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FINANCIAL AND ECONOMIC DATA RELATING TO NATO DEFENCE



DEFENCE EXPENDITURES OF NATO COUNTRIES

1949 - 1980

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.

France is a member of the Alliance without belonging to the integrated military structure; the relevant figures are indicative only.

TABLE I

TOTAL DEFENCE EXPENDITURES OF NATO COUNTRIES  
(Current prices)

Country	Currency Unit	Actual												Forecast
		1949	1954	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980
(0)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Belgium	Million Belgian Francs	8,273	20,707	37,388	40,654	45,183	50,533	57,739	70,899	81,444	89,480	99,726	106,472	115,437
Canada	Million Canadian \$	372	1,771	2,061	2,131	2,238	2,405	2,862	3,127	3,589	4,124	4,662	4,825	5,130
Denmark	Million Danish Kroners	360	885	2,757	3,195	3,386	3,520	4,439	5,281	5,680	6,343	7,250 <sup>e</sup>	7,990	..
France (a)	Million Francs	4,787	11,710	32,672	34,907	37,992	42,284	47,878	55,872	63,899	73,097	84,042	95,481	110,394
Germany (b)	Million DM	..	6,287	22,573	25,450	28,720	31,908	35,644	37,589	38,922	40,184	43,019	45,415	48,531
Greece	Million Drachmae	1,630	3,428	14,208	15,480	17,211	19,866	24,126	43,820	48,466	65,800	76,106	82,301	90,000
Italy	Milliard Lira	301	543	1,562	1,852	2,162	2,392	2,852	3,104	3,608	4,533	5,301	6,468	7,450
Luxembourg	Million Luxembourg Francs	112	565	416	442	517	601	710	836	983	1,029	1,154	1,242	1,476
Netherlands	Million Guilders	680	1,583	3,909	4,394	4,886	5,360	6,144	7,119	7,662	9,092	9,146	10,106	10,409
Norway	Million Norwegian Kroners	370	1,141	2,774	3,022	3,239	3,505	3,938	4,771	5,333	5,934	6,854	7,362	8,248
Portugal	Million Escudos	1,419	2,100	12,538	14,699	16,046	16,736	25,108	19,898	18,845	22,082	27,354	34,343	42,159
Turkey	Million Liras	556	934	6,237	8,487	9,961	12,192	15,831	30,200	40,691	49,790	66,239	94,034	169,469
United Kingdom	Million £ Sterling	779	1,569	2,444	2,815	3,258	3,512	4,160	5,165	6,132	6,810	7,616	9,029	11,306
United States	Million US \$	13,503	42,786	77,854	74,862	77,639	78,358	85,906	90,948	91,013	100,925	109,247	122,279	140,513
<u>Area</u>														
NATO Europe (c)	Million US \$	4,838	11,756	24,464	27,990	33,602	40,716	45,999	55,360	55,670	62,737	76,394	91,791	..
Total North America	Million US \$	13,875	44,557	79,821	76,973	79,898	80,761	88,832	94,023	94,653	104,803	113,334	126,398	144,919
Total NATO (c)	Million US \$	18,713	56,313	104,285	104,963	113,500	121,477	134,831	149,383	150,323	167,540	189,728	218,189	..

Notes :

- France is a member of the Alliance without belonging to the integrated military structure; the relevant figures are indicative only.
- Before it acceded to the North Atlantic Treaty Organisation (May 1955), 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 12,861 million DM in 1980.
- These 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 total figures do not take into account the German expenditures.

.. Information not available.

e. Estimate.

TABLE II. DEFENCE EXPENDITURES  
AS PERCENTAGE OF GROSS DOMESTIC PRODUCT IN PURCHASERS' VALUES

Country	Average 1970-1974	1975	1976	1977	1978	1979	1980(e)
(0)	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Belgium	2.8	3.1	3.1	3.1	3.3	3.3	3.3
Denmark	2.2	2.4	2.2	2.2	2.3	2.3	..
France (a)	3.9	3.8	3.8	3.9	3.9	3.9	4.0
Germany (b)	3.5	3.6	3.5	3.4	3.4	3.3	3.3
Greece	4.4	6.5	5.9	6.8	6.6	5.8	5.2
Italy	2.7	2.5	2.3	2.4	2.4	2.4	2.3
Luxembourg	0.8	1.0	1.0	1.0	1.1	1.0	1.1
Netherlands	3.3	3.4	3.2	3.5	3.2	3.4	3.3
Norway	3.2	3.2	3.1	3.1	3.2	3.1	3.0
Portugal	6.9	5.3	4.0	3.5	3.5	3.5	3.4
Turkey	4.2	5.8	6.2	5.8	5.2	4.6	4.7
United Kingdom	5.0	5.0	5.0	4.8	4.7	4.8	5.2
NATO Europe	3.7	3.8	3.7	3.6	3.6	3.6	..
Canada	2.1	1.9	1.9	1.9	2.0	1.8	1.8
United States	6.7	6.0	5.4	5.3	5.2	5.2	5.5
Total NATO	5.2	4.7	4.4	4.4	4.3	4.3	..

Notes :

- a. France is a member of the Alliance without belonging to the integrated military structure; the relevant figures are indicative only.
- b. These percentages have been calculated without taking into account the expenditures on Berlin (see Note b., Table I); if these expenses were included, the percentage would be as follows :

1975 : 4.4	1977 : 4.2	1979 : 4.1
1976 : 4.3	1978 : 4.1	1980 : 4.2

.. Information not available.

e. Estimate.

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					
	1975	1976	1977	1978	1979	1980 (e)	1975	1976	1977	1978	1979	1980 (e)
(0)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Belgium	9,049	9,522	9,596	9,879	10,108	10,222	281	296	303	323	329	334
Denmark	10,202	10,388	11,050	11,158	11,521	11,425	237	241	248	258	257	254
France	8,042	8,409	8,622	8,874	9,123	9,290	309 b	320 b	335 b	350 b	358 b	371 b
Germany	9,257	9,794	10,084	10,418	10,872	11,149	348 c	351 c	350 c	360 c	366 c	378 c
Greece	2,988	3,136	3,209	3,375	3,470	3,445	195	184	219	222	201	179
Iceland	8,715	8,941	9,376	9,770	9,906	9,879	..	..	..	..	..	..
Italy	4,239	4,460	4,527	4,621	4,834	4,984	105	104	108	110	116	113
Luxembourg	8,864	9,116	9,245	9,661	9,868	9,966	90	97	94	101	104	121
Netherlands	8,631	9,013	9,172	9,342	9,484	9,481	297	292	322	303	317	314
Norway	8,845	9,403	9,699	9,974	10,253	10,691	297	297	300	322	327	335
Portugal	1,596	1,688	1,764	1,812	1,877	1,930	84	68	63	63	65	67
Turkey	1,124	1,188	1,210	1,216	1,197	1,206	51	63	65	63	62	63
United Kingdom	5,105	5,294	5,367	5,537	5,626	5,500	272	270	264	262	267	276
NATO Europe	5,985	6,266	6,385	6,546	6,733	6,804	228	230	234	238	242	246
Canada	8,024	8,380	8,490	8,715	8,878	8,666	168	170	174	174	171	166
United States	8,528	8,943	9,326	9,658	9,796	9,598	503	493	493	499	513	527
Total NATO	7,049	7,386	7,609	7,841	8,010	7,968	332	329	332	337	344	352

Notes :

- a. All figures are expressed in 1978 prices; the national currencies have been converted into US \$ on the basis of the average exchange rates for 1978; since then, further changes in exchange rates have occurred and a certain amount of caution should be exercised in making comparisons.
- b. France is a member of the Alliance without belonging to the integrated military structure; the relevant figures are indicative only.
- c. These figures have been calculated without taking into account the expenditures on Berlin (see Note b., Table I); if these expenses were included, the figures would be as follows : US \$ 408 for 1975, US \$ 418 for 1976, US \$ 420 for 1977, US \$ 431 for 1978, US \$ 445 for 1979 and US \$ 464 for 1980.

.. Information not available.

e. Estimate.

TABLE IV. EQUIPMENT EXPENDITURES  
AS PERCENTAGE OF TOTAL DEFENCE EXPENDITURES  
(Fiscal Years) (a)

Country	Average 1970-1974	1975 ou 1975/76	1976 ou 1976/77	1977 ou 1977/78	1978 ou 1978/79	1979 ou 1979/80	1980 ou 1980/81 <sup>(e)</sup>
(0)	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Belgium	10.6	9.0	11.0	11.9	13.9	13.1	13.6
Canada	7.3	6.3	8.0	8.5	10.0	12.8	13.7
Denmark	16.8	19.0	19.4	21.8	16.4	16.3	15.4
Germany	11.9	11.8	13.2	12.5	13.0	13.7	14.2
Greece	..	..	..	..	..	..	..
Italy	15.4	13.9	13.1	15.3	16.2	15.1	18.3
Luxembourg	1.6	1.0	3.4	2.0	1.7	2.1	1.9
Netherlands	12.8	15.9	15.5	20.9	12.3	20.1	17.9
Norway	13.5	11.6	11.4	14.2	17.2	18.9	17.0
Portugal	7.5	1.9	1.9	2.1	1.8	3.8	6.7
Turquie	4.0	25.2	28.5	21.9	18.5	9.5	6.1
United Kingdom	17.0	19.3	20.6	22.0	23.0	23.2	24.1
United States	21.1 b	17.5 b	17.4	17.5	20.0	19.8	19.5

Notes:

a. Calendar year for all countries except for Canada and the United Kingdom (Fiscal Year: April-March); Denmark (Fiscal Years 1975/76-1977/78: April-March; Fiscal Year 1978: April-December; Fiscal Year 1979 onwards: January-December); Turkey (Fiscal Year: March-February) and the United States (Fiscal Year 1975/76: July-June; Fiscal Year 1976/77 onwards: October-September).

b. Including Ammunition and Explosives.

... Information not available.

e. Estimate.

TABLE V. ARMED FORCES

Country	Military only (thousands)						Total armed forces (b) as % of total labour force					
	1975	1976	1977	1978	1979	1980(e)	1975	1976	1977	1978	1979	1980(e)
(0)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Belgium	103	107	107	118	107	109	2.8	2.9	2.8	3.1	2.8	2.8
Denmark	34	31	32	33	33	35	1.8	1.6	1.6	1.6	1.6	1.7
France (a)	585	585	584	581	578	575	3.2	3.2	3.2	3.1	3.1	3.1
Germany	491	493	495	491	492	495	2.5	2.6	2.6	2.5	2.5	2.5
Greece	185	186	187	186	180	180	6.6	6.7	6.7	6.7	6.5	6.4
Italy	459	455	475	489	490	500	2.5	2.4	2.5	2.5	2.4	2.5
Luxembourg	1	1	1	1	1	1	0.8	0.8	0.9	0.9	0.9	0.9
Netherlands	107	106	103	106	107	107	2.8	2.7	2.7	2.7	2.7	2.7
Norway	38	39	39	40	40	39	2.8	2.8	2.7	2.7	2.6	2.6
Portugal	104	83	79	82	81	83	2.8	2.2	2.1	2.2	2.2	2.2
Turkey	584	674	771	720	698	717	3.9	4.4	4.9	4.6	4.3	4.3
United Kingdom	348	337	326	320	324	328	2.5	2.4	2.3	2.2	2.2	2.2
NATO Europe	3,039	3,097	3,199	3,167	3,131	3,169	2.9	2.9	3.0	2.9	2.9	2.9
Canada	78	78	78	79	79	80	1.2	1.1	1.1	1.1	1.1	1.0
United States	2,098	2,075	2,060	2,033	2,027	2,047	3.3	3.2	3.1	2.9	2.9	2.9
Total NATO	5,215	5,250	5,337	5,279	5,237	5,296	3.0	3.0	2.9	2.9	2.8	2.8

Notes :

- a. France is a member of the Alliance without belonging to the integrated military structure; the relevant figures are indicative only.
- b. Military and civilian personnel.

.. Information not available.

e. Estimate.