



Defence Efforts Attempt of international comparison

2009 Edition

***Most comparisons focus on implemented budgets
(2008 as the latest available information).***

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Comments

Methodology

Official statistics can induce biases of understanding since, for historical or methodological reasons, they are not presented through similar parameters or identical definitions (for instance, pensions are not systematically included in the defence budget).

EuroDéfense's approach aims at providing an analytical and interpretative framework of defence efforts by presenting, as much as possible, data:

- related to implemented budgets and not voted ones, which helps underlying the effective defence effort of the selected countries;
- without pensions, to facilitate comparisons with countries which do not finance them through their defence budget;
- in taking account, for *pro forma* comparisons, of only defence-related spending of French Gendarmerie and Italian Carabinieri;
- in purchasing power parities when possible, since it helps correct the effects of short-term exchange rates fluctuations and the under- or over-evaluations of national currencies;
- in euros, in other cases, to facilitate international comparisons, by using the average annual exchange rates established by the European Central Bank;
- in constant values, to make long-run comparisons possible without the deforming effects of inflation over long-run series.

Note on the United States

DoD budget does not include expenditures realized by the DoE in the field of nuclear deterrence, which represent an annual average budget of US\$ 18 billion over the 2010-2014 period. The "National Defense" aggregates both expenditures.

A large share of US military spending in Iraq and Afghanistan is not directly included in the DoD budget, but supported by specific supplemental ad hoc budgets voted each year. Therefore truly implemented or already-voted expenditures are included in the Outlays* aggregate, but DoD expenditure forecasts do not take account of them.

Note on the United Kingdom

The new British public finance system adopted in 2002 makes uneasy the distinction of expenditures by nature because of a "commercial" accounting system, which presents expenditures by mission. Data presented here are guesstimates based on EuroDéfense analysis.

Note on France

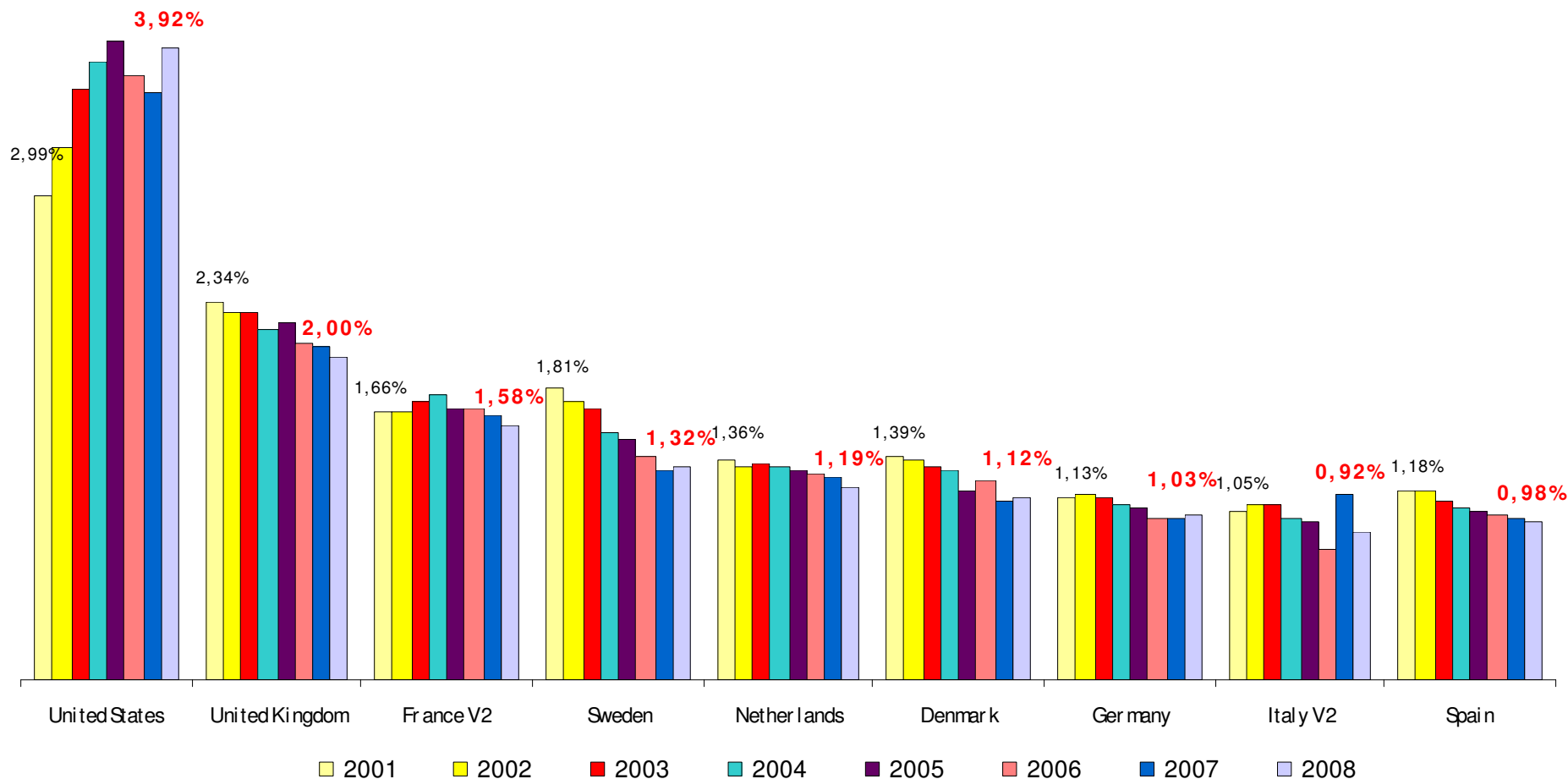
France has been using a new public finance nomenclature, known as LOLF (*Loi organique relative aux lois de finances*), since fiscal year 2006. This approach in terms of missions and programmes reduces the preciseness of available information in a similar way as it happened in the United Kingdom since 2002.

* DoD Comptroller Office Definition : "Outlays, or expenditures, are the liquidation of the Government's obligations. Outlays generally represent cash payments."



Defence expenditures as % of GDP 2001-2008

(NATO standard or alike, without pensions)



V2: French gendarmerie and Italian carabinieri with a rate of military activity at 5% and 15%, respectively; including funds provided by Industry or Research Ministries.



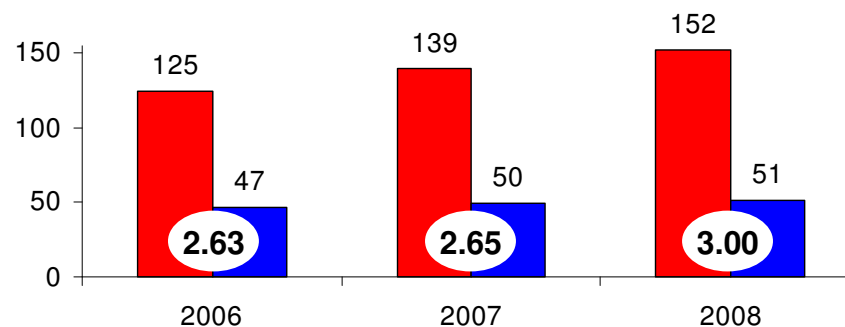
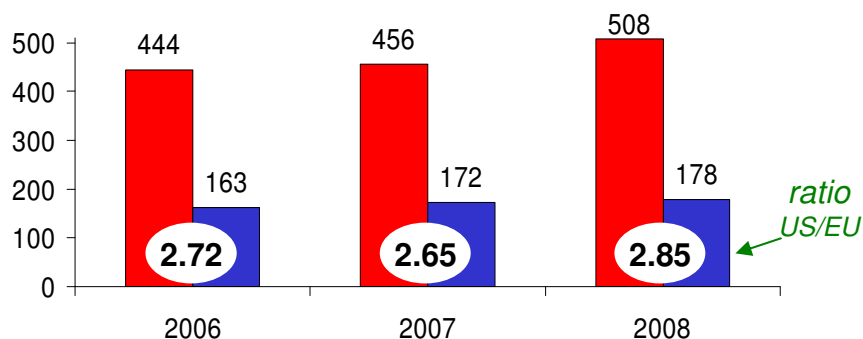
United States / European Union 2006-2008

(OTAN V2 standard or alike, without pensions)

Defence expenditures
(billion PPP euros)

United States
27 countries of the
European Union

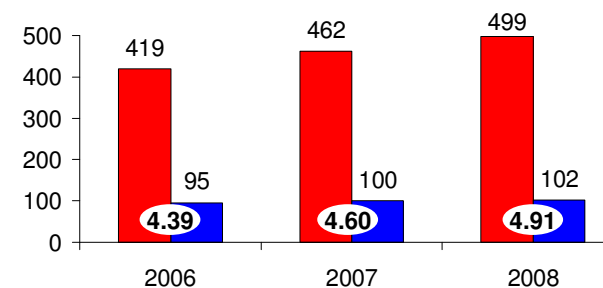
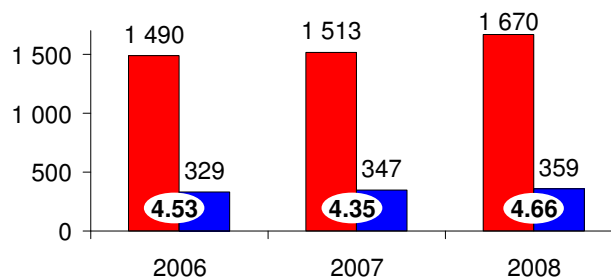
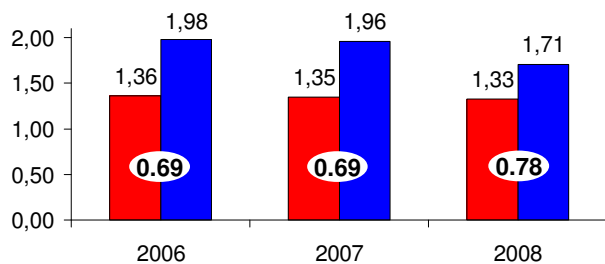
Capital expenditures (billion PPP euros,
production + R&D + tests)



Military personnel
(millions)

Defence expenditures
per inhabitant (PPP euros)

Capital expenditures
per inhabitant (PPP euros)

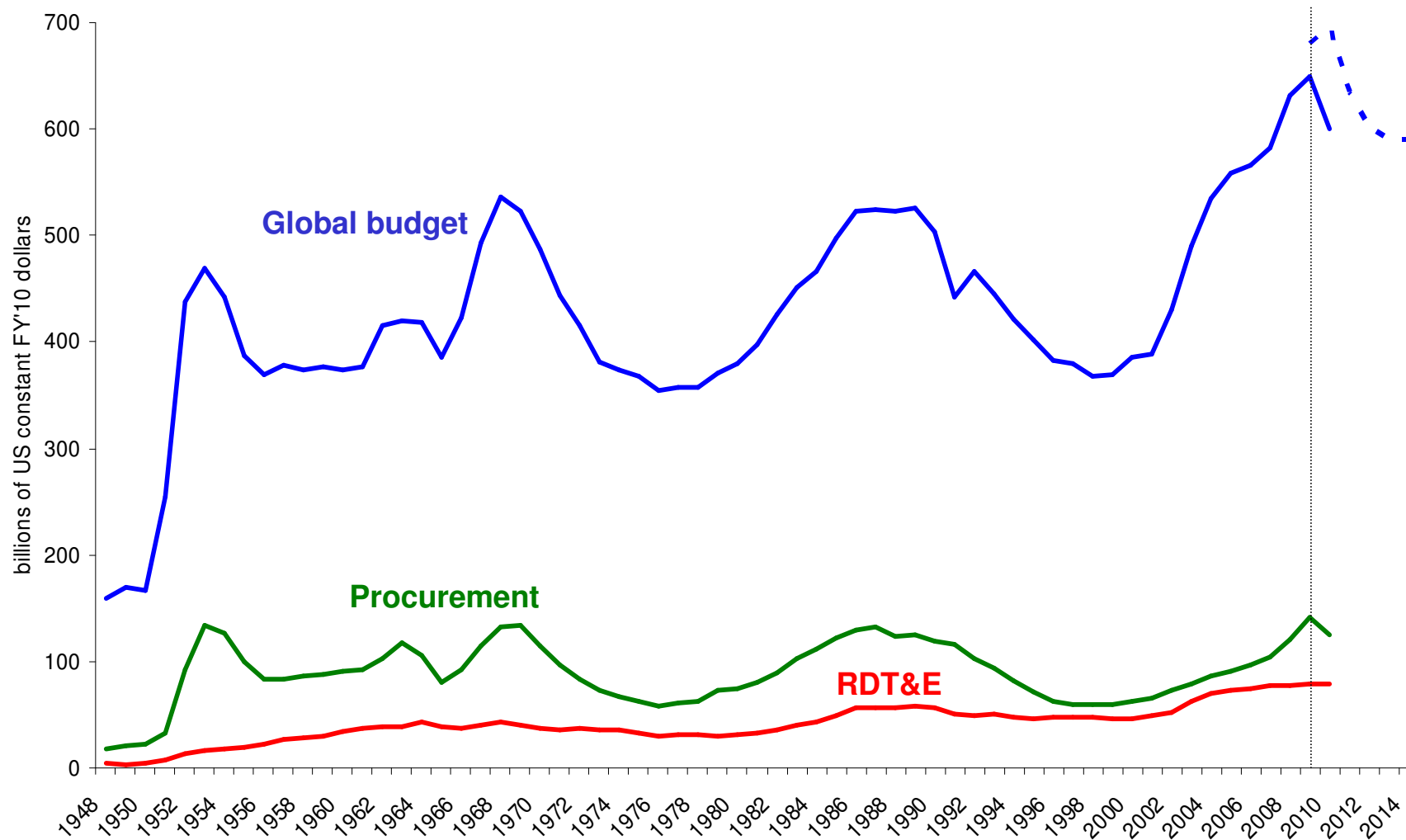


V2: French gendarmerie and Italian carabinieri with a rate of military activity at 5% and 15%, respectively; including funds provided by Industry or Research Ministries.



U.S. military expenditures 1948-2014

(Outlays - National Defense: 051 DoD + 053 Atomic Energy Defense Activities)



"Global War on Terrorism" operations included in DoD spending up to 2009.

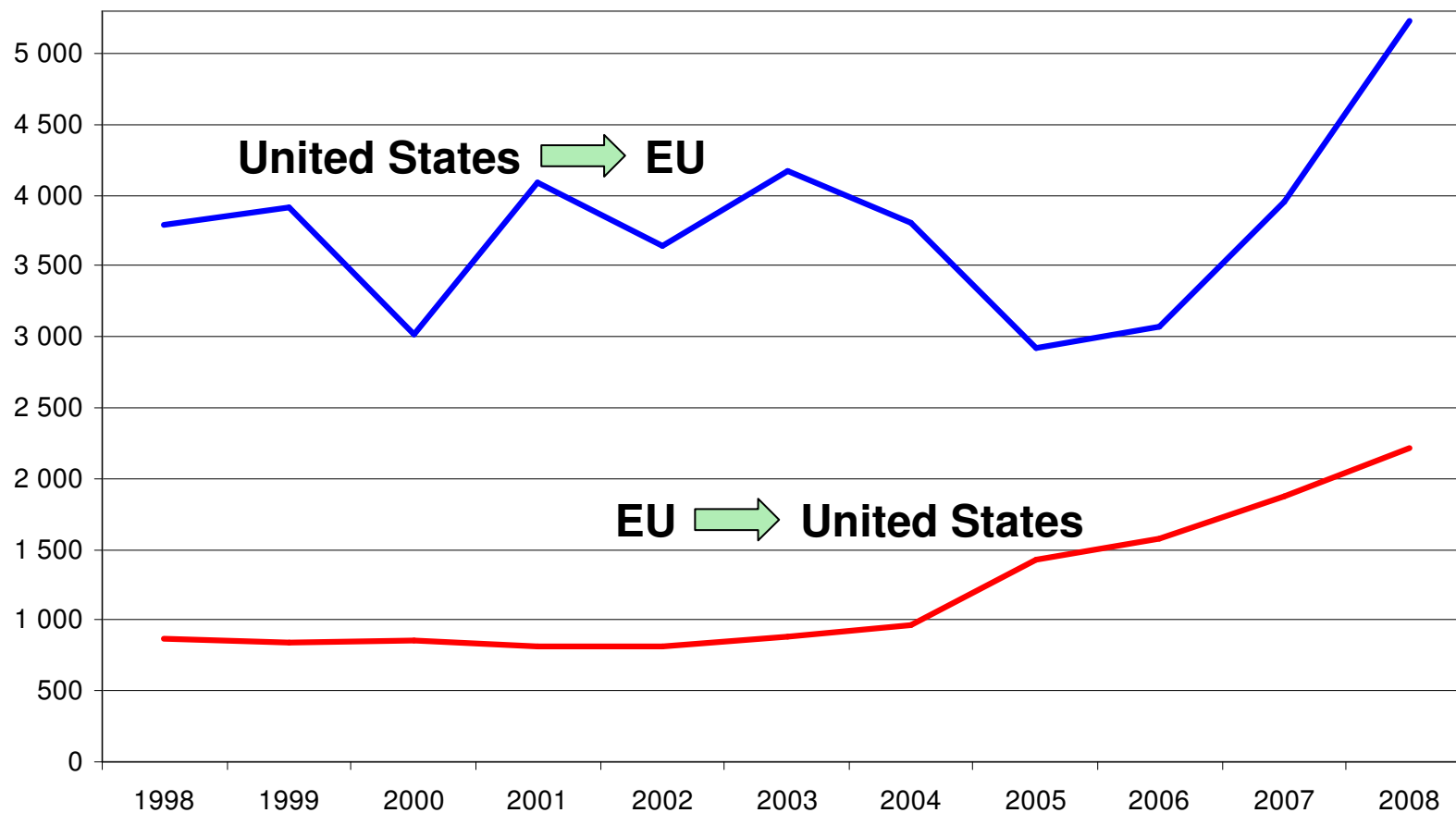
Dotted line: OMB estimates for forthcoming years.

1st September 2009



European Union / United States arms trade

(millions dollars)

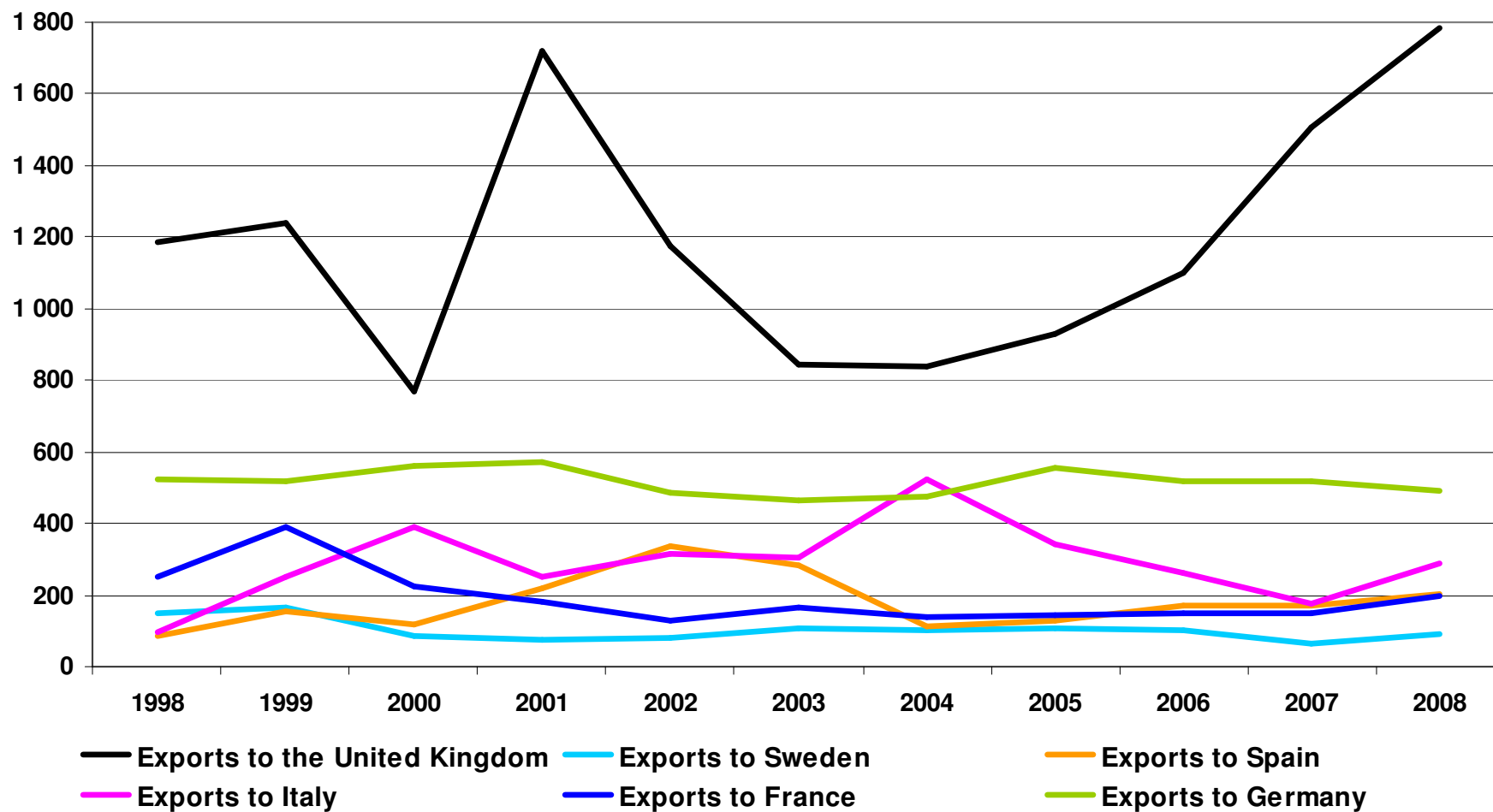


Source: US Census Bureau



Exports of American military equipment

(millions dollars)

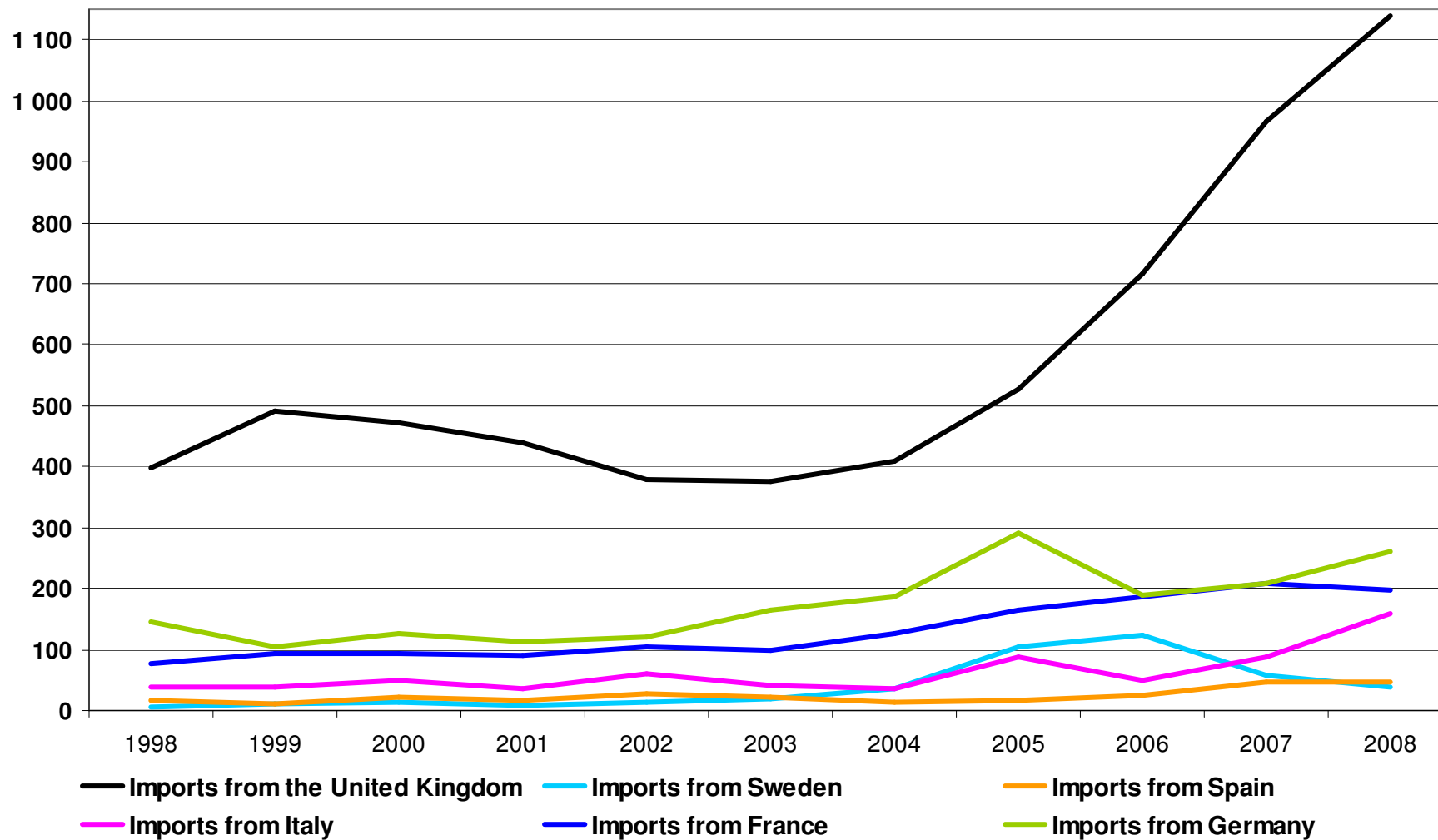


Source: US Census Bureau



Imports of military equipment by the US

(millions dollars)

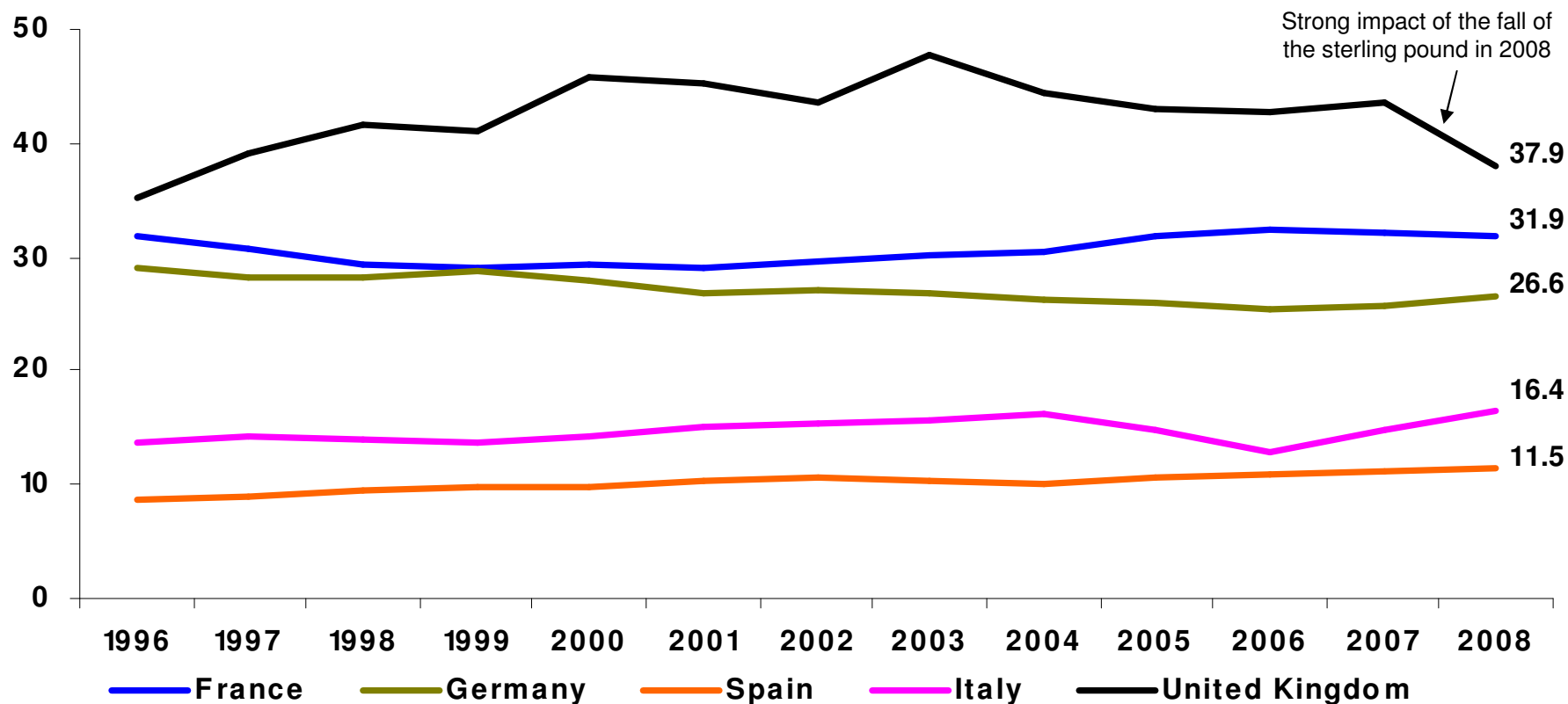


Source: US Census Bureau



Defence expenditures, real expenses

(without pensions, billion 2009 euros)

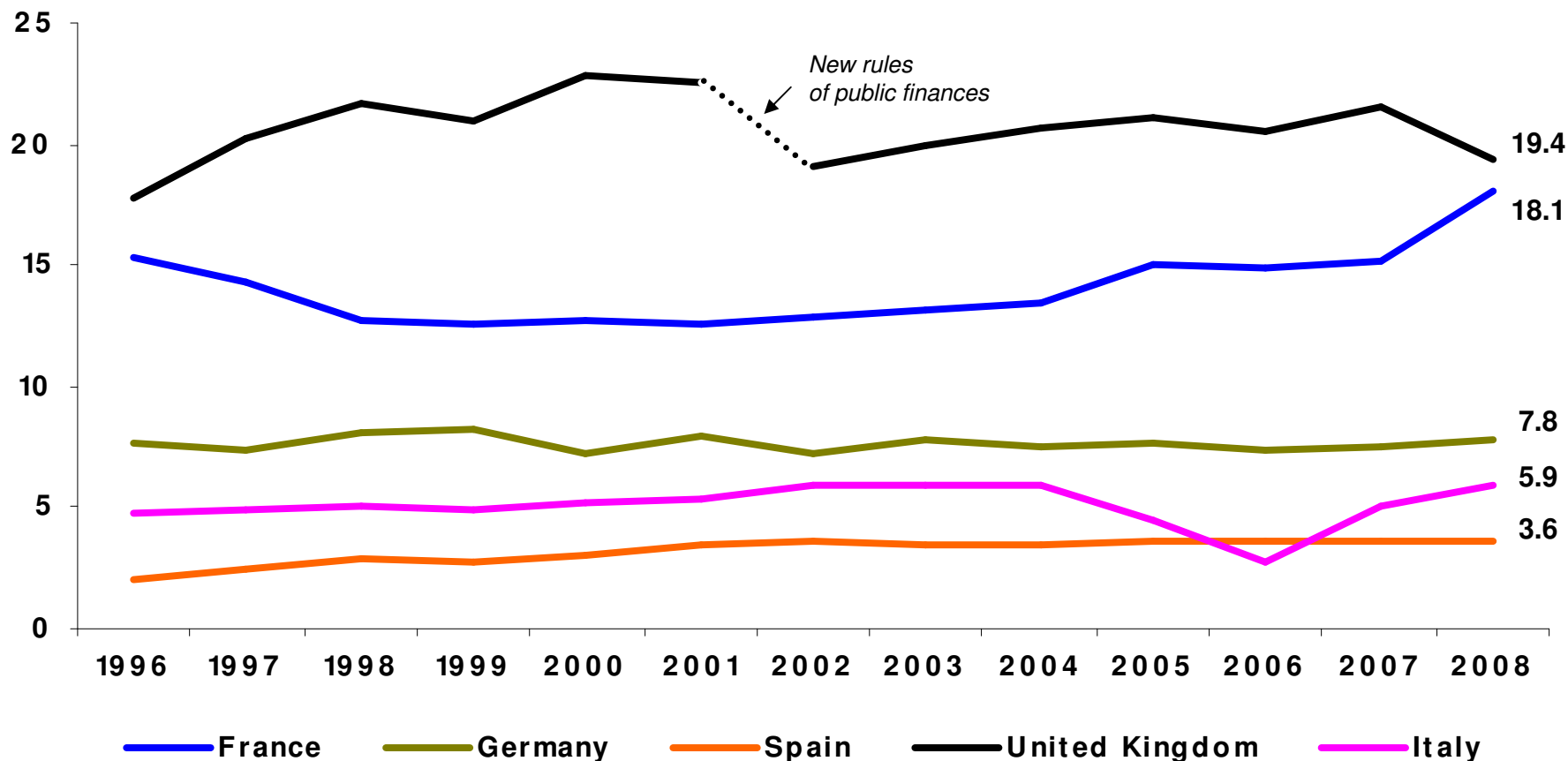


V2: French gendarmerie and Italian carabinieri with a rate of military activity at 5% and 15%, respectively; including funds provided by Industry or Research Ministries.



Equipment expenditures

(excl. infrastructures, R&D and MRO included, billion 2009 euros)

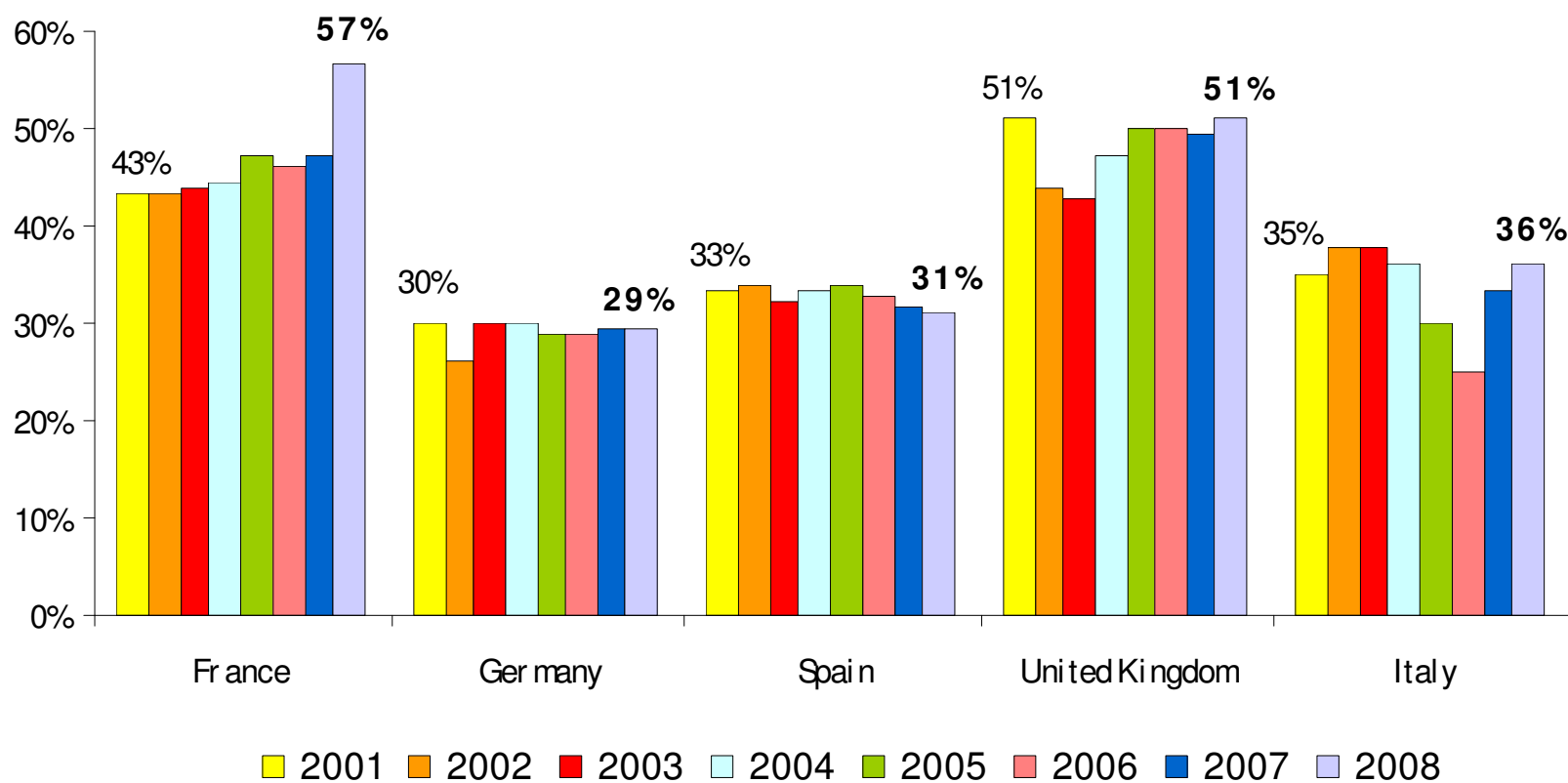


V2: French gendarmerie and Italian carabinieri with a rate of military activity at 5% and 15%, respectively; including funds provided by Industry or Research Ministries.



Share of equipment expenditures in the total defence budget

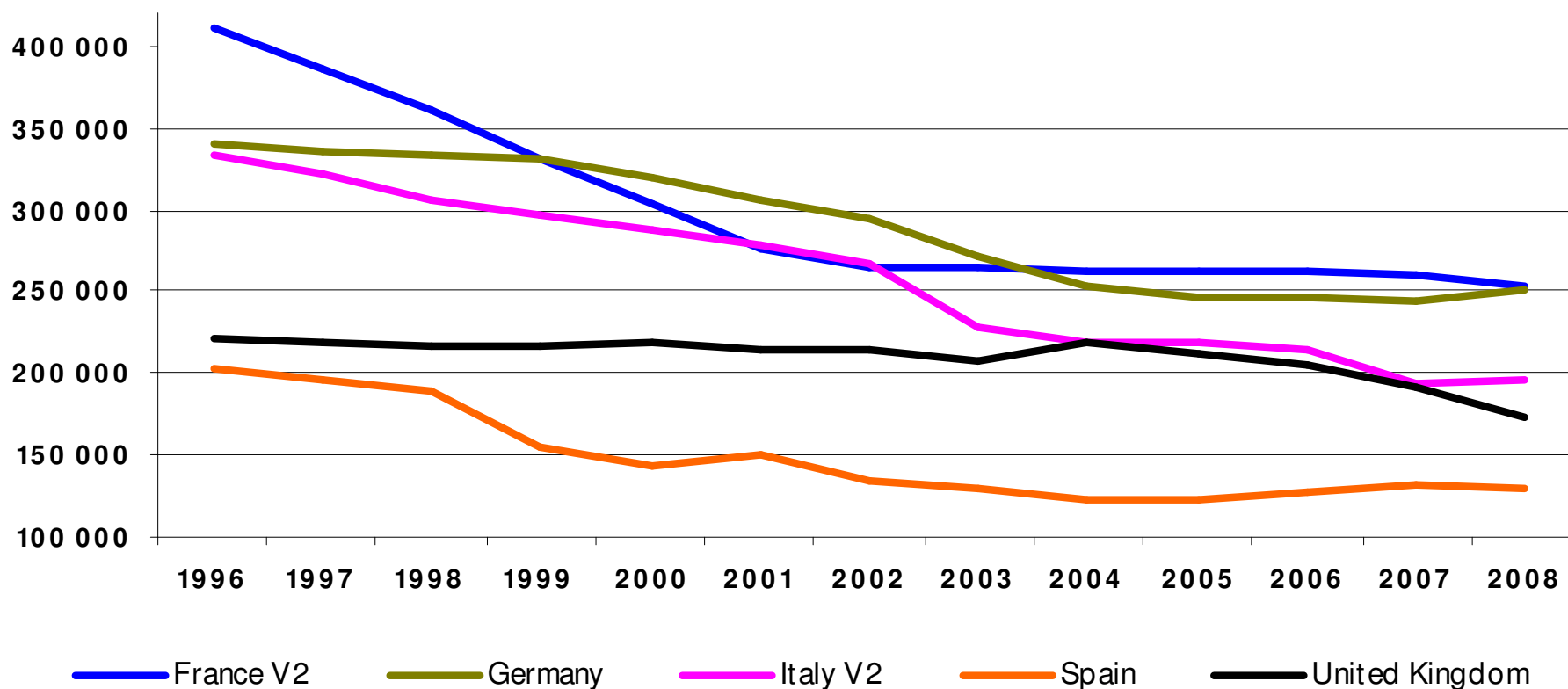
(without infrastructure and pensions, R&D and MRO included)





Military personnel

(NATO standard)

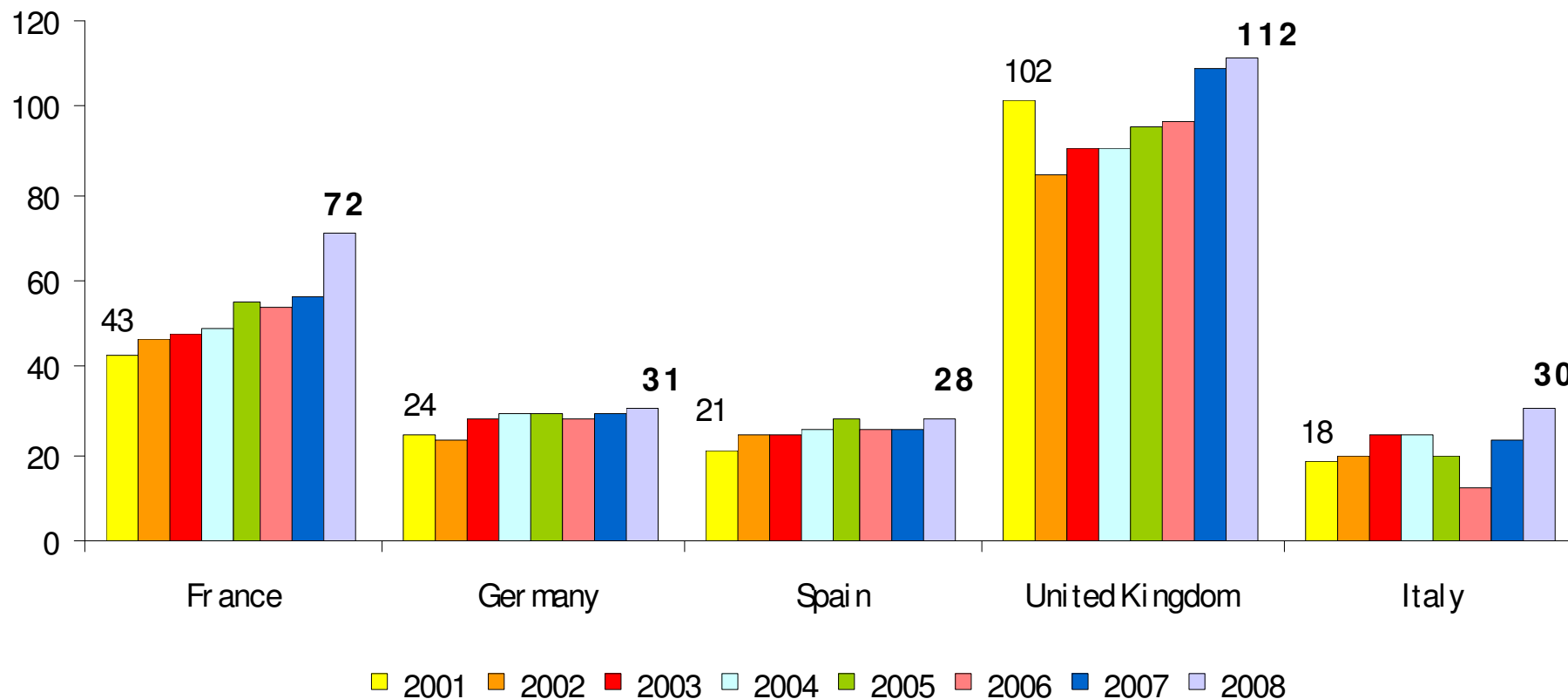


V2: French gendarmerie and Italian carabinieri with a rate of military activity at 5% and 15%, respectively.



Equipment expenditures per soldier

(OTAN standard, thousand euros)

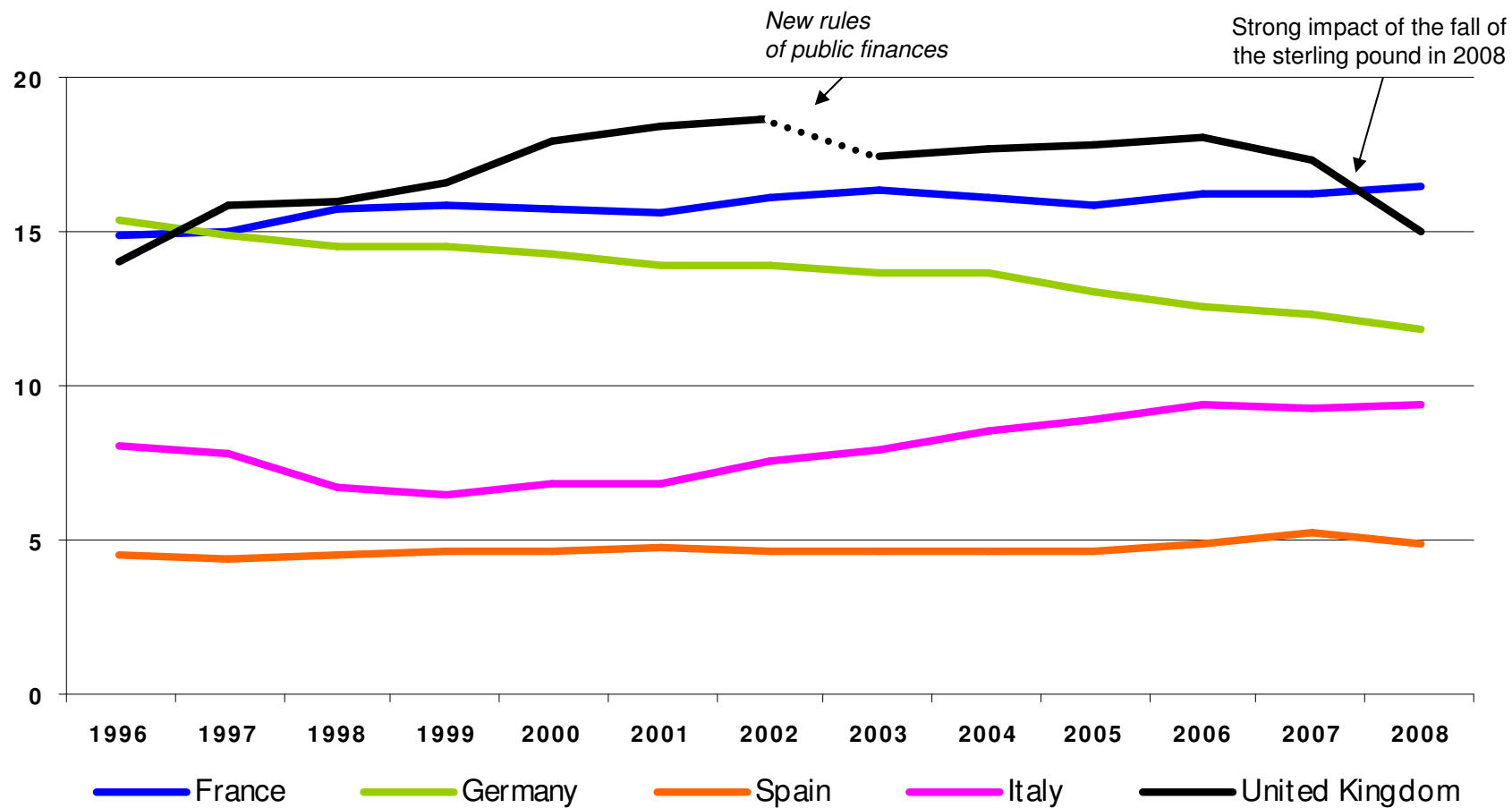


V2: French gendarmerie and Italian carabinieri with a rate of military activity at 5% and 15%, respectively.



Personnel expenditures

(civil and military, billion 2009 euros)



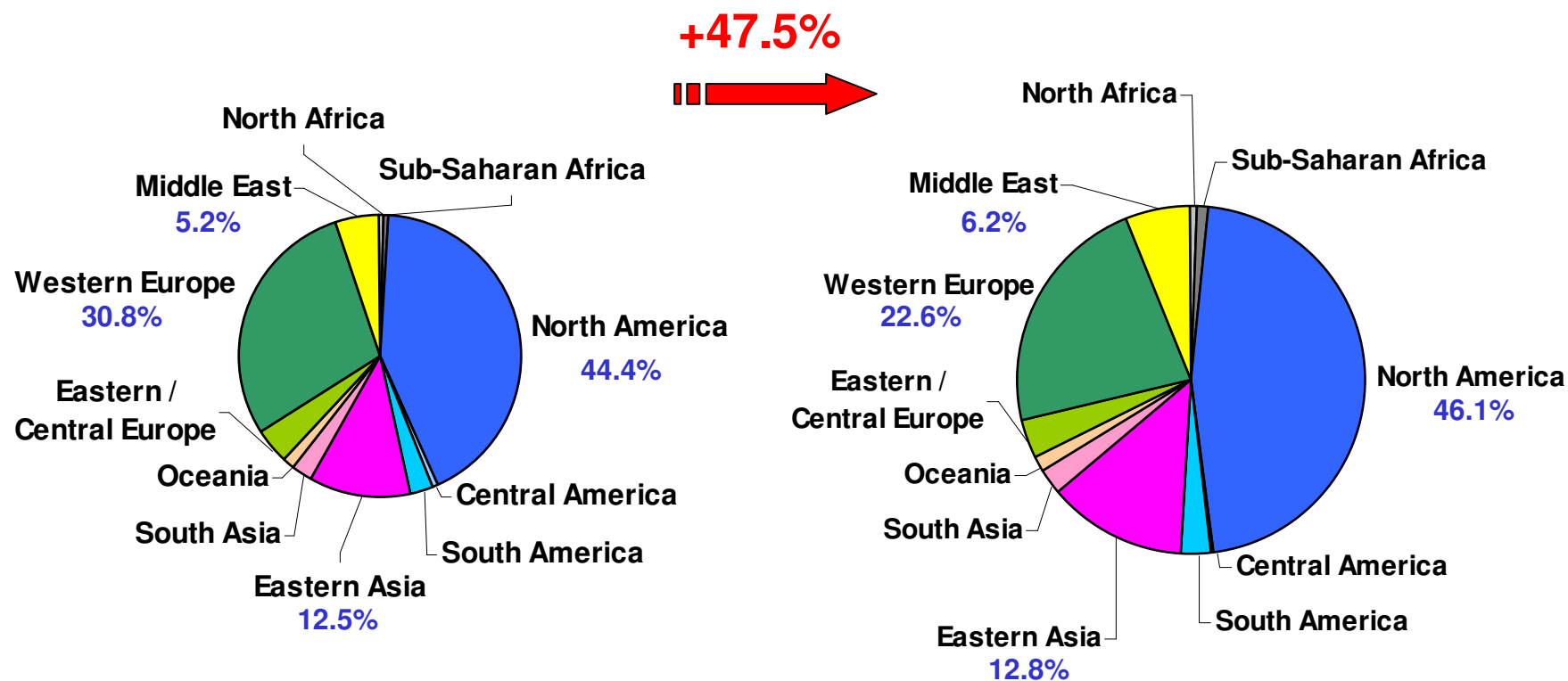


World military expenditures in 1996 and 2008

(constant 2005 dollars, market exchange rates)

1996: 831 billion dollars

2008: 1226 billion dollars



Russia included in "Central/Eastern Europe "
Source: Stockholm International Peace Research Institute