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FINANCIAL AND ECONOMIC DATA RELATING TO NATO DEFENCE



DEFENCE EXPENDITURES OF NATO COUNTRIES

1949 - 1984

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.

The corresponding statistical data for Spain are not yet available.

TABLE I
TOTAL DEFENCE EXPENDITURES OF NATO COUNTRIES
(Current prices)

Country	Currency Unit (Million)	Actual											Forecast	
		1949	1954	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984
(0)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Belgium	Belgian Francs	8,273	20,707	57,739	70,899	81,444	89,480	99,726	106,472	115,754	125,689	132,127	136,853	147,496
Canada	Canadian \$	372	1,771	2,862	3,127	3,589	4,124	4,662	4,825	5,499	6,289	7,655	8,086	9,273
Denmark	Danish Kroner	360	885	4,462	5,310	5,714	6,382	7,294e	8,045	9,117	10,301	11,669	12,574	..
France (a)	Francs	4,787	11,710	47,878	55,872	63,899	73,779	85,175	96,439	111,672	129,708	148,021	165,029	175,770
Germany (b)	DM	..	6,287	35,644	37,589	38,922	40,184	43,019	45,415	48,518	52,193	54,234	56,496	58,141
Greece	Drachmae	1,630	3,428	31,499	45,936	56,963	67,738	77,861	89,791	96,975	142,865	176,270	193,340	248,418
Italy	Lira(*)	301	543	2,852	3,104	3,608	4,533	5,301	6,468	8,203	9,868	12,294	14,400	17,100
Luxembourg	Lux. Francs	112	565	710	836	983	1,029	1,154	1,242	1,534	1,715	1,893	2,104	2,296
Netherlands	Guilders	680	1,583	6,144	7,119	7,662	9,092	9,146	10,106	10,476	11,296	11,921	12,149	12,757
Norway	Norw. Kroner	370	1,141	3,938	4,771	5,333	5,934	6,854	7,362	8,242	9,468	10,956	12,395	13,209
Portugal	Escudos	1,419	2,100	25,108	19,898	18,845	22,082	27,354	34,343	43,440	51,917	63,817	76,765	92,211
Turkey	Liras	556	934	15,831	30,200	40,691	49,790	66,239	93,268	185,656	313,067	447,790	556,738	803,044
United Kingdom	£ Sterling	779	1,569	4,160	5,165	6,132	6,810	7,616	9,029	11,510	12,144	13,849	15,952	17,506
United States	US \$	13,503	42,786	85,906	90,948	91,013	100,925	109,247	122,279	143,981	169,888	196,390	217,154	250,011
<u>Area (Total)</u>														
NATO Europe (c)	US \$	4,838	11,756	46,248	55,439	55,911	62,933	76,686	92,207	107,622	97,561	94,895	92,865	..
North America	US \$	13,875	44,607	88,832	94,023	94,653	104,802	113,334	126,398	148,684	175,133	202,595	223,715	257,289
NATO (c)	US \$	18,713	56,363	135,080	149,462	150,564	167,735	190,020	218,605	256,306	272,694	297,490	316,580	..

(*) The figures for Italy are expressed in milliards.

Notes:

- (a) France is a member of the Alliance without belonging to the integrated military structure; the relevant figures are indicative only.
- (b) Before it acceded to the North Atlantic Treaty Organization (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 14,697 million DM in 1984.
- (c) 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.
- (e) Estimate.

.. Information not available.

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

Country	Average 1974-1983	1979	1980	1981	1982	1983	1984e
(0)	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Belgium	3.3	3.3	3.4	3.5	3.4	3.3	3.4
Denmark	2.4	2.3	2.4	2.5	2.5	2.4	..
France (a)	4.0	3.9	4.0	4.2	4.1	4.2	4.1
Germany (b)	3.4	3.3	3.3	3.4	3.4	3.4	3.3
Greece	6.6	6.3	5.7	7.0	7.0	6.4	6.8
Italy	2.5	2.4	2.4	2.5	2.6	2.7	2.8
Luxembourg	1.1	1.0	1.2	1.2	1.2	1.2	1.3
Netherlands	3.2	3.2	3.1	3.2	3.2	3.2	3.2
Norway	3.0	3.1	2.9	2.9	3.0	3.1	3.0
Portugal	3.7	3.5	3.5	3.5	3.4	3.4	3.3
Turkey	4.9	4.3	4.3	4.9	5.2	5.0	5.0
United Kingdom	4.9	4.6	5.0	4.8	5.0	5.3	5.4
NATO Europe	3.7	3.6	3.7	3.8	3.8	3.9	..
Canada	1.9	1.8	1.8	1.8	2.1	2.0	2.1
United States	5.8	5.1	5.5	5.8	6.4	6.6	6.9
Total NATO	4.6	4.2	4.4	4.7	5.1	5.3	..

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 percentages would be as follows:

1979: 4.1	1981: 4.3	1983: 4.2
1980: 4.1	1982: 4.3	1984: 4.2

(e) Estimate.

.. 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					
	1979	1980	1981	1982	1983	1984e	1979	1980	1981	1982	1983	1984e
(0)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Belgium	8,289	8,568	8,456	8,548	8,574	8,711	296	301	304	293	290	298
Denmark	10,798	10,733	10,663	11,021	11,330	11,663	271	272	274	274	276	275
France	9,774	9,868	9,871	10,016	10,070	10,151	386b	398b	412b	415b	420b	413b
Germany	10,665	10,825	10,804	10,699	10,831	11,147	359c	366c	377c	374c	379c	381c
Greece	3,919	3,948	3,900	3,870	3,851	3,889	246	224	274	269	245	264
Iceland	11,108	11,462	11,559	11,264	10,510	10,213	-	-	-	-	-	-
Italy	5,974	6,194	6,195	6,154	6,061	6,164	150	157	156	160	164	172
Luxembourg	9,329	9,427	9,349	9,257	9,446	9,635	90	104	109	113	117	120
Netherlands	9,966	9,972	9,837	9,624	9,642	9,738	307	298	309	312	312	324
Norway	13,024	13,525	13,604	13,673	14,062	14,372	383	388	398	412	427	430
Portugal	2,181	2,260	2,269	2,333	2,312	2,248	75	79	80	80	78	75
Turkey	1,114	1,081	1,103	1,132	1,144	1,163	58	58	58	59	55	55
United Kingdom	8,732	8,534	8,422	8,589	8,864	9,133	393	404	410	430	438	461
NATO Europe	7,548	7,593	7,545	7,555	7,608	7,738	274	279	286	290	291	296
Canada	12,466	12,431	12,768	12,087	12,326	12,727	233	238	244	252	265	278
United States	13,505	13,320	13,587	13,138	13,458	14,124	738	760	794	845	903	979
Total NATO	10,093	10,052	10,151	9,959	10,132	10,495	455	468	486	509	534	568

Notes:

- (a) All figures are expressed in 1982 prices; the national currencies have been converted into US \$ on the basis of the average exchange rates for 1982; 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 in US \$:
- | | | | | | |
|-------|-----|-------|-----|-------|-----|
| 1979: | 436 | 1981: | 460 | 1983: | 460 |
| 1980: | 447 | 1982: | 455 | 1984: | 463 |
- (e) Estimate. - Zero or less than half of last digit shown.

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

Country	Average 1974-1983	1979 or 1979/80	1980 or 1980/81	1981 or 1981/82	1982 or 1982/83	1983 or 1983/84	1984 or 1984/85 ^e
(0)	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Belgium	12.9	13.1	14.4	14.0	13.6	14.9	15.8
Canada	13.8	13.8	15.4	15.9	17.4	20.4	22.5
Denmark	17.7	16.2	18.1	17.5	16.8	16.5	15.5
Germany	14.6	13.7	14.8	17.3	17.4	17.3	17.3
Greece	18.1	17.7	18.8	20.5	17.0	15.9	18.3
Italy	15.2	15.1	17.5	17.3	13.2	14.9	15.0
Luxembourg	2.0	2.1	1.8	1.8	2.3	1.7	1.7
Netherlands	18.9	20.2	18.0	18.8	20.4	22.9	22.6
Norway	18.2	19.5	19.3	19.0	19.6	21.1	19.3
Portugal	4.4	3.8	6.1	6.5	5.2	4.9	4.7
Turkey	10.7	9.1	4.7	9.4	10.8	10.1	13.1
United Kingdom	24.1	23.2	25.2	26.5	25.6	26.7	27.5
		1978/79	1979/80	1980/81	1981/82	1982/83	1983/84
United States	20.8	20.0	19.5	20.3	21.3	23.5	25.2

Notes:

(a) Calendar year for all countries except for Canada and the United Kingdom (Fiscal Year: April-March); Turkey (Fiscal Years 1979/80-1981/82: March-February; Fiscal Year 1982: March-December; Fiscal Year 1983 onwards: January-December) and the United States (Fiscal Year: October-September).

(e) Estimate.

TABLE V. ARMED FORCES

Country	Military only (thousands)						Total armed forces(b) as % of total labour force					
	1979	1980	1981	1982	1983	1984e	1979	1980	1981	1982	1983	1984e
(0)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Belgium	107	108	109	110	109	108	2.8	2.8	2.8	2.8	2.8	2.7
Denmark	33	33	33	30	30	31	1.7	1.6	1.6	1.5	1.5	1.6
France (a)	578	575	575	577	578	571	3.1	3.1	3.1	3.1	3.1	3.1
Germany	492	490	493	490	496	495	2.5	2.5	2.4	2.4	2.4	2.4
Greece	187	186	187	188	177	177	6.4	6.1	5.8	5.6	5.1	5.1
Italy	491	500	505	517	498	507	2.4	2.4	2.4	2.5	2.4	2.4
Luxembourg	1	1	1	1	1	1	0.8	0.8	0.8	0.8	0.8	0.9
Netherlands	107	107	108	106	104	103	2.6	2.5	2.5	2.4	2.3	2.2
Norway	40	40	39	41	41	39	2.6	2.6	2.5	2.6	2.6	2.4
Portugal	81	88	88	89	93	94	2.2	2.3	2.3	2.3	2.3	2.3
Turkey	698	717	741	769	824	815	4.3	4.4	4.4	4.5	4.7	4.5
United Kingdom	324	330	341	334	333	336	2.2	2.2	2.2	2.1	2.1	2.1
NATO Europe	3,139	3,175	3,220	3,252	3,284	3,277	2.8	2.8	2.8	2.8	2.8	2.8
Canada	79	82	81	82	81	83	1.1	1.0	1.0	1.0	1.0	1.0
United States	2,050	2,101	2,168	2,201	2,222	2,269	2.8	2.9	2.9	2.9	2.9	2.9
Total NATO	5,268	5,358	5,469	5,535	5,587	5,629	2.8	2.8	2.8	2.8	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.

(c) Estimate.