



# Defence Efforts

## Attempt of international comparison

### 2013 Edition

***Most comparisons focus on implemented budgets  
(2012 being 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\$ 27.3 billion over the 2012-2018 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

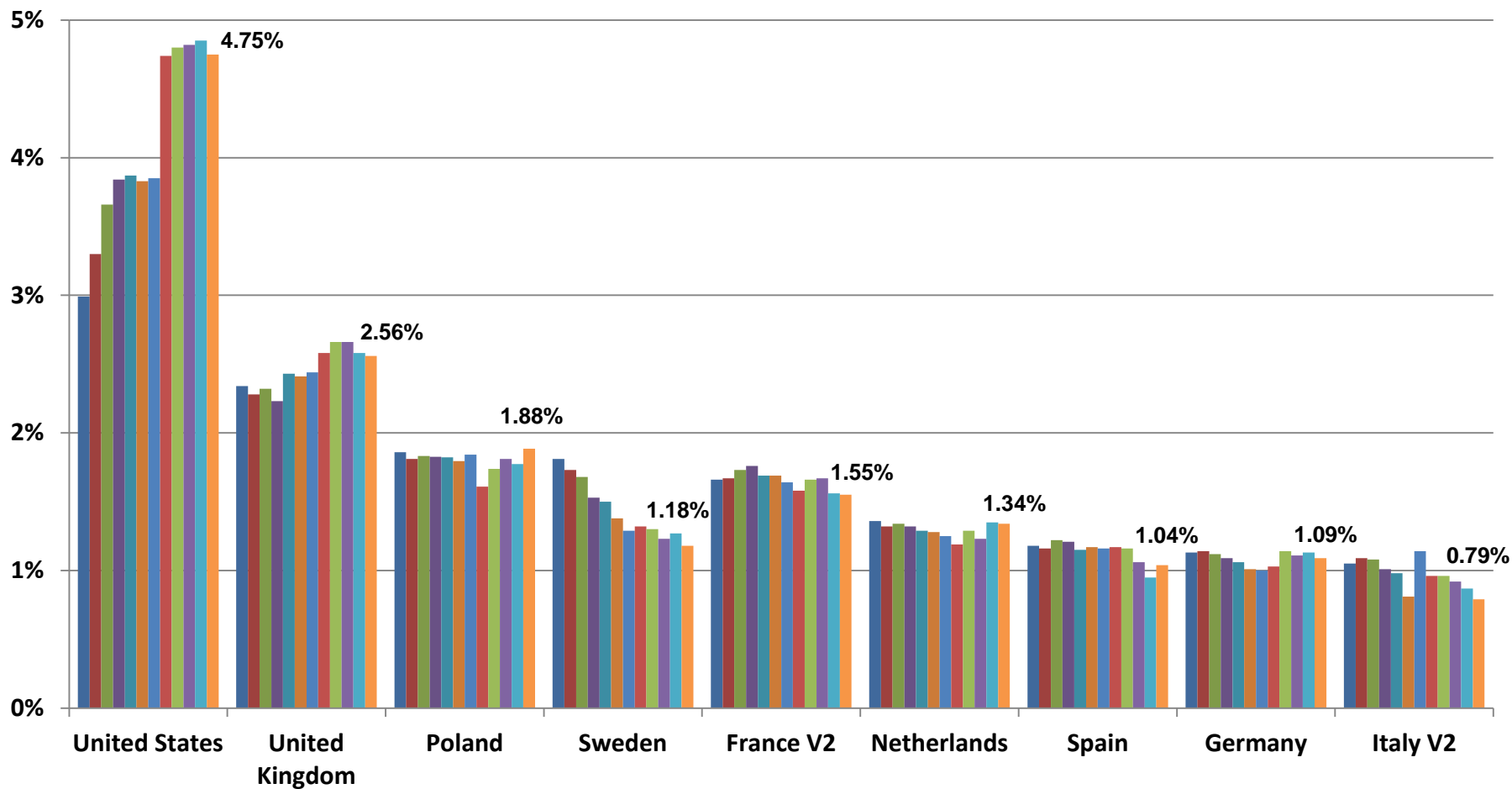
France has been using a new public finance nomenclature, known as LOLF (*Loi organique relative aux lois de finances*), since fiscal year 2006. This approach in terms of missions and programmes reduces the preciseness of available information in a similar way as it happened in the United Kingdom since 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 2001-2012

*(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.



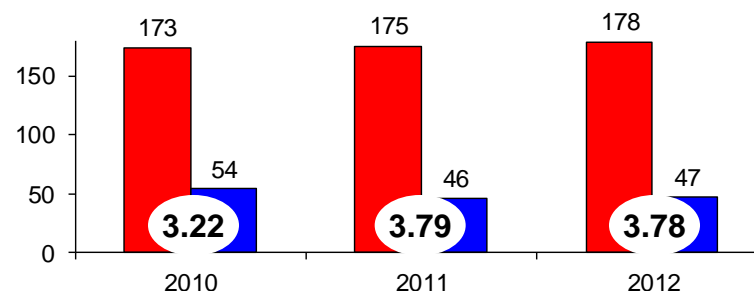
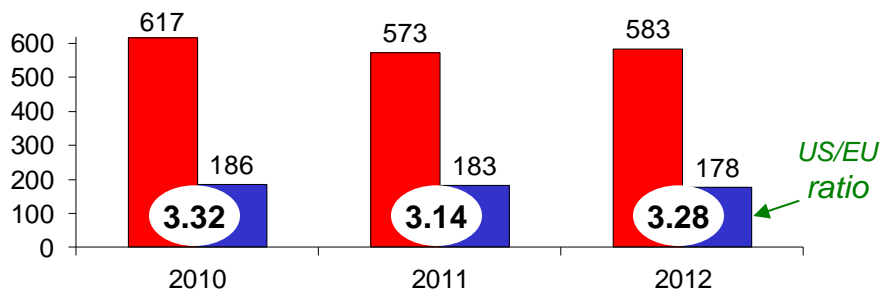
# United States / European Union 2010-2012

(OTAN V2 standard or alike, without pensions)

**Defence expenditures**  
(billion PPP euros)

**United States**  
**27 countries of the**  
**European Union**

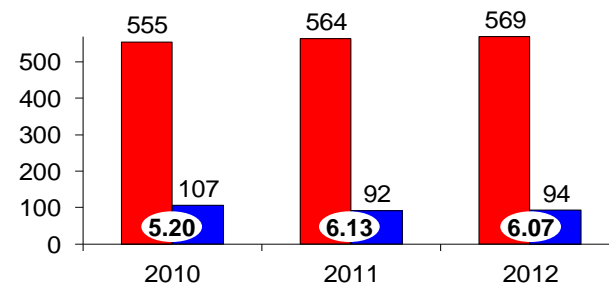
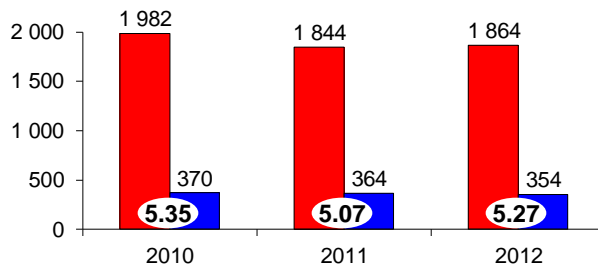
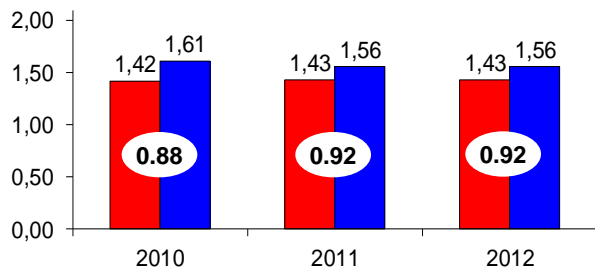
**Capital expenditures** (billion PPP euros,  
production + R&D + tests)



**Military personnel**  
(millions)

**Defence expenditures**  
**per inhabitant** (PPP euros)

**Capital expenditures**  
**per inhabitant** (PPP euros)

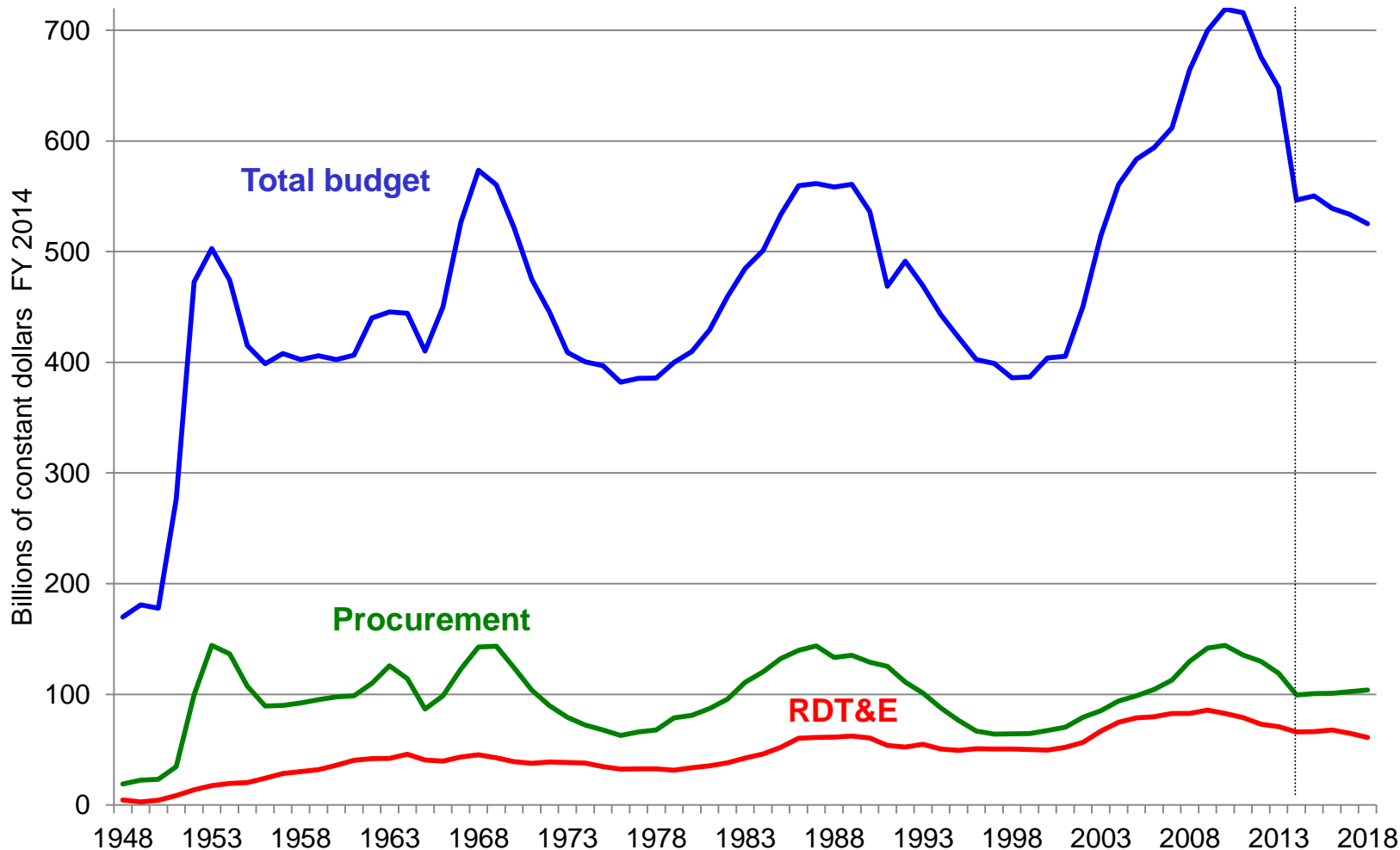


V2: French gendarmerie and Italian carabinieri with a rate of military activity at 5% and 15%, respectively; including funds provided by Industry or Research Ministries.



# U.S. military expenditures 1948-2018

*(Outlays and forecast outlays)*

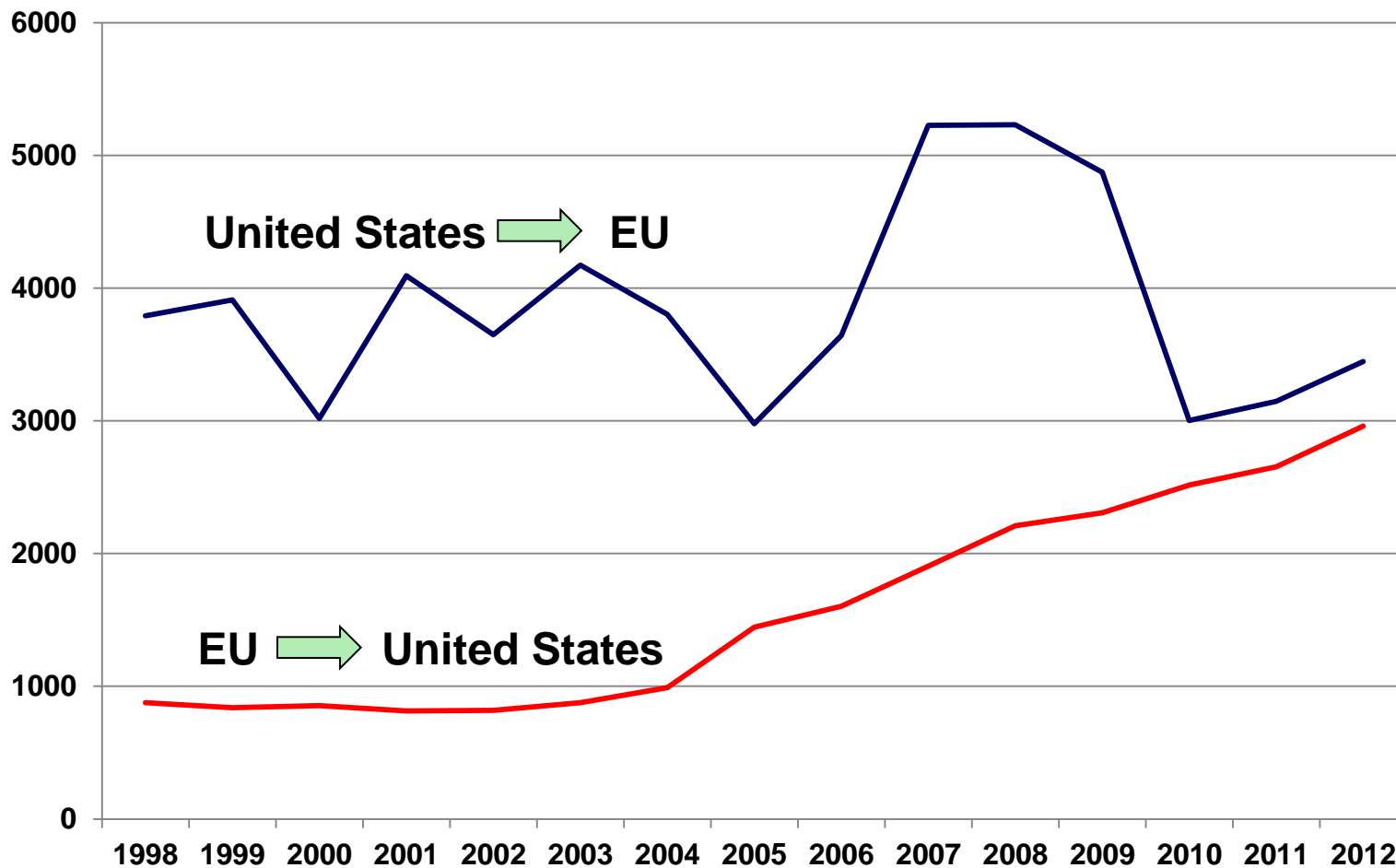


"Global War on Terrorism" operations included in DoD spending up to 2013.  
Right to the dotted line: forecasts for forthcoming years.



# European Union / United States arms trade

(millions of dollars)

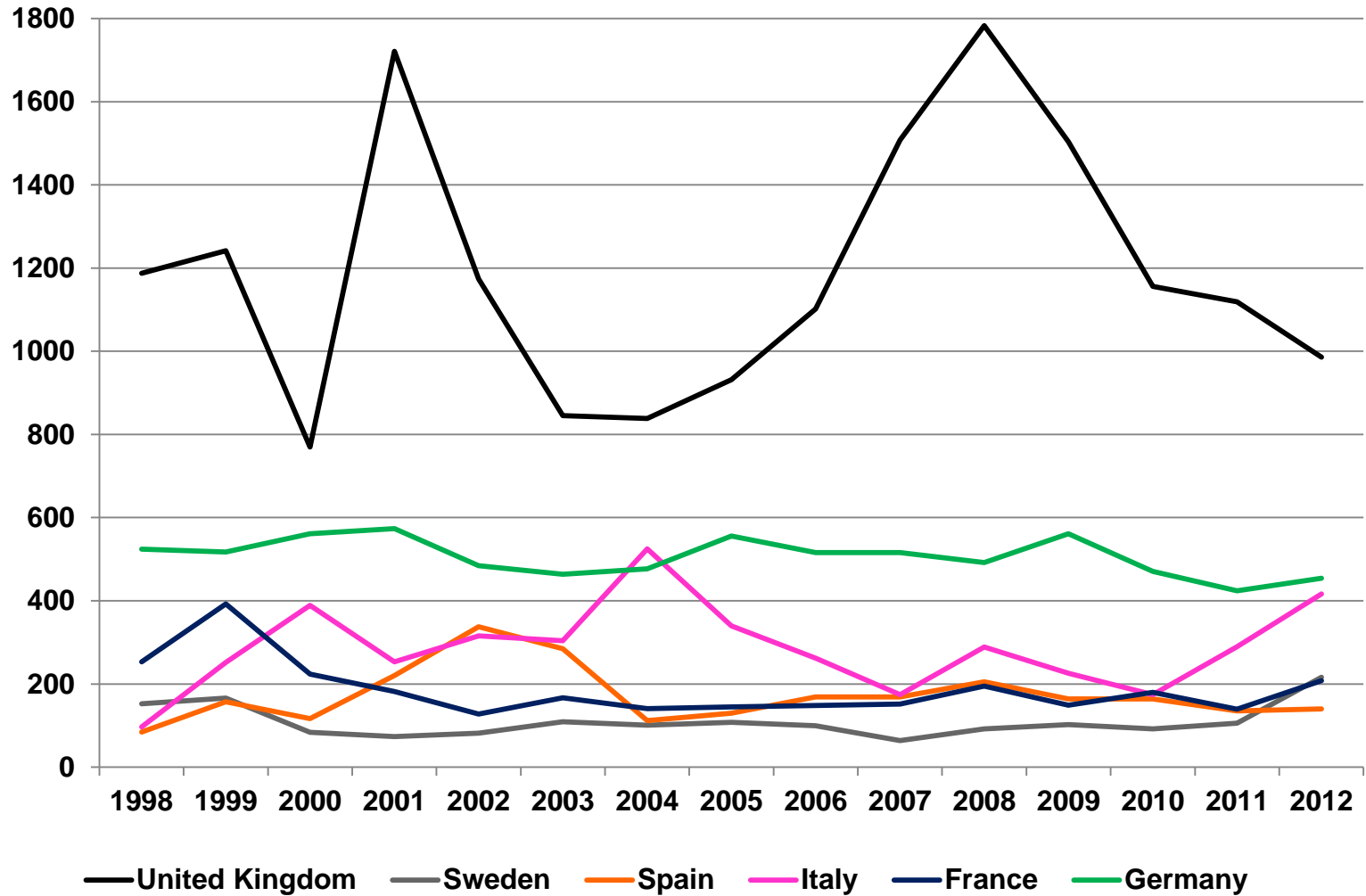


Source: US Census Bureau



# American arms exports to European countries

(millions of dollars)

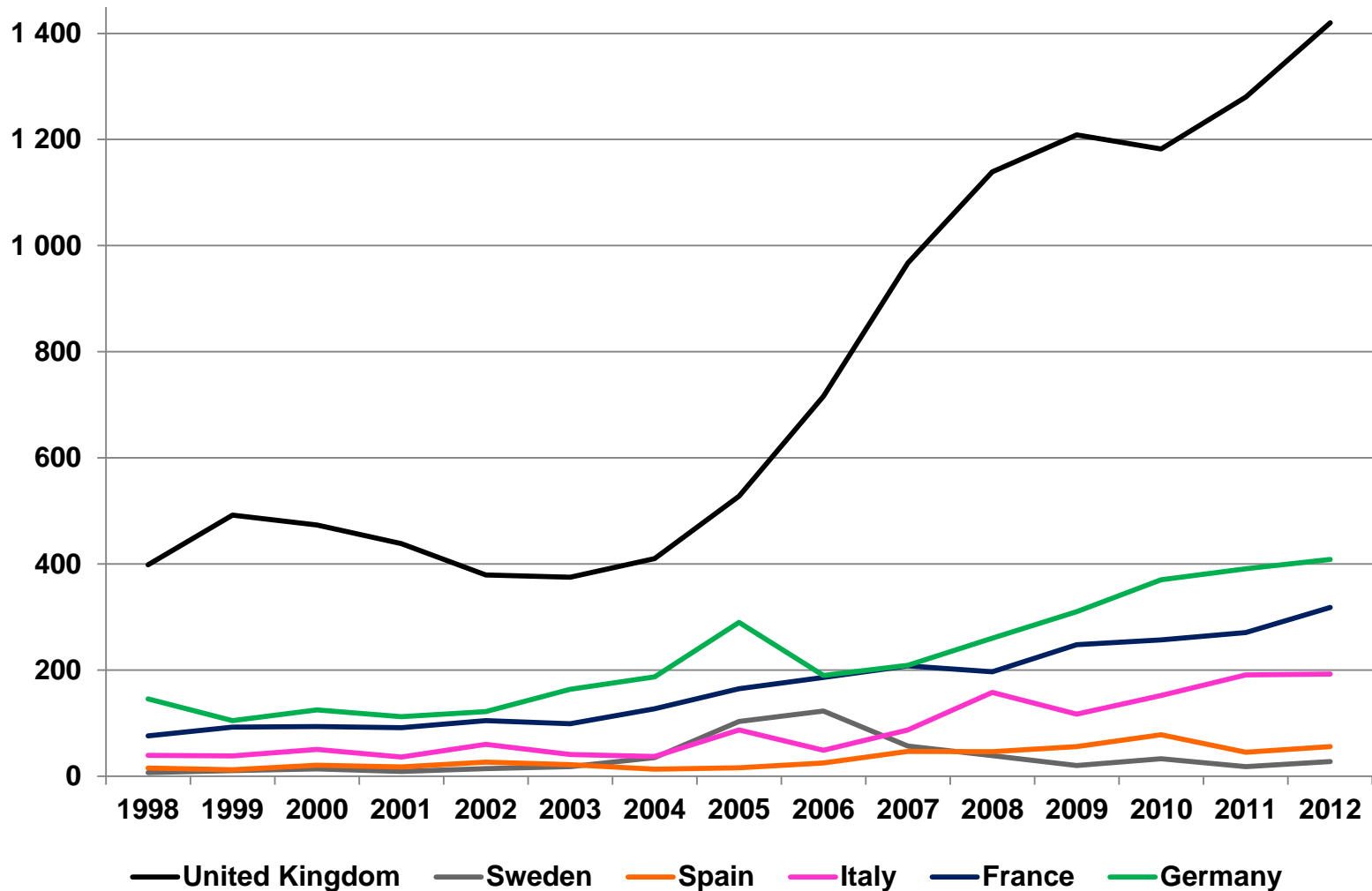


Source: US Census Bureau



# European arms exports to the United States

(millions of dollars)



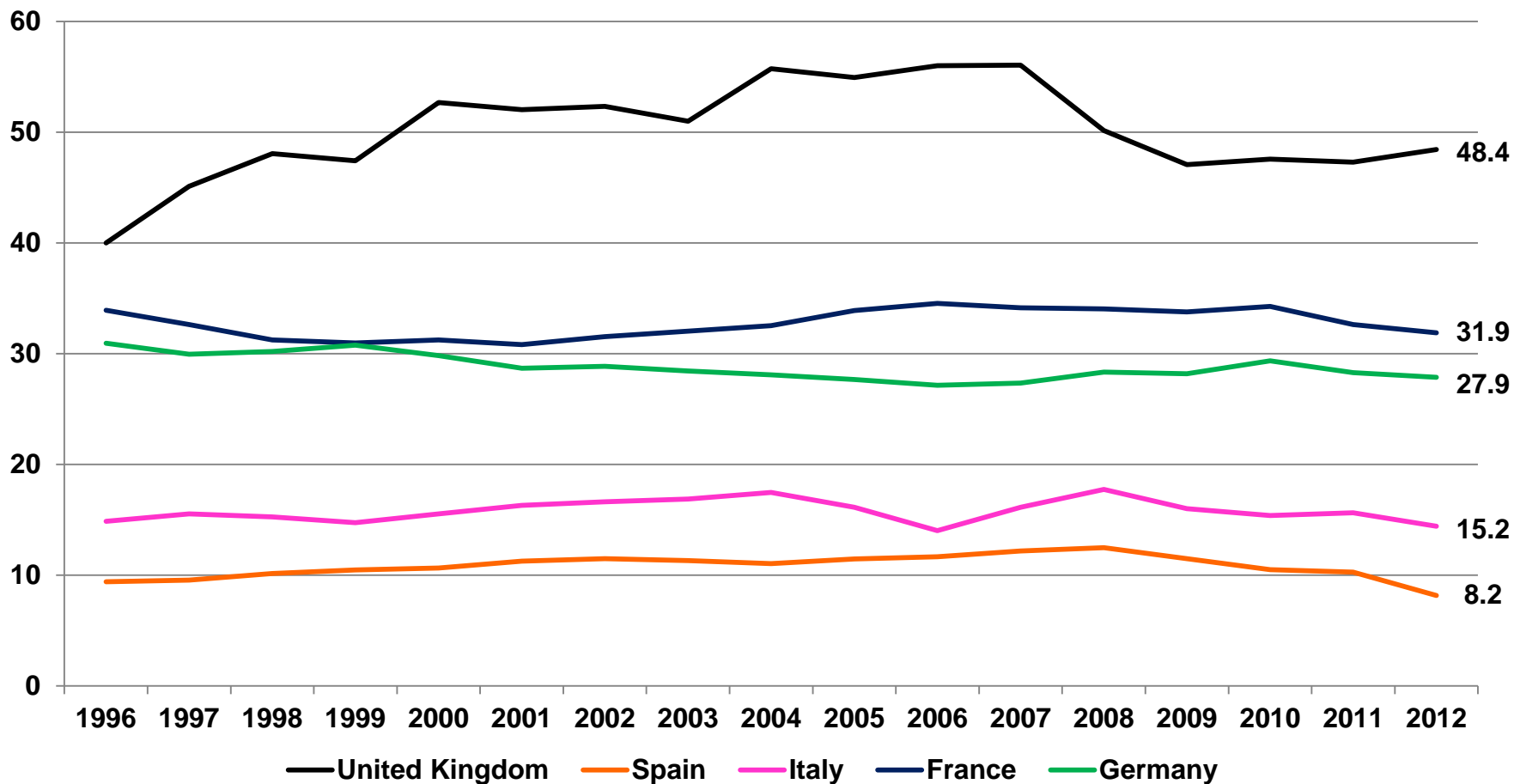
Source: US Census Bureau





# Effective defence efforts

(without pensions, billions of 2013 euros)



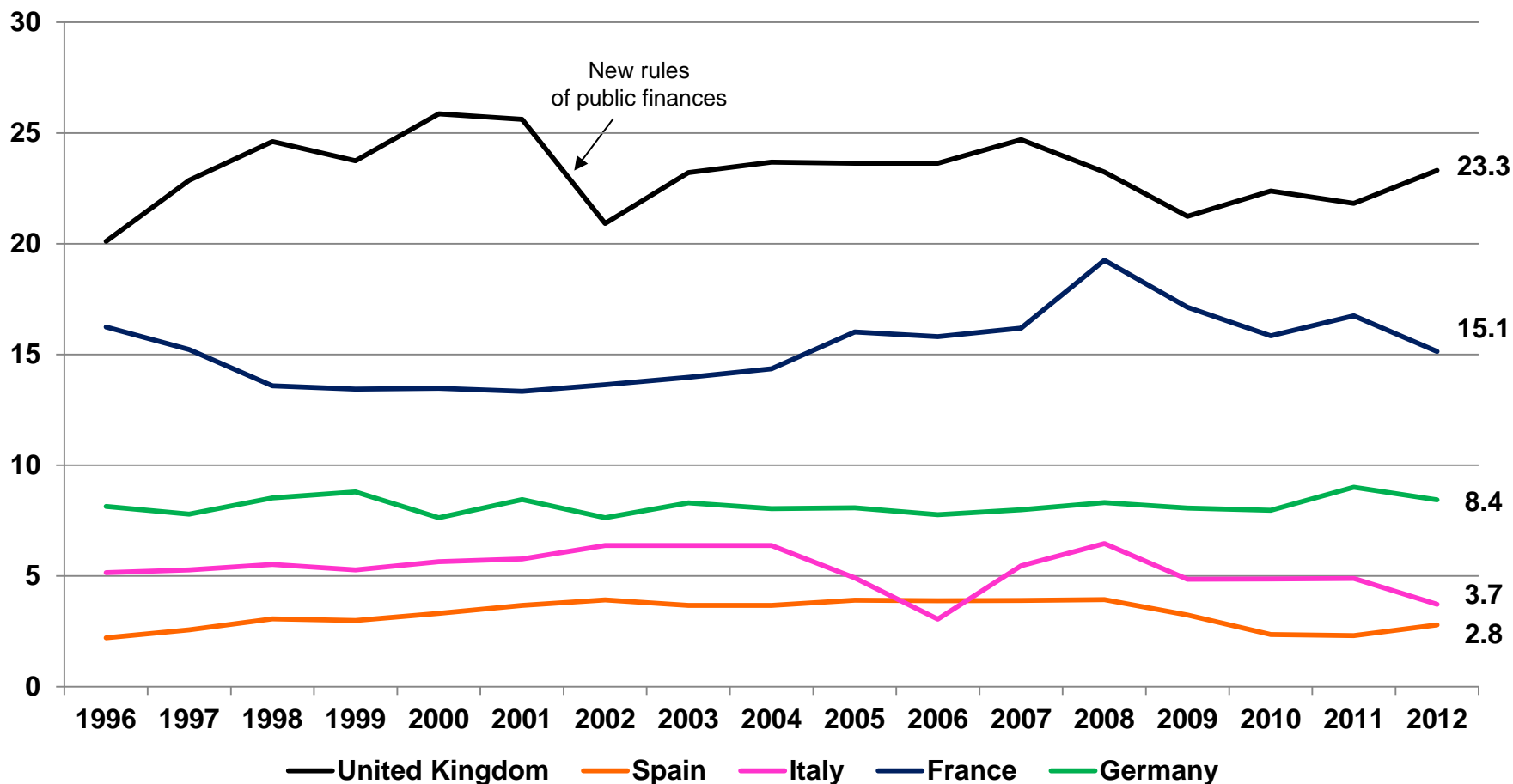
V2: French gendarmerie and Italian carabinieri with a rate of military activity at 5% and 15%, respectively; including funds provided by Industry or Research Ministries.

British expenditures are strongly impacted by fluctuations of £/€ exchange rate.



# Equipment expenditures

(R&D, procurement and MRO, billions of 2013 euros)



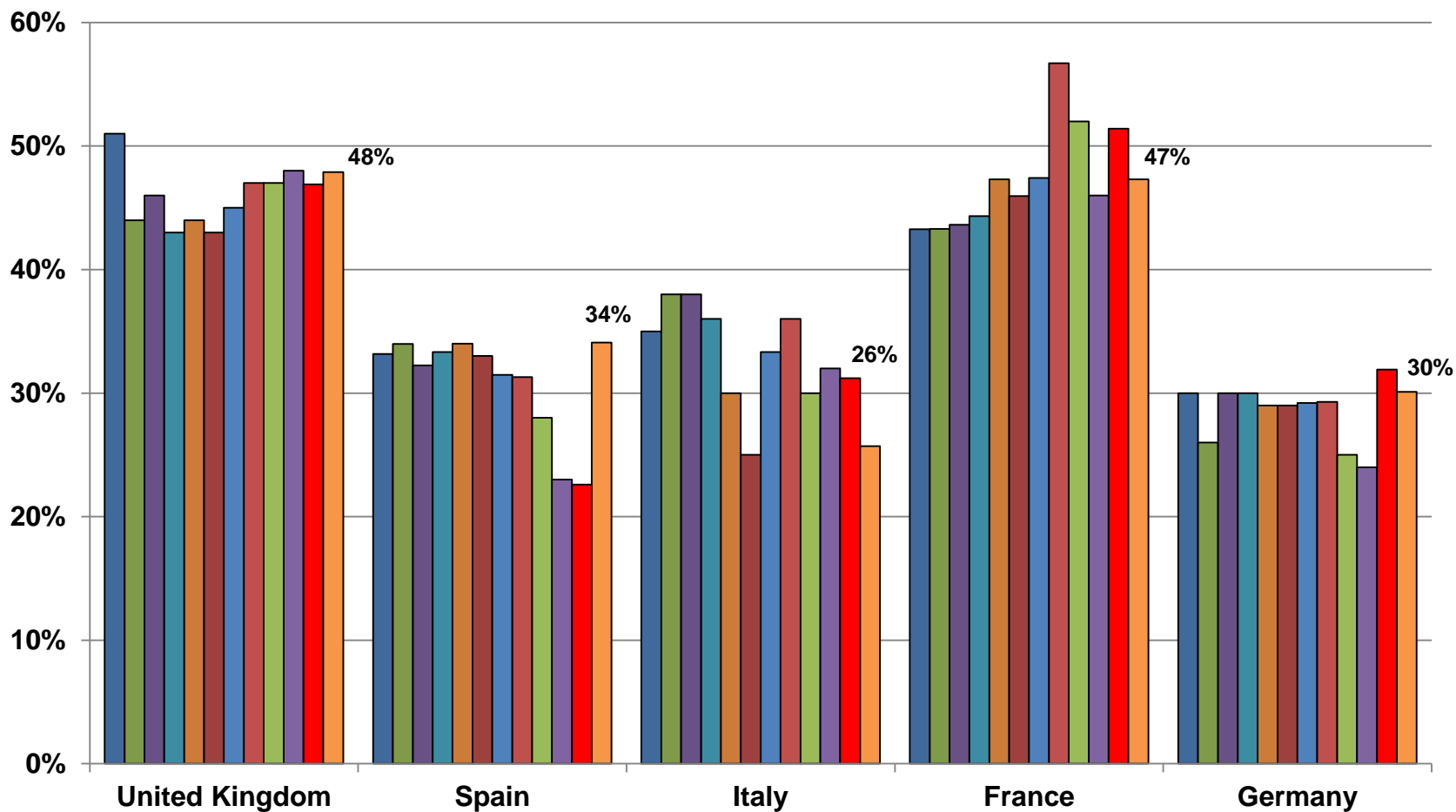
V2: French gendarmerie and Italian carabinieri with a rate of military activity at 5% and 15%, respectively; including funds provided by Industry or Research Ministries.

British expenditures are strongly impacted by fluctuations of £/€ exchange rate.



# Equipment expenditures as share of total defence budget

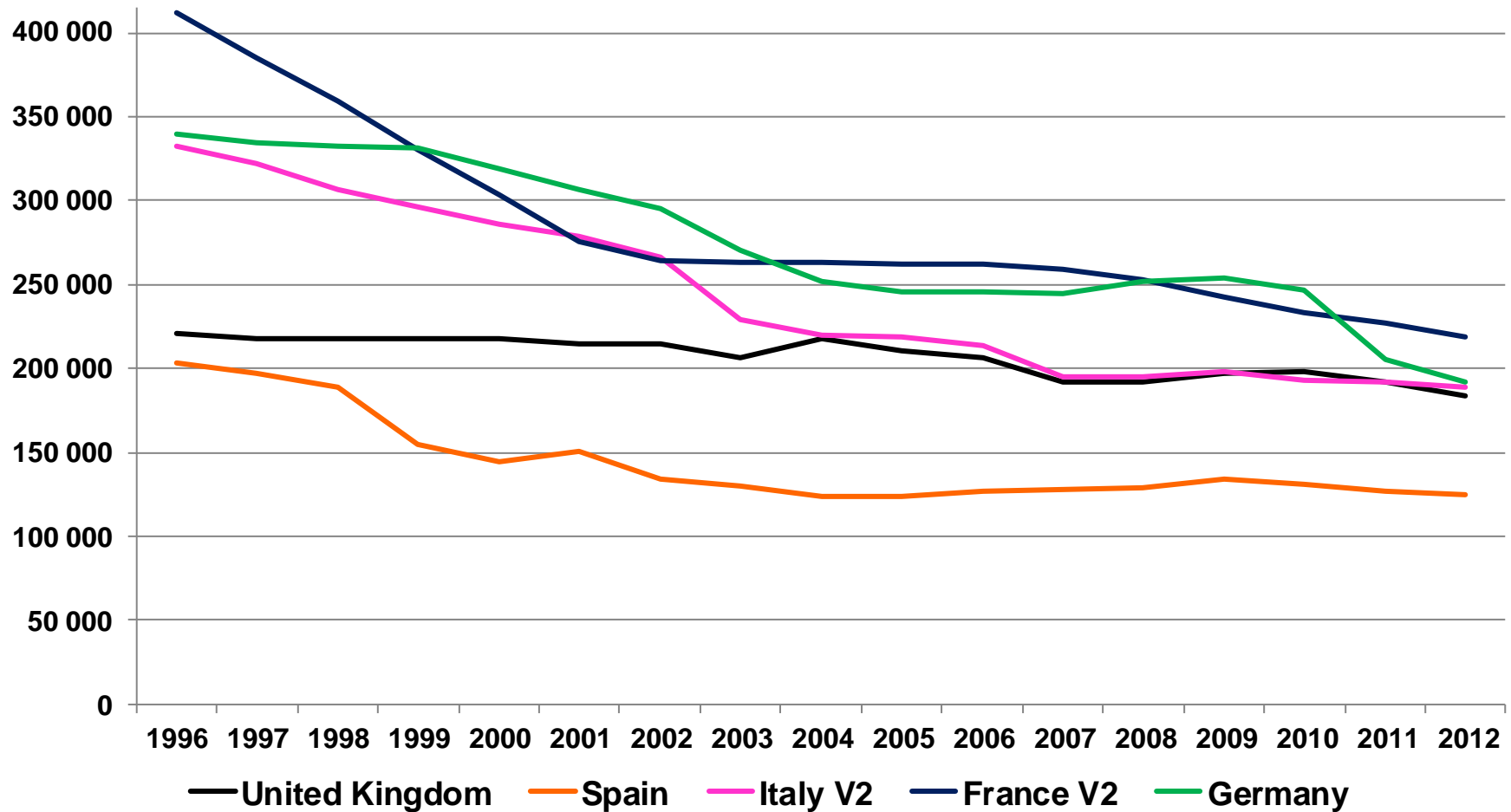
*(R&D, procurement and MRO – excluding pensions)*





# Military personnel

(NATO standard)

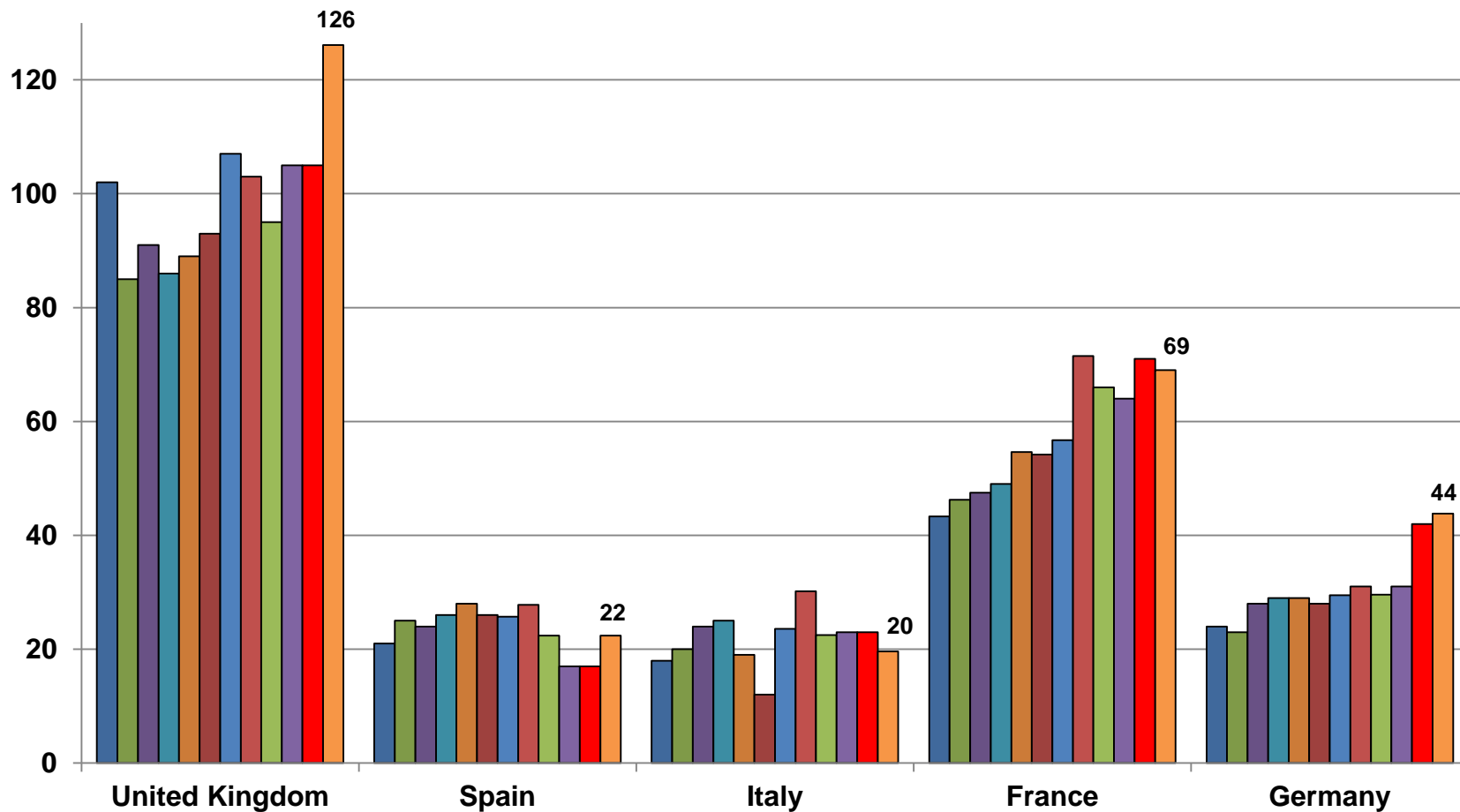


V2: French gendarmerie and Italian carabinieri with a rate of military activity at 5% and 15%, respectively.



# Equipment expenditures per soldier

(OTAN standard, thousands of euros)

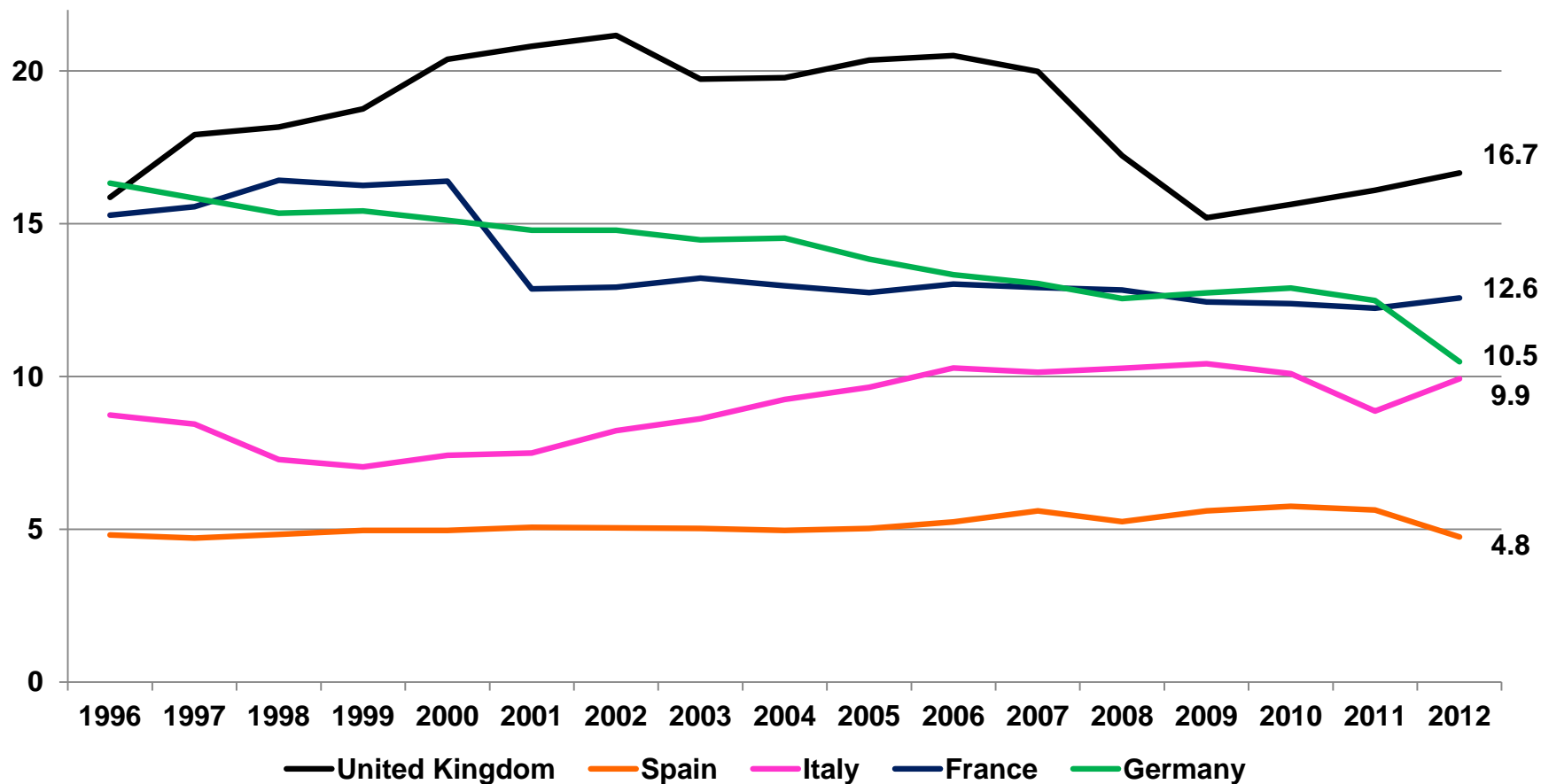


V2: French gendarmerie and Italian carabinieri with a rate of military activity at 5% and 15%, respectively.



# Personnel expenditures

(civil and military, billions of 2013 euros)



NB: France, disruption of statistical series in 2000/2001

United Kingdom, change of public accounting rules in 2002/2003

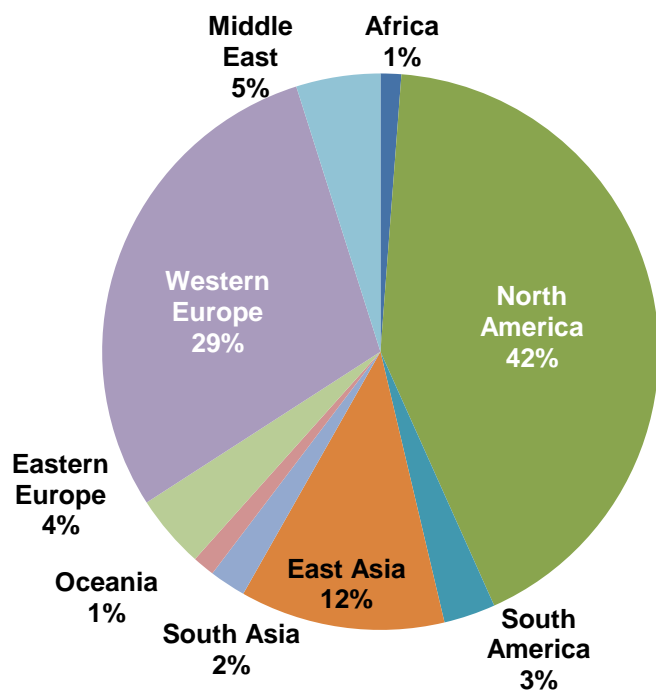


# World military expenditures in 1996 and 2012

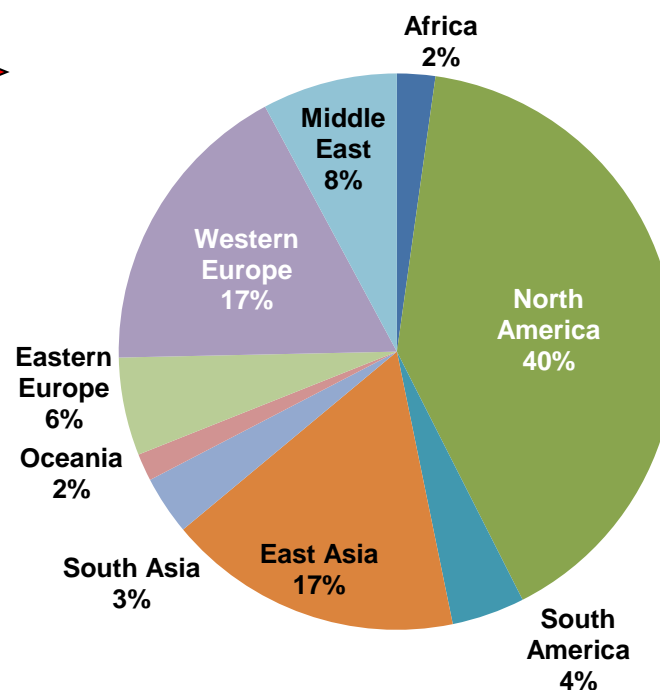
(constant 2010 dollars, market exchange rates)

**1996: 1080 billion dollars**

**2012: 1698 billion dollars**



**+57%**



Russia included in "Eastern Europe "

Source: Stockholm International Peace Research Institute