

## **GLOBAL MILITARY SPEND INCREASE DUE TO UKRAINE**

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The SIPRI -Swedish think tank that covers military spending- maintains that it increased 13.7% in real terms during 2022 worldwide, reaching a maximum of 2.24 trillion dollars. The war in Ukraine has been the main cause of this. The three countries that spent the most in real terms were the United States, China and Russia, the three global military powers. Together they account for 56% of the world's total. In 2022 it grew for the eighth consecutive year, reaching the all-time high of 2.24 trillion dollars. The largest increase (13%) was recorded in Europe and was caused by the aforementioned war. But outside of NATO, concerns about the Russian threat influenced decisions in many other countries, as well as tensions in East Asia. According Nan Tian, senior researcher at SIPRI's Military Expenditure and Arms Production Program, States are reinforcing their military forces due to the deterioration of the security environment, which they do not expect to improve in the short term. The first place for its military spending is held by the United States with 877,000 million dollars. China continues with 292,000 million, accounting for almost a third of the United States, although the economy of this country is slightly superior to that of China. In other words, the Asian power spends considerably less in accordance with its GDP. But the annual increase is higher than the North American. In 2021-2022, US military spending increased 0.7% and China's 4.2%. As for Russia, it increased 9.2% as a result of the war with Ukraine. The fourth military expenditure was that of India, which reached 81.4 billion dollars, with an annual increase of 6%, higher than that of China. The fifth was that of Saudi Arabia, with an increase of 16%, higher than that of Russia.

Cold War levels of military spending return to Central and Western Europe because of the Russian threat posed by the Ukraine war. Central and Western Europe's spending reached 345 billion dollars in 2022. It is four times higher than that of Russia. For the first time, the European spending has surpassed that of 1989, at the end of the Cold War, and was 30% higher than that of 2013. The United Kingdom has the first military expenditure in Europe with 68.5 billion dollars, followed on this continent by Germany with 55.8 billion and France with 53.6. Ukraine has become the fourth largest military spend in Europe and

the 11th in the world, when in 2001 it was 36th. Italy is the 12th with 33.5 billion and Spain the 16th, with 20.3 billion. The most significant increases were in Finland (36%), Lithuania (27%), Sweden (12%) and Poland (11%). These are four NATO countries that are on the front line against Russia. Poland aspires to be the first military power in Europe in the medium term, and for this it is beginning to increase its spending significantly, which is today at 16.6 billion dollars. The Netherlands ranks 19th, Norway 29th, Sweden 32nd, Switzerland 35th (non-NATO member), Denmark 39th and Romania 40th.

Russia and Ukraine continue to increase their military spending because of the war, and the United States does too, despite high inflation. Russia, with the increase in 2022 of 9.2%, spends 4.1% of its GDP compared to 3.7% in 2021. The difference between budget plans and its actual military spending in 2022 clearly shows that the war will cost more than it anticipated. Ukraine, for its part, showed an unprecedented increase, reaching 640% per year and being the largest increase recorded in SIPRI data since its creation in the early 1960s. As a result of this increase and the damage caused by the war to the Ukrainian economy and infrastructure, military spending as a percentage of GDP increased from 3.2% in 2021 to 34% in 2022. It should be noted that according to the IMF, the GDP has fallen in this country by 29%, while other calculations maintain that it has been 35%. As for the United States, it is undoubtedly still the world's leading military power, spending 39% of the world's military spending, and as said, it is almost three times more than the amount spent by China. The US would have been even higher had it not generated the highest level of inflation in the country since 1981. The annual increase was largely due to the military aid it provided to Ukraine. The military assistance it gave to this country amounted to 19.9 billion dollars in 2022, almost equal to Spain's military spending and slightly higher than Poland's. US financial aid to Ukraine is almost equal to the defense spending of Brazil, which ranks 17th in the world. Although this was the highest amount of military aid given by any country to a single recipient in any year of the Cold War, it represented only 2.3% of total US military spending. In 2022, this country allocated 295 billion dollars to military operations and maintenance, 264 billion to acquisitions and research and development and 167 billion to personnel expenses. Regarding Canada, it spends 26.9 billion dollars on defense and ranks 14th.

China leads the sustained and continuous increase in military spending in Asia and Oceania, and Latin America has the lowest in the world in regional terms. The total military spending of both continents reached 575 billion dollars. This represents an increase of 2.7% compared to 2021 and 45% more than in 2013, giving continuity to an uninterrupted upward trend that has been going on since 1989. China is the second country in terms of military spending in the world. It spends 63% more than in 2013 and has continuously increased its spending for 28 consecutive years. India increased its military spending by 6% in 2022 and Saudi Arabia by 16%. The ninth place in the world and the fourth in the continent is held by South Korea, with 46.4 billion dollars, slightly above Japan. This last country is the tenth in the world. It increased 5.9% between 2021 and 2022, reaching 46 billion dollars, equivalent to 1.1% of its GDP. It is the highest level of military spending by this country since 1960. A new national security strategy released in 2022 lays out more ambitious plans to increase Japan's military capability over the next decade, in the face of growing threats from China, North Korea and Russia. Japan is abandoning postwar restrictions on its military spending. In Asia, Israel ranks 15th in the world, Qatar 20th, Taiwan 21st, Singapore 22nd, Turkey 23rd, Pakistan 24th, Indonesia 27th and Iran 34th. As for Oceania, the first military expense is that of Australia, which allocates 32.3 billion dollars and ranks 13th in the world. Latin America is the region that shows the lowest spending both in amount and as a percentage of GDP. Brazil ranks 17th, between Spain and Poland. It allocates 20.2 billion dollars to its military spending. Colombia follows in 25th place in the world, with 9.9 billion, and Mexico is in 28th, with 8.5. Chile occupies the 38th position. The twelve South American countries together spend 46.1 billion dollars.

In conclusion: according to SIPRI, global military spending reaches a total of 2.24 trillion dollars and registers an annual increase of 13.7% in real terms, with the US, China and Russia accounting for 56% of the total. Western and Central European countries have returned to their Cold War level of military spending because of the Ukraine conflict and the threat posed by Russia. Due to the war, Russia and Ukraine have increased their military spending in year on year terms by 9.2% and 44% respectively. Finally, in military terms, half of the ten countries in the world are from Asia: China, India, Saudi Arabia, South Korea and Japan. The US accounts for 39% of world military spending and Latin America is the one that spends the least.