

Appendix 8B. NATO military expenditure by category

PETTER STÅLENHEIM

Table 8B.1. NATO military expenditure on personnel and equipment, 2000–2006

Figures are in US\$ m. at 2005 prices and exchange rates. Years are financial years for Canada, the UK and the USA and calendar years for all other countries. Figures in italics are percentage changes from the previous year.

Country	Item	2000	2001	2002	2003	2004	2005	2006
<i>North America</i>								
Canada	Personnel	5 000	5 103	5 329	5 458	5 785	6 103	6 119
	Personnel change		<i>2.1</i>	<i>4.4</i>	<i>2.4</i>	<i>6.0</i>	<i>5.5</i>	<i>0.3</i>
	Equipment	1 413	1 320	1 642	1 651	1 732	1 563	1 779
	Equipment change		<i>-6.5</i>	<i>24.4</i>	<i>0.6</i>	<i>4.9</i>	<i>-9.7</i>	<i>13.8</i>
USA	Personnel	129 085	124 894	139 629	159 029	165 465	175 384	157 089
	Personnel change		<i>-3.2</i>	<i>11.8</i>	<i>13.9</i>	<i>4.0</i>	<i>6.0</i>	<i>-10.4</i>
	Equipment	74 988	88 547	106 232	108 017	118 266	123 491	128 932
	Equipment change		<i>18.1</i>	<i>20.0</i>	<i>1.7</i>	<i>9.5</i>	<i>4.4</i>	<i>4.4</i>
<i>Europe</i>								
Belgium	Personnel	3 148	3 144	3 169	3 262	3 291	3 160	3 265
	Personnel change		<i>-0.1</i>	<i>0.8</i>	<i>2.9</i>	<i>0.9</i>	<i>-4.0</i>	<i>3.3</i>
	Equipment	277	327	314	239	228	268	234
	Equipment change		<i>17.9</i>	<i>-3.8</i>	<i>-24.0</i>	<i>-4.4</i>	<i>17.2</i>	<i>-12.6</i>
Bulgaria	Personnel					392	336	344
	Personnel change						<i>-14.4</i>	<i>2.5</i>
	Equipment					58.4	111	94.0
	Equipment change						<i>89.9</i>	<i>-15.3</i>

Czech Republic	Personnel	884	928	965	958	1 044	1 108	1 040
	Personnel change		4.9	4.0	-0.7	9.0	6.1	-6.2
	Equipment	464	410	370	450	385	258	248
	Equipment change		-11.6	-9.7	21.6	-14.6	-32.9	-3.8
Denmark	Personnel	1 939	1 974	1 939	1 864	1 944	1 905	1 837
	Personnel change		1.8	-1.8	-3.9	4.3	-2.0	-3.5
	Equipment	525	633	503	583	698	388	585
	Equipment change		20.6	-20.6	15.9	19.8	-44.5	50.9
Estonia	Personnel					62.4	59.5	58.4
	Personnel change						-4.6	-1.8
	Equipment					24.0	24.3	32.6
	Equipment change						1.3	33.9
France	Personnel	30 434	30 406	31 121	31 022	30 997	30 708	29 873
	Personnel change		-0.1	2.3	-0.3	-0.1	-0.9	-2.7
	Equipment	9 503	9 738	9 800	10 803	11 315	11 285	12 556
	Equipment change		2.5	0.6	10.2	4.7	-0.3	11.3
Germany	Personnel	24 963	24 412	24 130	24 069	23 010	22 172	21 630
	Personnel change		-2.2	-1.2	-0.3	-4.4	-3.6	-2.4
	Equipment	5 560	5 677	5 707	5 506	5 744	5 396	5 550
	Equipment change		2.1	0.5	-3.5	4.3	-6.1	2.9
Greece	Personnel	5 502	5 507	4 494	4 211	4 782	5 006	5 205
	Personnel change		0.1	-18.4	-6.3	13.5	4.7	4.0
	Equipment	1 569	1 308	870	603	454	1 032	1 050
	Equipment change		-16.6	-33.5	-30.6	-24.8	127.4	1.8
Hungary	Personnel	736	796	798	849	797	768	705
	Personnel change		8.2	0.2	6.4	-6.2	-3.6	-8.3
	Equipment	187	175	180	179	191	135	127
	Equipment change		-6.6	3.1	-0.4	6.6	-29.6	-5.5

330 MILITARY SPENDING AND ARMAMENTS, 2006

Country	Item	2000	2001	2002	2003	2004	2005	2006
Italy	Personnel	24 338	24 266	25 504	25 254	26 254	25 853	25 429
	Personnel change		-0.3	5.1	-1.0	3.9	-1.5	-1.6
	Equipment	4 890	3 460	4 268	4 490	4 076	3 049	2 350
	Equipment change		-29.3	23.4	5.2	-9.2	-25.2	-22.9
Latvia	Personnel					78.5	102	113
	Personnel change						29.4	11.8
	Equipment					13.3	17.6	35.9
	Equipment change						32.3	103.9
Lithuania	Personnel					163	178	185
	Personnel change						8.7	4.3
	Equipment					39.2	46.6	59.0
	Equipment change						18.8	26.5
Luxembourg	Personnel	147	166	173	180	187	184	188
	Personnel change		12.9	3.9	4.3	3.9	-1.8	2.4
	Equipment	9.0	29.4	14.7	16.8	19.7	27.9	21.4
	Equipment change		226.6	-50.1	14.7	16.8	41.9	-23.4
Netherlands	Personnel	4 635	4 491	4 788	4 990	4 753	4 831	5 050
	Personnel change		-3.1	6.6	4.2	-4.7	1.6	4.5
	Equipment	1 554	1 559	1 484	1 416	1 561	1 528	1 770
	Equipment change		0.4	-4.9	-4.5	10.2	-2.1	15.9
Norway	Personnel	1 777	1 713	1 997	2 039	2 145	2 093	2 046
	Personnel change		-3.6	16.6	2.1	5.2	-2.4	-2.3
	Equipment	847	928	1 249	1 105	1 188	1 029	1 169
	Equipment change		9.7	34.5	-11.5	7.5	-13.4	13.6

Poland	Personnel	3 119	3 258	3 233	3 173	3 394
	Personnel change	-0.1	4.5	-0.8	-1.9	7.0
	Equipment	534	624	776	808	1 063
	Equipment change	24.7	16.9	24.4	4.0	31.6
Portugal	Personnel	2 356	2 144	2 165	2 381	2 184
	Personnel change	-19.4	-9.0	1.0	9.9	-8.3
	Equipment	115	202	222	280	378
	Equipment change	-40.0	74.9	10.0	25.9	35.2
Romania	Personnel			944	1 126	1 189
	Personnel change				19.2	5.6
	Equipment			477	394	468
	Equipment change				-17.4	18.5
Slovakia	Personnel			384	384	426
	Personnel change				0.1	10.9
	Equipment			89.9	122	134
	Equipment change				35.2	10.1
Slovenia	Personnel			311	329	357
	Personnel change				5.9	8.4
	Equipment			93.4	48.6	70.4
	Equipment change				-48.0	44.8
Spain	Personnel	7 168	7 062	7 065	7 125	7 389
	Personnel change	0.8	-1.5	0.0	0.9	3.7
	Equipment	3 035	2 815	2 994	2 880	3 255
	Equipment change	113.9	-7.3	6.3	-3.8	13.0
Turkey	Personnel	6 082	5 407	5 355	5 374	5 486
	Personnel change	-3.1	-11.1	-1.0	0.3	2.1
	Equipment	4 179	4 533	3 541	3 074	3 901
	Equipment change	-9.7	8.5	-21.9	-13.2	26.9

Country	Item	2000	2001	2002	2003	2004	2005	2006
UK	Personnel	18 436	19 408	19 866	20 127	20 133	23 519	22 339
	Personnel change		5.3	2.4	1.3	0.0	16.8	-5.0
	Equipment	12 416	11 871	11 797	11 505	11 555	11 149	11 859
	Equipment change		-4.4	-0.6	-2.5	0.4	-3.5	6.4
NATO Europe	Personnel	136 732	136 643	137 669	136 697	139 482	141 874	139 734
	Personnel change		-0.1	0.8	-0.7	2.0	1.7	-1.5
	Equipment	44 208	42 784	44 422	45 072	45 743	43 350	47 010
	Equipment change		-3.2	3.8	1.5	1.5	-5.2	8.4
NATO Europe (16 countries)	Personnel	136 732	136 643	137 669	136 697	137 146	139 360	137 061
	Personnel change		-0.1	0.8	-0.7	0.3	1.6	-1.6
	Equipment	44 208	42 784	44 422	45 072	44 947	42 585	46 117
	Equipment change		-3.2	3.8	1.5	-0.3	-5.3	8.3
NATO total	Personnel	270 816	266 640	282 627	301 183	310 732	323 360	302 942
	Personnel change		-1.5	6.0	6.6	3.2	4.1	-6.3
	Equipment	120 609	132 651	152 296	154 740	165 741	168 404	177 721
	Equipment change		10.0	14.8	1.6	7.1	1.6	5.5
NATO total (18 countries)	Personnel	270 816	266 640	282 627	301 183	308 396	320 847	300 269
	Personnel change		-1.5	6.0	6.6	2.4	4.0	-6.4
	Equipment	120 609	132 651	152 296	154 740	164 945	167 640	176 828
	Equipment change		10.0	14.8	1.6	6.6	1.6	5.5

Notes: The figures in this table were calculated, based on NATO statistics on the distribution of total military expenditure by category, by applying the shares for personnel and equipment to the figures for total military expenditure at converted to constant 2005 US dollars using consumer price indices (CPI) from the International Monetary Fund publication *International Financial Statistics*. Data are included in the NATO Europe and NATO total from the year of accession, which was 2004 for Bulgaria, Estonia, Latvia, Lithuania, Slovakia and Slovenia. An additional series is provided for totals of only those states that were members throughout the period 2000–2006 (16 countries in NATO Europe and 18 in NATO total), 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, excluding 'Other Forces' not 'realistically deployable'. Data reported by France, Italy, Luxembourg and the Netherlands do not entirely conform with the new definition. For Greece, Hungary, Portugal and Turkey the change in definitions has made a big difference. All data are reported according to the old definition up to and including 2002 and for personnel shares up to 2003 creating two breaks in all series except for the countries that have yet not changed definitions (France, Italy, Luxembourg and the Netherlands)—one between 2001 and 2002 and one between 2002 and 2003.

Sources: NATO, 'NATO–Russia compendium of financial and economic data relating to defence', Press release (2005)161, 9 Dec. 2005, URL <<http://www.nato.int/docu/pr/2005/p05-161e.htm>>; and NATO, 'NATO–Russia compendium of financial and economic data relating to defence', Press release (2006)159, 18 Dec. 2006, URL <<http://www.nato.int/docu/pr/2006/p06-159e.htm>>.