oversight capability, creating a huge risk that public funding is wasted or stolen. It’s clear these risks are undermining national security and destroying public confidence in India.

“Effective and independent oversight of defence expenditure is critical to getting this right.”

The region has some of the most rapidly growing defence budgets in the world, with the 17 countries studied in this report spending approximately \$432.7 billion on military expenditure in 2014, or 24.5 % of global military spending.

But much of this spending remains highly secretive. Oversight of defence budgets, essential to holding military elites to account, is often minimal.

Dixon added:

“Asia is home to some of the most rapidly expanding military capabilities in the world, but it’s not just the size of budgets that matters.

In a highly populated region, with overlapping territorial claims and rising defence spending, stability depends on establishing clear standards for the way military power is governed, based on accountability to citizens and basic transparency.

This is what being a responsible power in the 21st Century should mean.”

Across the region, New Zealand, Australia, Taiwan, Japan and Singapore top the index with strong institutional controls over military spending and policy. South Korea, where the Government has taken a strong public stand against defence corruption, also scored ahead of the regional average.

In contrast, China accounts for around 30% of the world’s most secretive spending. In theory, defence policy is supervised by the National People’s Congress, but the US congress receives more information about Chinese military capability and defence budget.

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The report highlighted low public accountability of defence institutions in India, despite the existence of independent agencies such as the Public Accounts Committee (PAC), and the Controller and Auditor General (CAG). A weak institutional framework for defence procurement was also identified as a major gap, though the use of Integrity Pacts and commitment by leadership to improving procurement practices were positive.

India is the only democracy with no provisions for legislative oversight of its intelligence agencies, and there is virtually no parliamentary scrutiny of “secret” spending (i.e. spending related to intelligence agencies and national security).

Results:

Country	Risk banding
New Zealand	A
Australia	B
Taiwan	B
Japan	B
Singapore	B
South Korea	C
India	D
Malaysia	D
Philippines	D
Indonesia	D
Bangladesh	D
China	E
Thailand	E
Pakistan	E
Sri Lanka	E
Cambodia	F
Myanmar	F

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Notes to editors:

The Government Defence Anti-Corruption Index (GI) assesses the existence and effectiveness of institutional and informal controls to manage the risk of corruption in defence and security institutions and of their enforcement. Transparency International’s team of experts draws together evidence from a wide variety of sources and interviewees across 77 indicators to provide the government with a detailed assessment of the integrity of their defence institutions.

The 2015 Asia-Pacific report publishes the country risk rankings derived from this data and examines the trends across the region.

The report follows the Middle East and North Africa report published on 29th October 2015.

Forthcoming reports based on the 2015 index will be released on Africa, NATO, the G20, and fragile states.