

Original Paper

The Military Expenditures of the NATO Members

Herman Matthijs^{1*}

¹ University of Brussels (VUB), Department Political Sciences, University of Ghent (UGent),
Department Public Administration & Management, Belgium

* Herman Matthijs, University of Brussels (VUB), Department Political Sciences, University of Ghent
(UGent), Department Public Administration & Management, Belgium

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Abstracts

This study examines the defence expenditures of NATO's member countries over the recent years. It makes use of the original budget figures of the states as verified by NATO (North Atlantic Treaty Organization) and published by this military organization. The search of this study is to examine the following points:

- *How has defence spending by the member states evolved in the period under consideration (2010-2019);*
- *Which states already meet the targets of the 2014 Wales summit? (2% GDP for defence and 20% of this budget for investment);*

The current figures are based on the primary budgetary sources as published by NATO, namely: the latest year report of 2018 (NATO, AR) and especially the most recent figures in the NATO yearly press release (NATO, PR-CP).

Keywords

Defence budgets, NATO

1. Introduction

The reasons of these research concerning the military expenditures in the NATO members are the following two types:

- what's the actual situation of the military spending in these states;
- what are the achievements in these states related with the NATO summit goals of Wales in 2014.

This study concerns several items concerning the financing of the defence systems of the NATO member states. The following points are a part of this study:

- Number of military personnel and their share in the budgets,

- The military expenditure of the members,
- The military budgets in budget figures,
- The defence expenditures per capita.

This study concerns the defence figures of the present 29 member states of the NATO, but not Iceland. Because this country has no army and manages only a coast guard.

2. Methodology

Concerning the methodology, this study is based at the NATO latest reports concerning the military spending (see references). It concerns the annual report of the Secretary-General of the NATO 2018 (NATO, AR) and the Press Release 2019 (NATO, PR-CP) concerning the defence expenditures. These two publications are the only harmonized and available figures concerning the topic of this study.

3. Results of the Study

The subjects studied, are the following one:

- first of all this study starts with an overview of the own NATO budgets,
- in the next point this study contains the evolution of the military personnel,
- the main subject of this study are the evolution and the achievements concerning the NATO Wales agreement of 2014,
- finally this study relates the defence expenditures with the GDP per capita.

3.1 The NATO Funding

The NATO has three internal budgets, namely: a civil, a military and an investment budget. The financing of these budgets is based on contributions of the 29 members are based on an agreed cost-sharing formula based on “National Gross Income” (NGI) (NATO, AR, pp. 110-111).

The civil budget funds the personal expenses, the operating costs and the expenditures of the international staff at the NATO Headquarters. The civil and political headquarter is located at the Belgian capital of Brussels and the military headquarter in the Belgian town of Mons. This civil budget is approved by the “North Atlantic Council” (NAC). The “NAC” is the daily decision making body consisting of the permanent representatives of the 29 member states. In fact these are the diplomatic missions of these members to the NATO. This budget is 202 million euro for 2018. Personnel is the greatest share in this budget (60,40 %) followed by operating / maintenance (28,5 %) and programmes (11,8 %).

The military budget is related with costs of the operating and maintenance of the NATO command structure and other military entities. In practice it's composed over several separate budgets (37! in 2018) and all financed by contributions from the national defence budgets, based to agreed cost-share formulas from the national defence departments. Also this budget is approved by the “NAC”. In 2018 this budget concerns 1,3 billion euro. The most important parts of this military budget are: NATO command structure (48,4 %), NATO airborne early warning and control force (20 %) (AWACS),

alliance operations and missions (19,1 %), etc.

The third budget of this military organization is the “NATO security investment programme” (NISP) and supports the missions through the delivery of common-funded capabilities. The NISP had a budget of 700 million euro over the year 2018 and a total of 7,6 billion euro worth of projects under implementation. The main projects in 2018 are: AWACS (30,1 %), provide logistic support for deploying forces (25,6 %), provide NATO wide consultation command and control capabilities (17,7 %), provide deployable forces (13,7 %) et.

Practical examples of this NISP budget are the joint investments in harbours, tele-communication, AWACS, drones, etc. All these NISP programmes are approved by the “NAC”. These packages fund a number of projects implemented by NATO allies. In fact the most of these projects are investments “à la carte”.

The next Table gives the cost sharing over the member states is as follow for the years 2018 and 19.

Table 1. NATO Budgets

- USA:	22,13%
- FRG:	14,76%
- France:	10,49%
- UK:	10,45%
- Italy:	8,14%
- Canada:	6,37%
- Spain:	5,55%
- Netherlands:	3,19%
- Poland:	2,76%
- Belgium:	1,95%
- Norway:	1,64 %
- Romania:	1,13 %
- Denmark:	1,12 %

Source: NATO website.

All the other 16 members are contributing less than 1% of the NATO budgets.

Based on these figures, the USA is the most important contributor in the financing of the NATO budgets. The four greatest European states do have together a share of nearly 44%. The ten (USA-Belgium) greatest contributors are paying together 85,79% of these budgets. All the other 19 members pay together less than 15%. This indicates the fact that the NATO systems, translated in budgetary terms, are standing on a few members.

3.2 Military Personnel

In this decade there is an important evolution in the number of military personnel in the NATO countries. The fell back during the 2010-2019 period is as follows (NATO, PR-CP, p. 12):

2010	3.572.000
2019	3.258.000 (estimations)

These figures are representing a decline of nearly 9 % over the period. But the lowest point was reached in 2016 (3.090.000 men). Over the last two years the number of military personnel is back in the elevator upstairs. In the following countries the military personnel is going up: Canada, Czech Republic, Estonia, France, Germany, Hungary, Italy, Latvia, Lithuania, Netherlands, Poland, Romania, the UK and the USA.

The decrease is particularly noticeable in the larger NATO member states, as can be seen in the next Table over the period 2010-2019.

Table 2. Military Personnel (2010-2019)

	2010	2019	-/+
Canada	67.000	72.000	+ 7 %
France	234.000	208.000	- 11 %
Germany	235.000	184.000	- 22 %
Italy	193.000	179.000	- 7 %
Poland	100.000	123.000	+ 23 %
Spain	131.000	121.000	- 8 %
Turkey	495.000	435.000	- 12 %
UK	198.000	144.000	- 27 %
USA	1.427.000	1.338.000	- 7 %

These figures indicate a fall in military personnel in all the greater countries with exception of Canada and Poland. The decline goes from 7 % to 27% ! Remarkable is the fact that the UK has the smallest army in Europa and that Germany and Italy roughly have the same number of military personnel. The French republic has the largest EU army within the NATO. Here though it should be pointed out that the decline in troop numbers in France also has to do with the professionalization of the army and the ending of military service.

Honesty commands to say that some NATO members do have an advantage of these counts of military personal. The reason is the existence of the military police forces used for civil assignments. This means that some police—and judicial services are done by organizations with a military character. Examples are the Netherlands (Koninklijke Marechaussee), France and Luxembourg (Gendarmerie Nationale), Italy (Carabinieri) and Spain (Guardia Civil).

The next Table looks at the evolution of military personnel numbers on the two sides of the Atlantic between 2010 and 2018.

Table 3. Evolution (2010-2018)

	2010		2016		2019
Europe	2.084.000	(58,3 %)	1.718.000	(55,5 %)	1.849.000 (56,8 %)
North America	1.488.000	(41,7 %)	1.372.000	(44,5 %)	1.410.000 (43,2 %)
Total	3.572.000		3.090.000		3.258.000

This Table shows that in total the European countries still have more troops than the two North American members of the alliance. The cutbacks in recent years in Europe. Though mean that the USA and Canada contributed a proportionally greater number of troops to NATO in 2016, the year with the lowest member of military personnel.

With 29 members the NATO has a great group of states with a little armies (2019 estimations by NATO): Iceland (none), Luxembourg, (900 men), Montenegro is a member since 2017 (1600), Estonia (6300), Latvia (6400), Slovenia (6.800), Albania (6800) Slovak republic (13000), Lithuania (15900), Croatia (15000), Denmark (17000), Hungary (20000), Norway (20000), Bulgaria (25000), Czech republic and Belgium (each 26000), etc. All the 13 other member states have more than 30.000 men in their army. This mentioned figures over those states are indicating the great number of little armies inside the NATO. A lot of them are located in the border region of the Russian Federation. Their security and defence is completely independent of the NATO.

A glance at the defence budgets of the NATO countries soon reveals what a large percentage of these budgets is spent on personnel.

The next Table provides an overview of the percentage expenditure on military personnel (not including Iceland) in the national defence budgets. Conform the NATO definition means the personnel expenditures military and civilian outlays as well the military pensions.

The ranking in this Table is from the highest share (in 2018) to the lowest one concerning this item. This Table concerns a comparison between the years 2010 and the 2018. The reason is that the NATO didn't have estimations for all the members for the year 2019, therefore the latest figures concerns the year 2018 .

Table 4. Distribution of Personnel Expenditures (Without: Iceland)

Country	2018	2010
1. Belgium	71 %	(75%)
2. Slovenia	72 %	(70 %)
3. Portugal	72 %	(70 %)

4.	Montenegro	71 %	(73 %)
5.	Greece	71 %	(65 %)
6.	Croatia	71 %	(71 %)
7.	Albania	70 %	(75 %)
8.	Italy	65%	(75%)
9.	Bulgaria	58 %	(64 %)
10.	Spain	57 %	(63 %)
11.	Czech rep.	55 %	(50 %)
12.	Romania	52 %	(62 %)
13.	Slovak rep.	58 %	(79 %)
14.	Canada	48 %	(45 %)
15.	FR Germany	46 %	(52 %)
16.	Denmark	46 %	(50 %)
17.	Poland	46 %	(56 %)
18.	France	46 %	(47%)
19.	Turkey	45%	(49%)
20.	Netherlands	43%	(52%)
21.	Lithuania	40 %	(65%)
22.	Hungary	39 %	(56 %)
23.	USA	38 %	(46 %)
24.	Norway	34 %	(42 %)
25.	UK	33 %	(36 %)
26.	Luxembourg	32 %	(45 %)
27.	Latvia	32 %	(55 %)
28.	Estonia	31 %	(34 %)

When the percentage of personnel spending is grouped by size. we arrive at the following result for the budget figures of 2018:

- Countries spending <40 % on personnel: 7 countries (was 2 in 2010).
- Countries spending 40 - 49 % on personnel: 8 countries (was 6 in 2010).
- Countries spending 50 - 59 % on personnel: 5 countries (was 7 in 2010).
- Countries spending 60 - 69 % on personnel: 1countries (was 7 in 2010).
- Countries spending > 70 % on personnel: 7 countries (was 6 in 2010).

Based on these above figures the share of the personnel expenditures is decreasing in the period 2010-2018. That is proven by the fact that there are now 15 member states which are spending less than 50 % of their military budget on personnel. Comparing with 2010 is this positive evolution. Indeed, then it was only about eight states. But there are still six countries with more than 70 % personnel costs.

But Estonia and the UK are no longer the only countries with under the 40 % share of personnel.

The list of countries with a decreasing evolution (more than 5 %) is long: Albania (- 7 %), Bulgaria (- 6 %), Germany (-6 %), Hungary (- 17 %), Italy (- 10 %), Latvia (- 23 %), Lithuania (- 25 %), Luxembourg (- 13 %), Netherlands (- 9 %), Norway (- 8 %), Poland (- 10 %), Romania (- 27 %), Spain (- 6 %), Slovak republic (- 8 %) ,UK (-3%) and the and USA (- 8 %).

Like already written, the NATO hasn't estimations concerning the personal expenditures for all the members for the year 2019. But in the partial NATO figures for 2019 (NATO, PC-CP, p. 13) it seems to be that five of the seven countries, which did have a share of more than 70% in 2018 (there are no NATO estimations for Portugal and Slovenia), go below the 70% limit with regard to their personal costs in their military budgets. As follow of the latest figures Albania, Belgium, Croatia, Greece and Montenegro are decreasing between a share of 64 à 69%.

Generally, the conclusion concerning the personal cost is that the members are over the last years in progressive improvement in relation to this item.

3.3 Expenditure and GDP

The next in this study are the defence expenditures in relation as a percentage of the GDP (Gross Domestic Product) of the NATO member states. The next Table concerns the period 2010-2019 (NATO, PC-CP, p. 12). The countries are arranged in alphabetical order. There are no NATO figures concerns the republic of Iceland and this fact s already explained.

Table 5. GDP Evolution (Share of Real GDP)

	2010	2019
Albania	1.56%	1.26 %
Belgium	1.08 %	0.93 %
Bulgaria	1.64 %	1.61 %
Canada	1.16 %	1.27 %
Croatia	1.54 %	1.75 %
Czech Rep.	1.28 %	1.19%
Denmark	1.40 %	1.35 %
Estonia	1.70 %	2.13 %
France	1.96 %	1.84 %
Germany	1.35 %	1.36 %
Greece	2.64 %	2.24 %
Hungary	1.03 %	1.21 %
Italy	1.35 %	1.22 %
Latvia	1.06%	2.01 %
Lithuania	0.88 %	1.98 %

Luxembourg	0.47 %	0.55 %
Montenegro	1.80 %	1.65 %
Netherlands	1.34 %	1.35 %
Norway	1.51 %	1.70 %
Poland	1.77 %	2.01 %
Portugal	1.49 %	1.41 %
Romania	1.24 %	2.04 %
Slovak rep.	1.27 %	1.74 %
Slovenia	1.61 %	1.04 %
Spain	1.03 %	0.92 %
Turkey	1.83 %	1.89 %
United Kingdom	2.47 %	2.13 %
United States	4.81 %	3.42%

In this article we want to try and view the percentages in the above Table 5 in the light of the “NATO Wales summit” held outside Cardiff in 2014. At the summit, the leaders of the former 28 NATO countries, without Montenegro, made the following decisions:

- The defence budget must return to at least 2 % of national GDP and that before 2014;
- The investment part of defence budgets must rise to 20 % of expenditure;
- A more balanced sharing of the costs of providing defence and security between both sides of the Atlantic.

With respect to the 2 % of GDP decision, seven countries met this target in 2019: the United States, Greece, the United Kingdom, Estonia, Latvia, Romania and Poland. The republic of Lithuania is very near the goal ! In fact eight countries are conform this goal. At the moment of the Wales decision in 2014 only three members reaches this 2 % GDP goal: Greece, the UK and the USA.

The average of the NATO defence expenditures, as share of the GDP, is as follow:

- NATO European states: 1.63% (2010)-1.58% (2019);
- USA & Canada: 4.46% (2010)-3.26% (2019);
- NATO total: 3.03% (2010)-2.51% (2019).

In the group of the European member states the average went down in this researched period. But over the last years the defence expenditures went up from 1.45% GDP as lowest average in 2015 to the present estimated 1,58 % in 2019.

Several countries are near to reach the 2% GDP rule and this in addition with Lithuania. Indeed, other upgrading military budgets are voted in France (1,84%) and Turkey (1,89%). Since the Macron years the military budget is increasing, but the situation of the French public finances is still far from good. On the other side has France still a nuclear capacity and worldwide interests! But there is still an important difference in military spending between this republic and the other European nuclear power:

the United Kingdom. The FR of Germany went from 1.28% (2010) over 1,18 % (2014 and 15) to 1.36% (2019). This country has certainly the budget possibilities to invest more in defence. But a leading role of Germany in the European defence is a political problem for a lot of European countries. The reason is related with the world wars and the German occupation of a lot of European states during this war periods. The fourth European military power: Italy evaluated from 1,35% (2010) over 1.07% (2015) to 1.21% (2019). But this southern European state remains a lot below the average and the 2% GDP rule. Also Spain has still a weak defence share!

Countries near to the Russian or Serbian borders have increased their military budget. The Baltic states are already conform the NATO guideline of 2014 and this is also the fact for Poland and Romania.

If we take the NATO average of 2019 with 2,51 % GDP spending only the USA spends more on defence. If we take the calculation average of the European members (= 1,58 %), then 14 states of the 27 Europeans (including Turkey) are spending more. This result is certainly improved over the last few years.

Another numerical and statistical comparison is the median of the GDP shares (NATO, PC-CP, p. 2). The median of the defence expenditures as a share of the GDP is estimated at 1,63% for the year 2019. Also this figure is increasing over the last years and is reached by 14 of the 28 states (excluded Iceland). Bulgaria is very near the present median. But this median is only 4/5 of the NATO guideline of 2% GDP.

The fact that the NATO average (2019, 2,51%) is more than then the guideline of 2%, is explained by the higher defence budget of the United States of America.

The second part of the Wales agreement is the achievement of the 20 % “NATO guideline on defence equipment expenditures”. Also this rule is problematic for several countries. But in 2019the NATO (NATO, PC-CP, p. 2, p. 13) estimates that 17 countries are in accordance with this goal. The next Table gives the list of countries, which do comply with this investment objective (namely from the highest to the 20 % goal):

Table 6. The NATO Equipment Goal

- Luxembourg:	44%
- Slovak rep.	41%
- Turkey:	38%
- Norway:	29%
- Lithuania:	28%
- USA:	27%
- Bulgaria & Latvia:	25%
- Romania & the UK and France:	24%
- Hungary, the Netherlands and Poland:	23%
- Italy & Spain:	20%
- Estonia:	19,4%

This means that 17 members are in conformation with this guideline. In 2014 only seven states reached this 20 % equipment rule, namely: Estonia, France, Luxembourg, Norway, Turkey, the UK and the USA. Estonia is an edge case. Over the last years we do see an important improvement in relationship with the mentioned guideline. Seeing the present figures of 2019, Denmark and Germany are the closest by this NATO guideline.

The calculation average is 21,6 % and the median amounts 21,9 % for the year 2019. These figures are indicating that this goal is easier to achieve for the members than the 2 % GDP global norm.

Remarkable is that Germany reaches only 16% for this NATO goal. Which is a little improvement comparing the former years. Because of this, the FRG is the only of the four great European/EU players in the NATO which is unable to achieve this equipment goal. Seeing the rosy situation of the German public finances this can be no financial problem.

The figures given above can be used to class the NATO membership into four distinct groups. namely:

- 7 countries which meet the 2 % of GDP standard and the 20 % investment standard: the USA. The United Kingdom. Poland, Romania, Estonia, Latvia and Lithuania;
- 1 country which meet the 2 % of GDP standard but do not reach the 20 % investment standard: Greece. Indeed the Hellenic republic has a global military budget of 2,24% GDP, but 70% is going to personnel and only 12% to equipment ;
- 10 countries which do not meet the 2 % of GDP standard. But do meet the 20 % investment standard: Bulgaria. France. Hungary, Italy, Luxembourg, Netherlands, Norway, Slovak republic, Spain and Turkey;
- 10 countries—excluded Iceland—which do not meet either standard.

We must conclude from the foregoing exercise. that a majority of NATO members still do not conform to the above standards. But there is an improvement comparing the last years. Based on the current figures France and Turkey are the closest near the 2% goal and for Denmark and Germany applies the same remark concerning the equipment target.

The third resolution of the “NATO Wales summit” concerns a better balance between the military expenditure of the North American and European NATO members. In other words the Wales summit demands an increase of the military budget outlays from the most of the European partners.

The next Table illustrates the situation using the 2019 figures concerning the share in the alliance GDP and the share of NATO global defence expenditures.(NATO, PC-CP, pp. 7 & 10). The NATO figures are calculated in constant 2015 prices.

Table 7. The American Burden (Figures 2019)

	GDP share	Defence share
USA	50,9 %	69,6 %
Canada	4,3 %	2,2 %
Turkey	2,4 %	1,8 %
European members	42,4 %	26,4 %

The NATO estimates the global GDP (in billion US dollars and exchanged rates) for all the members for 2019 at 39.243 billion. After the USA follows the FRG with a GDP of 2.595 billion US dollars (9,2% share), the United Kingdom with 3.081 billion dollars (7,8%), France with 2.595 billion US dollar (6,6%), Italy with 1.901 billion dollars (4,8%), Canada with 1.671 US dollars (4,2%), Spain with 1.336 (3,4%) etc.. All the other member states have a GDP less than one thousand billion US dollars.

These seven states, the two from North America and the five EU states, are covering together 87% of the global NATO GDP. The five European nations are representing nearly 32% of the NATO-GDP and $\frac{3}{4}$ of the European GDP inside the NATO. If we make these calculation without the United Kingdom, seeing the Brexit, the European continental share decreases to 34,6% GDP share.

The NATO estimates the total defence expenditures for the year 2019 at 984,2 billion US dollars. This is lower than, i.e., in 2012 (997 billion US dollars) but higher than the lowest point reached in 2015 with 895 billion.

The eighth Table gives the defence expenditures (year 2019), in nominal figures and expressed in US dollars, starting from the highest budget and NATO-share.

Table 8. The Military Budgets of the Member

(I)	USA	685 billion US dollars (69,6 % as share)
(II)	UK	65 (6,6 %)
(III)	FRG	49 (4,9 %)
(IV)	France	47 (4,8 %)
(V)	Italy	23 (2,3 %)
(VI)	Canada	21 (2,1 %)
(VII)	Turkey	18 (1,8 %)
(VIII)	Spain	12 (1,2 %)
(IX)	Netherlands	11 (1,1 %)
(X)	Poland	11 (1,1 %)

All the other states (19 members) have a share of less than 1% in the global of the NATO defence expenditures and their national military budget is less than 10 billion dollars for 2019. On the European side the difference between the United Kingdom versus the FRG and France catches the eye. That underlines again the importance of the UK defence for Europe. But for the first time in the NATO history the Federal Republic of Germany spends more money than France on defence!

The following Table makes the difference between the GDP versus the Defence Expenditures (DE) share and this for the ten greatest defence contributors.

Table 9. GDP vs. DE

USA	+ 23,6 %	(69,6% share D.E. versus 50,9% GDP share)
Poland	- 0,3 %	(1,1% DE vs 1,4% GDP)
Turkey	- 0,6 %	(1,8% DE vs 2,4% GDP)
Netherlands	- 1 %	(1,1% DE vs 2,2% GDP)
UK	- 1,2 %	(6,6% DE vs 7,8% GDP)
France	- 1,8 %	(4,8% DE vs 6,6% GDP)
Canada	- 2,1 %	(2,2% DE vs 4,3% GDP)
Spain	- 2,2 %	(1,2% DE vs 3,4% GDP)
Italy	- 2,5 %	(2,3% DE vs 4,8% GDP)
Germany	- 5,3 %	(4,9% DE vs 9,2% GDP)

As result of this comparison between the GDP and the DE shares, the conclusion is again that only the United States has a positive result or in other words a much greater share in the defence expenditures versus the GDP share. A difference of 23,6 is very big! All the other top ten GDP states have a lower

share in their D.E., going from 0,3 % till over 9 %.

This calculation with the difference in share between the GDP and the defence expenditures of the states in the NATO total confirms again the proportionately higher US military expenses and the clear under budget European and Canadian military budgets.

Between the European NATO states we notice huge differences between the referred parameters. The previous list let see an important difference between the greater European partners. There is a little difference between the two shares concerning Poland and the United Kingdom on the lower side and higher differences in the case of France, Spain, Italy and certainly the federal republic of Germany.

3.4 Defence Expenditure per Capita

This article has also the intention to link the foregoing to per capita defence spending. Doing so yields a different perspective on NATO's military expenditure.

The tenth Table tenth Table (NATO, PC-CP, p. 10) below gives an overview of per capita defence spending in each of the NATO's member states and the GDP per capita. The figures concerns the year 2019 (estimated NATO figures) with (in parentheses) the figures of 2012, the latest year mentioned in the NATO document used. In other words this Table gives in US dollar the defence expenditures and the GDP per capita calculated in 2015 prices and exchange rates.

Table 10. Defence Expenditure (D.E.) and GDP per Capita (in US Dollars)

		<u>D.E. per capita</u>	<u>GDP per capita</u>
1.	United States	2.072 (2.357)	60.500 (54.000)
2.	Norway	1.308 (1.112)	76.800 (73.300)
3.	United Kingdom	979 (912)	46.000 (42.300)
4.	Denmark	760(697)	56.200 (51.600)
5.	France	709(677)	38.600 (36.200)
6.	Netherlands	655(548)	48.400 (44.200)
7.	FRG	591(528)	43.400 (40.300)
8.	Canada	569 (462)	44.700 (42.200)
9.	Luxembourg	552(362)	99.700 (95.700)
10.	Greece	431 (419)	19.300 (18.300)
11.	Estonia	429(306)	20.100 (16.100)
12.	Belgium	392(414)	42.100 (39.900)
13.	Italy	385 (402)	31.400 (30.600)
14.	Lithuania	336 (96)	16.600 (12.700)
15.	Latvia	325 (109)	16.200 (12.300)
16.	Slovak rep.	322 (163)	18.400 (14.900)

17.	Portugal	299 (262)	21.200 (18.700)
18.	Poland	296 (198)	14.700 (11.400)
19.	Spain	264(259)	28.500 (24.800)
20.	Slovenia	253 (236)	24.300 (20.100)
21.	Croatia	238 (174)	13.600 (11.400)
22.	Czech rep.	236 (174)	19.800 (16.500)
23.	Romania	225 (98)	11.000 (8.000)
24.	Turkey	222 (151)	11.700 (9.500)
25.	Hungary	178 (117)	14.700 (11.300)
26.	Bulgaria	132 (97)	8.200 (6.500)
27.	Montenegro	126 (99)	7.600 (6.000)
28.	Albania	58 (56)	4.600 (3.700)
29.	Iceland	n.a.	58.700 (48.700)

This Table let see that the GDP per capita was going up over these mentioned years (2012-2019) in all the countries. The slowest increase is Italy with 2,6% and the highest is Romania with 37%! The USA has an increase of 12% and that's the 17th place in the ranking of increases. With exception of Iceland (+ 20%), Spain (+15%) and Portugal (+ 13%) all the other states between the USA and Romania are the east European states and Turkey. Naturally achieve the West European states, with a higher GDP, a lower statistical increase. The highest GDP per capita in figures (US dollars) remains Luxembourg, following by Norway and the USA. Denmark and Iceland are changing of the places four and five. The first southern European state is Italy at place 12 (31.400 dollars) and the first east European state is Slovenia (24.300). The list conforms again the still more prosperous positions of the West- and North European nations. The concerned average of the years 2012 and 2019 are the following figures (in US dollars):

NATO European states: 27.700 (2012)-30.600 (2019)

North America : 52.800 (2012)-58.900 (2019)

NATO total: 37.400 (2012) -41.600 (2019)

Concerning this GDP per capita in the NATO states only eleven members do have a higher result as the average in 2019. It concerns: the two North American members, the three Scandinavian members, the three Benelux members, France, Germany and the United Kingdom. This Table doesn't let see a difference, in this case, with the results of 2012. Even in the NATO GDP figures we conclude the already existing welfare conditions between Western Europe versus East & South Europe.

The second part of the above Table concerns the defence expenditures (D.E.) per capita between the years 2012 and 2019(except Iceland). In only three states , the USA—Belgium and Italy—the “D.E.”

per capita is in 2019 lower than in 2012. This is an improvement with the former years and confirms de previous figures concerning the increase of the military budgets..

The concerned average of the two studied years are (in US dollars):

NATO European states: 430 (2012)-486(2019)

North America: 2.169 (2012)-1.919(2019)

NATO total: 1.079 (2012)-1.045(2019)

This Table again highlights the difference of spending concerning defence between the both sides of the Atlantic ocean. If we take the NATO average then only two nations can be situated above this figure, namely: the USA and Norway. If the parameter is the European average then seven members are staying higher in the list: Denmark, France, Germany, Luxembourg, the Netherlands, Norway and the UK. Greece with a military budget of more than 2% GDP doesn't achieve this mentioned average per capita.

This Table gives another angle concerning the military financial efforts of the NATO states.

The ranking in this lists per capita is, naturally, related with the size of the national GDP. But this calculation is not an objective measuring instrument to make the real efforts of the NATO members in relation with their defence budgets. The fact that the USA stays on the first place with the D.E. per capita and this with lower GDP than Norway can be explained through the much higher USA position concerning the NATO 2 % GDP goal. A similar remark also applies Denmark, albeit to a much smaller extent.

4. Conclusion

In this article we have looked at trends in military spending in the NATO members during this decade. The first conclusion is still that the US continues to be by far the largest financier of the NATO and is still the greatest military spender. The explanation basically lies with the funding parameter. namely the level of the "GDP" and the military tradition.

On the NATO funding the USA stays the most important contributor, but all by all the European states together are paying the greatest part of these three budgets.

Another item of this article is the military personnel level that has also fallen in recent years. The fall reached the lowest point in the year 2016 and is now increasing, but is still below the figures in the beginning of the decade. Concerning this item there is an European predominance. Another determination is the decreasing of the personnel share in the defence budgets.

The Wales summit goals are in an improving way. Already seven countries reaches the 2% GDP goal. But there is for a lot of members a long way to go and the 2024 target comes closer. The increasing of the defence budgets is certainly related with the states in the proximity of the Russian Federation. The 20% equipment guideline is already achieved by 17 states. Comparing with the beginning of the decade are the military budgets still lower , but the lowest points during the years 2015/2016 has been omitted. Based on the military budget figures the impact of the USA is overwhelming. The United Kingdom has

the most important European military budget. This country is also the only European greater nation which is fully consistent with the mentioned NATO guidelines of the Wales summit. A historical fact is that the FRG for the first time, in 2019, has a larger nominal military budget as France. Finally, this study analyses also the per capita parameter and this confirms the impression created in the previous part of the article. The USA is the largest source of NATO funding and also contributes the most to the defence of NATO territory. In these calculations they see the impact of the higher well fare and GDP's in Western- and Northern Europe.

The latter is certainly a consequence of the problems in the public finances in many countries and also the lack of political interest for defence issues.

There can be no doubt about the fact that the European defence will have to rely on NATO and his North American input and this for the next decades.

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