

Appendix 5B. NATO military expenditure by category

SAM PERLO-FREEMAN

Table 5B.1. NATO military expenditure on personnel and equipment, 1999–2008

Figures are in US\$ m. at 2005 prices and exchange rates. Figures in italics are percentage changes from previous year. Iceland, which has no military expenditure, is omitted.

Country	Item	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<i>North America</i>											
Canada	Personnel	4 945	5 000	5 104	5 329	5 458	5 787	6 099	6 434	7 016	7 002
	Personnel change	<i>1.0</i>	<i>1.1</i>	<i>2.1</i>	<i>4.4</i>	<i>2.4</i>	<i>6.0</i>	<i>5.4</i>	<i>5.5</i>	<i>9.0</i>	<i>-0.2</i>
	Equipment	960	1 413	1 320	1 642	1 651	1 727	1 558	1 629	2 257	2 752
	Equipment change	<i>-23.0</i>	<i>47.2</i>	<i>-6.5</i>	<i>24.3</i>	<i>0.6</i>	<i>4.6</i>	<i>-9.8</i>	<i>4.6</i>	<i>38.5</i>	<i>21.9</i>
USA	Personnel	125 401	129 085	124 894	139 629	159 029	165 273	175 167	171 754	166 821	155 282
	Personnel change	<i>-2.1</i>	<i>2.9</i>	<i>-3.2</i>	<i>11.8</i>	<i>13.9</i>	<i>3.9</i>	<i>6.0</i>	<i>-1.9</i>	<i>-2.9</i>	<i>-6.9</i>
	Equipment	82 072	74 988	88 547	106 232	108 017	118 189	123 321	128 304	135 870	141 779
	Equipment change	<i>-2.3</i>	<i>-8.6</i>	<i>18.1</i>	<i>20.0</i>	<i>1.7</i>	<i>9.4</i>	<i>4.3</i>	<i>4.0</i>	<i>5.9</i>	<i>4.3</i>
<i>Europe</i>											
Belgium	Personnel	3 274	3 148	3 143	3 168	3 261	3 230	3 175	3 159	3 572	3 143
	Personnel change	<i>1.3</i>	<i>-3.9</i>	<i>-0.1</i>	<i>0.8</i>	<i>2.9</i>	<i>-1.0</i>	<i>-1.7</i>	<i>-0.5</i>	<i>13.1</i>	<i>-12.0</i>
	Equipment	313	277	327	314	239	241	271	248	217	403
	Equipment change	<i>12.6</i>	<i>-11.4</i>	<i>17.9</i>	<i>-3.8</i>	<i>-24.0</i>	<i>1.1</i>	<i>12.1</i>	<i>-8.5</i>	<i>-12.2</i>	<i>85.5</i>
Bulgaria	Personnel	..	..	..	..	..	348	335	507	509	503
	Personnel change	..	..	..	..	..	..	<i>-3.8</i>	<i>51.1</i>	<i>0.4</i>	<i>-1.2</i>
	Equipment	..	..	..	..	..	115	111	93.2	185	183
	Equipment change	..	..	..	..	..	..	<i>-3.5</i>	<i>-15.9</i>	<i>98.7</i>	<i>-1.3</i>

Country	Item	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Czech Rep.	Personnel	..	885	928	965	961	1 108	1 043	1 050	998	1 010
	Personnel change	..	..	4.9	4.0	-0.5	15.3	-5.8	0.6	-4.9	1.2
	Equipment	..	464	410	370	447	334	206	323	323	205
Denmark	Equipment change	..	..	-11.6	-9.7	20.7	-25.3	-38.4	57.3	-36.6	57.1
	Personnel	2 206	1 940	1 975	1 940	1 865	1 944	1 904	1 839	1 851	1 735
	Personnel change	-0.6	-12.0	1.8	-1.8	-3.9	4.2	-2.0	-3.4	0.6	-6.2
Estonia	Equipment	419	525	633	503	583	699	388	584	574	705
	Equipment change	-18.1	25.3	20.6	-20.6	15.9	19.9	-44.4	50.3	-1.7	22.7
	Personnel	..	..	..	..	..	62.4	59.6	58.3	88.1	102
France	Personnel change	..	..	..	..	..	..	-4.5	-2.2	51.3	16.2
	Equipment	..	..	..	..	..	24.0	24.3	32.5	71.7	33.1
	Equipment change	..	..	..	..	..	..	1.4	33.8	121	-53.8
Germany	Personnel	30 639	30 315	30 287	30 998	31 001	31 025	30 687	31 179	31 087	30 473
	Personnel change	0.4	-1.1	-0.1	2.3	0.0	0.1	-1.1	1.6	-0.3	-2.0
	Equipment	9 851	9 466	9 700	9 761	10 795	11 297	11 270	12 385	11 651	11 621
Greece	Equipment change	1.1	-3.9	2.5	0.6	10.6	4.6	-0.2	9.9	-5.9	-0.3
	Personnel	25 003	24 959	24 408	24 127	24 065	23 014	22 185	21 200	20 438	19 956
	Personnel change	-0.2	-0.2	-2.2	-1.2	-0.3	-4.4	-3.6	-4.4	-3.6	-2.4
Hungary	Equipment	5 519	5 559	5 677	5 706	5 505	5 744	5 404	5 569	5 435	6 739
	Equipment change	6.1	0.7	2.1	0.5	-3.5	4.3	-5.9	3.1	-2.4	24.0
	Personnel	5 062	5 502	5 506	4 493	4 211	4 779	5 003	5 184	5 583	5 753
Ireland	Personnel change	6.4	8.7	0.1	-18.4	-6.3	13.5	4.7	3.6	7.7	3.0
	Equipment	1 597	1 569	1 308	870	603	451	1 033	1 047	737	1 273
	Equipment change	-1.7	-1.7	-16.6	-33.5	-30.6	-25.2	129	1.3	-29.5	72.7
Netherlands	Personnel	641	736	796	798	849	796	768	733	676	650
	Personnel change	..	14.8	8.2	0.2	6.4	-6.2	-3.6	-4.6	-7.7	-3.9
	Equipment	288	187	175	180	179	192	134	129	176	203
Poland	Equipment change	..	-35.2	-6.6	3.1	-0.4	6.9	-30.1	-3.9	37.0	15.2

Country	Item	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Portugal	Personnel	2 809	2 846	2 924	2 356	2 144	2 164	2 379	2 319	2 240	2 085
	Personnel change	5.7	1.3	2.7	-19.4	-9.0	1.0	9.9	-2.5	-3.4	-7.0
	Equipment	141	223	192	115	202	222	280	271	239	393
Romania	Equipment change	15.2	57.9	-13.8	-40.0	74.9	9.9	26.2	-3.2	-11.7	64.1
	Personnel	..	..	..	..	..	956	1 126	1 231	1 427	1 520
	Personnel change	..	..	..	..	..	..	17.9	9.3	15.9	6.5
Slovakia	Equipment	..	..	..	..	..	483	395	494	263	365
	Equipment change	..	..	..	..	..	..	-18.3	25.0	-46.9	38.9
	Personnel	..	..	..	..	..	384	384	410	435	471
Slovenia	Personnel change	..	..	..	..	..	..	0.0	6.6	6.1	8.2
	Equipment	..	..	..	..	..	79.0	122	106	137	137
	Equipment change	..	..	..	..	..	..	54.2	-13.0	29.0	0.0
Spain	Personnel	..	..	..	..	..	311	329	354	354	389
	Personnel change	..	..	..	..	..	..	5.9	7.7	0.0	9.9
	Equipment	..	..	..	..	..	93.3	48.8	71.9	64.0	46.5
Turkey	Equipment change	..	..	..	..	..	..	-47.7	47.2	-11.0	-27.4
	Personnel	7 050	7 079	7 112	7 168	7 062	7 065	7 127	7 395	7 569	7 901
	Personnel change	0.3	0.4	0.5	0.8	-1.5	0.1	0.9	3.8	2.3	4.4
UK	Equipment	1 232	1 433	1 419	3 035	2 815	2 989	2 885	3 000	2 970	3 311
	Equipment change	-1.3	16.3	-1.0	113.9	-7.3	6.2	-3.5	4.0	-1.0	11.5
	Personnel	7 718	7 161	6 504	6 305	5 605	5 453	5 377	5 383	5 080	5 043
UK	Personnel change	7.2	-7.2	-9.2	-3.1	-11.1	-2.7	-1.4	0.1	-5.6	-0.7
	Equipment	4 187	4 495	4 798	4 333	4 700	3 610	3 070	3 826	2 335	2 731
	Equipment change	36.4	7.4	6.8	-9.7	8.5	-23.2	-15.0	24.6	-39.0	16.9
UK	Personnel	18 048	18 436	19 408	19 866	20 127	19 938	23 249	22 853	22 575	21 711
	Personnel change	-1.4	2.1	5.3	2.4	1.3	-0.9	16.6	-1.7	-1.2	-3.8
	Equipment	12 776	12 416	11 871	11 797	11 505	11 422	12 910	11 992	13 149	12 269
UK	Equipment change	0.3	-2.8	-4.4	-0.6	-2.5	-0.7	13.0	-7.1	9.7	-6.7

NATO Europe (23 countries)										
Personnel	135 811	136 858	136 747	137 762	136 868	139 447	141 538	142 032	133 795	131 666
Personnel change	4.4	0.8	-0.1	0.7	-0.6	1.9	1.5	0.3	-5.8	-1.6
Equipment	43 239	44 329	42 915	44 535	45 226	45 706	45 063	46 306	46 288	48 399
Equipment change	5.7	2.5	-3.2	3.8	1.6	1.1	-1.4	2.8	0.0	4.6
NATO Europe (pre-2004 members; 16 countries)										
Personnel	135 811	136 858	136 747	137 762	136 868	137 143	139 025	139 173	130 642	128 311
Personnel change	4.4	0.8	-0.1	0.7	-0.6	0.2	1.4	0.1	-6.1	-1.8
Equipment	43 239	44 329	42 915	44 535	45 226	44 859	44 297	45 415	45 465	47 513
Equipment change	5.7	2.5	-3.2	3.8	1.6	-0.8	-1.3	2.5	0.1	4.5
NATO Europe (pre-1999 members; 13 countries)										
Personnel	132 106	132 278	131 901	132 880	131 799	132 007	134 042	134 262	125 447	122 855
Personnel change	1.5	0.1	-0.3	0.7	-0.8	0.2	1.5	0.2	-6.6	-2.1
Equipment	42 405	43 261	41 901	43 450	43 975	43 555	43 150	43 905	43 880	45 750
Equipment change	3.7	2.0	-3.1	3.7	1.2	-1.0	-0.9	1.8	-0.1	4.3
NATO total (25 countries)										
Personnel	266 158	270 943	266 744	282 720	301 355	310 507	322 804	320 220	307 631	293 949
Personnel change	1.2	1.8	-1.5	6.0	6.6	3.0	4.0	-0.8	-3.9	-4.4
Equipment	126 271	120 729	132 782	152 409	154 894	165 623	169 942	176 240	184 415	192 929
Equipment change	0.1	-4.4	10.0	14.8	1.6	6.9	2.6	3.7	4.6	4.6
NATO total (pre-2004 members; 18 countries)										
Personnel	266 158	270 943	266 744	282 720	301 355	308 203	320 291	317 360	304 478	290 595
Personnel change	1.2	1.8	-1.5	6.0	6.6	2.3	3.9	-0.9	-4.1	-4.6
Equipment	126 271	120 729	132 782	152 409	154 894	164 776	169 177	175 349	183 592	192 043
Equipment change	0.1	-4.4	10.0	14.8	1.6	6.4	2.7	3.6	4.7	4.6
NATO total (pre-1999 members; 15 countries)										
Personnel	262 452	266 363	261 899	277 838	296 286	303 067	315 308	312 450	299 283	285 138
Personnel change	-0.2	1.5	-1.7	6.1	6.6	2.3	4.0	-0.9	-4.2	-4.7
Equipment	125 437	119 662	131 768	151 324	153 643	163 471	168 029	173 838	182 007	190 281
Equipment change	-0.6	-4.6	10.1	14.8	1.5	6.4	2.8	3.5	4.7	4.5

Notes: The figures in this table are based on NATO statistics on the distribution of total military expenditure by category. The figures here are calculated by applying the shares for personnel and equipment to the figures for total military expenditure converted to constant 2005 US dollars using consumer price indices and market exchange rates from the IMF International Financial Statistics database, <<http://www.imfstatistics.org/imf/>>.

Data is included in the totals for NATO and NATO Europe from the year of accession (1999 for the Czech Republic, Hungary and Poland; 2004 for Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia and Slovenia). Additional series are provided for total spending of the states that were members prior to 1999 (15 in NATO and 13 in NATO Europe; Belgium, Canada, Denmark, France, Germany, Greece, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, Turkey, UK, USA) and for those that have been members throughout the period 1999–2007 (18 in NATO and 16 in NATO Europe) in order to show the trend for a consistent group of countries.

In 2004 the NATO member states agreed on a change in the definition of military expenditure. For all countries except France, Italy, Luxembourg and the Netherlands, figures from 2002 are reported according to the new definition (i.e. excluding 'Other Forces' that are not 'realistically deployable'). Data reported by France, Italy, Luxembourg and the Netherlands does not entirely conform with the new definition. For Greece, Hungary, Portugal and Turkey the change in definitions has made a big difference. All data is reported according to the old definition up to and including 2002 and for personnel up to 2003, creating two breaks in all series except for the countries that have not changed definitions—one between 2001 and 2002 and one between 2002 and 2003.

Sources: NATO, 'Financial and economic data relating to NATO defence: defence expenditures of NATO countries (1980–2002)', Press Release M-DPC-2(2002)139, 20 Dec. 2002; NATO, 'Financial and economic data relating to NATO defence: defence expenditures of NATO countries (1980–2003)', Press Release (2003)146, 1 Dec. 2003; NATO, 'NATO–Russia compendium of financial and economic data relating to defence', Information for the press, 9 June 2005; NATO, 'NATO–Russia compendium of financial and economic data relating to defence: defence expenditures of NRC countries (1985–2005)', Press Release (2005)161, 9 Dec. 2005; NATO, 'NATO–Russia compendium of financial and economic data relating to defence: defence expenditures of NRC countries (1985–2006)', Press Release (2006)159, 18 Dec. 2006; NATO, 'NATO–Russia compendium of financial and economic data relating to defence', Information for the press, 18 Dec. 2007; and NATO, 'Financial and economic data relating to NATO defence', Press Release (2009)009, 19 Feb. 2009—all available from <<http://www.nato.int/issues/defence-expenditures/>>.