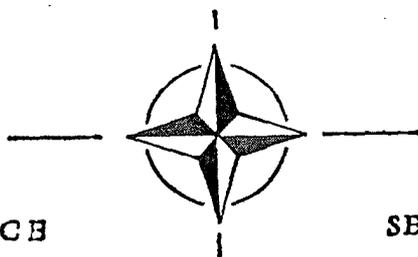


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FINANCIAL AND ECONOMIC DATA RELATING TO NATO DEFENCE



DEFENCE EXPENDITURES OF NATO COUNTRIES

1949 - 1976

The figures given in Table I represent payments actually made or to be made during the course of the calendar year. They are based on the NATO definition of defence expenditures. In view of the differences between this and national definitions, the figures shown may diverge considerably from those which are quoted by national authorities or given in national budgets.

The figures relating to the United States and Canada include expenditures for military aid programmes. The figures shown for European NATO countries do not include the value of end-items received under military aid programmes from the United States and Canada.

TABLE I

TOTAL DEFENCE EXPENDITURES OF NATO COUNTRIES
(Current prices)

Country	Currency Unit	Actual											Forecast
		1949	1954	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976
(0)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Belgium	Million Belgian Francs	8,273	20,707	30,396	32,676	33,892	37,502	39,670	44,140	48,941	57,395	69,936	79,445
Canada	Million Canadian \$	372	1,771	1,965	1,927	1,899	2,061	2,131	2,238	2,405	2,862	3,127	3,595
Denmark	Million Danish Kroner	360	885	2,249	2,591	2,640	2,757	3,195	3,386	3,520	4,439	5,281	5,974
France	Million Francs	4,787	11,710	28,912	30,264	30,696	32,672	34,907	37,992	42,284	47,705	55,955	64,100
Fed. Rep. of Germany (a)	Million DM	..	6,287	21,408	19,310	21,577	22,573	25,450	28,720	31,908	35,644	37,589	38,823
Greece	Million Drachmas	1,630	3,428	9,390	11,003	12,762	14,208	15,480	17,211	19,866	24,126	43,917	..
Italy	Milliard Lire	301	543	1,359	1,403	1,412	1,562	1,852	2,162	2,392	2,852	3,104	3,526
Luxembourg	Million Luxembourg Francs	112	565	413	374	391	416	442	517	601	710	836	900
Netherlands	Million Guilders	680	1,583	3,200	3,280	3,682	3,968	4,466	4,974	5,465	6,254	7,246	7,713
Norway	Million Norwegian Kroner	370	1,141	2,097	2,300	2,502	2,774	3,022	3,239	3,505	3,938	4,771	5,220
Portugal	Million Escudos	1,419	2,100	9,575	10,692	10,779	12,538	14,699	16,046	16,736	25,108	19,898	18,500
Turkey	Million Liras	556	934	4,596	5,159	5,395	6,237	8,487	9,961	12,192	15,831
United Kingdom	Million £ Sterling	779	1,569	2,276	2,332	2,303	2,444	2,815	3,258	3,512	4,160	5,165	6,188
United States	Million US \$	13,503	42,786	75,448	80,732	81,443	77,854	74,862	77,639	78,358	85,906	90,948	99,083
Area													
Total Europe (b)(c)	Million US \$	4,531	11,309	22,101	21,406	21,974	23,460	26,890	32,315	39,173	44,052	51,951	52,609
Total North America	Million US \$	13,875	44,557	77,265	82,515	83,199	79,821	76,973	79,898	80,761	88,832	94,023	102,725
Total NATO (b)(c)	Million US \$	18,406	55,866	99,366	103,921	105,173	103,281	103,863	112,213	119,934	132,884	145,974	155,334

- a. Before it acceded to the North Atlantic Treaty Organisation (May 1955), the Federal Republic of Germany contributed to the defence budgets of certain NATO countries by the payment of occupation costs; moreover, it bore certain other costs which also fall within the NATO definition of defence expenditures. In addition to defence expenditures (NATO definition), the German authorities are obliged to incur large annual expenditures for Berlin owing to the exceptional situation of this city and the need, in the interests of the defence of the free world, to ensure its viability. These expenditures, which are not included in the figures given above since they do not come within the NATO definition, are forecast to be 8,952 million DM in 1976.
- b. The Europe and NATO totals are based on the currency exchange rates in force during the years concerned. This means that the trends shown are affected, to varying degrees, by the changes which have taken place in national exchange rates against the US dollar. Direct comparisons between figures for different years must therefore be made with caution, the more so because, due to the impact of price and salary increases, the figures on this table give only an imperfect view of the real trend in the defence effort of countries. It should be noted that, for 1949, the Europe and NATO totals do not take into account the defence expenditures made by the Federal Republic of Germany.
- c. For purposes of comparison, the figures for Greece and Turkey, which are not available for each of the years under review, have been excluded throughout from the regional totals.
- .. Information not available.

TABLE II. DEFENCE EXPENDITURES
AS PERCENTAGE OF GROSS DOMESTIC PRODUCT IN PURCHASERS' VALUES
(current prices)

Country	1971	1972	1973	1974	1975	1976(a)
Belgium	2.8	2.8	2.8	2.8	3.1	3.1
Denmark	2.5	2.3	2.1	2.4	2.6	2.5/2.6
France	4.0	3.9	3.8	3.7	3.9	3.8
F.R. of Germany (b)	3.3	3.4	3.4	3.6	3.6	3.4
Greece	4.7	4.6	4.1	4.2	6.5	..
Italy	2.9	3.1	2.9	2.9	2.8	2.6
Luxembourg	0.8	0.9	0.8	0.8	1.0	1.0
Netherlands	3.4	3.4	3.3	3.3	3.5	3.3
Norway	3.4	3.3	3.1	3.1	3.2	3.0
Portugal	7.4	7.0	6.0	7.4	5.3	4.2
Turkey	4.5	4.3	4.2	3.9
United Kingdom	5.0	5.2	4.9	5.1	5.0	5.1
NATO Europe (c)	3.7	3.8	3.6	3.7	3.8	3.6
Canada	2.3	2.1	2.0	2.0	2.0	2.0
United States	7.0	6.6	6.0	6.1	6.0	5.9
Total NATO (c)	5.5	5.3	4.8	4.8	4.8	4.7

Notes :

a. Preliminary estimates.

b. These percentages have been calculated without taking into account the expenditures on Berlin (see note a., Table I) ; if these expenses were included, the percentages would be as follows :

1971	;	4.0	1973	;	4.1	1975	;	4.4
1972	;	4.1	1974	;	4.3	1976	;	4.2

c. These percentages have been calculated without Greece and Turkey (see note c., Table I).

.. Information not available.

**TABLE III. GROSS DOMESTIC PRODUCT IN PURCHASERS' VALUES
AND DEFENCE EXPENDITURES
PER CAPITA, IN US \$ (a)**

Country	Gross Domestic Product Per head			Defence Expenditures Per head		
	1974	1975	1976(b)	1974	1975	1976(b)
Belgium	5,466	5,348	5,493	151	161	166
Denmark	5,990	5,869	6,155	144	147	150
France	5,055	4,966	5,229	189	193	198
F.R. of Germany	6,226	6,045	6,466	230c	225c	226c
Greece	2,139	2,236	2,338	90	145	..
Iceland	6,489	6,170	6,031	-	-	-
Italy	2,757	2,635	2,719	79	76	..
Luxembourg	6,118	5,613	5,785	51	54	53
Netherlands	5,134	5,036	5,186	172	172	171
Norway	5,851	6,011	6,328	179	185	182
Portugal	1,511	1,354	1,396	112	73	58
Turkey	744	790	852	29
United Kingdom	3,407	3,363	3,432	174	176	180
NATO Europe	3,918	3,817	3,997	166d	164d	166d
Canada	6,512	6,451	6,686	130	123	124
United States	6,641	6,497	6,825	405	389	394
Total NATO	5,073	4,958	5,202	266d	258d	261d

Notes :

- a. All figures are expressed in 1974 prices ; the national currencies have been converted into US \$ on the basis of the average exchange rates for 1974 ; since then, further changes in exchange rates have occurred and a certain number of caution should be exercised in making comparisons.
- b. Preliminary estimates.
- c. In addition to military expenses proper, the German authorities are obliged to incur large annual expenditures for Berlin, owing to the exceptional situation of this city and the need, in the interest of the defence of the free world, to ensure its viability. If they were taken into account, the figure would be US \$ 268 for 1974, US \$ 263 for 1975 and US \$ 269 for 1976.
- d. These totals have been calculated without Greece and Turkey (see note c., Table I).
- .. Information not available.
- Nil.

**TABLE IV. MAJOR EQUIPMENT EXPENDITURES
AS PERCENTAGE OF TOTAL DEFENCE EXPENDITURES**

(Fiscal years) (a)

Country	Average 1965-1970	1971 or 1971/72	1972 or 1972/73	1973 or 1973/74	1974 or 1974/75	1975 or 1975/76	1976 or 1976/77 ^(b)
Belgium	11.0	12.2	11.4	8.4	8.8	9.1	9.9
Canada	11.6	8.5	6.1	7.3	5.9	6.3	7.9
Denmark	13.6	16.6	15.4	17.2	19.3	19.0	..
F.R.of Germany	16.1	11.0	12.3	12.1	11.9	11.8	13.0
Italy	13.0	14.4	16.9	15.2	15.2	13.9	14.0
Luxembourg	2.6	0.9	1.5	1.3	2.4	1.0	3.0
Netherlands	14.5	12.8	10.7	11.2	13.2	15.6	14.9
Norway	16.8	15.7	11.8	11.7	13.4	14.4	13.9
Portugal	16.9	11.4	7.5	4.5	3.1	1.9	2.5
Turkey	3.1	3.6	4.9	5.0	3.0
United Kingdom	15.9	14.9	18.6	19.3	17.2	19.3	20.0
United States	27.8	22.5	21.6	18.9	18.1	17.6	19.7

Notes :

- a. With the exception of Canada, Denmark and the United Kingdom (Fiscal year : April-March), Turkey (Fiscal year : March-February) and the United States (Fiscal years 1971/72 to 1975/76 : July-June ; Fiscal year 1976/77 : October-September), the fiscal year of countries shown in this table coincides with calendar year (1st January-31st December).
- b. Preliminary estimates.
- .. Information not available.

TABLE V. ARMED FORCES

Country	Military only (thousands)			Total armed forces as % of total labour force (b)		
	1971	1975	1976(a)	1971	1975	1976(a)
Belgium	107	103	104	3.0	2.8	..
Denmark	44	34	36	2.2	1.8	..
France	569	584	585	3.3	3.2	..
F.R.of Germany	472	491	495	2.4	2.5	2.6
Greece	179	185	186	6.2	6.6	6.6
Italy	526	459	480	3.1	2.6	2.7
Luxembourg	1	1	1	0.9	0.8	..
Netherlands	113	107	106	3.0	2.8	..
Norway	36	38	39	3.0	2.8	2.8
Portugal	244	104	96	7.3	3.3	..
Turkey	615	584	674	4.2	3.9	4.5
United Kingdom	384	348	346	2.9	2.5	2.4
NATO Europe	3,290	3,038	3,148	3.2	2.9	..
Canada	87	78	79	1.5	1.2	1.1
United States	2,512	2,101	2,102	4.1	3.3	3.3
Total NATO	5,889	5,217	5,329	3.5	3.0	..

Notes :

- a. Preliminary estimates.
- b. Military and civilian personnel.
- .. Information not available.