

The Defence Expenditures of the NATO member states

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Abstract

This article examines the defence expenditures of NATO's member countries in 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 organization. The research of this study is to examine the following points: How has defence spending by the member states evolved in the period under consideration (2010 – 2017); Which states already meet the targets of the 2014 Wales summit? (2% GDP for defence and 20% of this budget for investment)The figures are based on the primary budgetary sources as published by NATO².

Keywords: defence budgets, Military policy, NATO,

Introduction

Since the creation of NATO/OTAN³ by the Washington Treaty of 1949 the total number of members has grown from 12 to the present 29 countries. The NATO started, initially with twelve states in 1949, namely: Belgium, Canada, Denmark, France, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal, the United Kingdom (UK) and the United States of America (USA). It was the first time ever that a transatlantic military organization had been created, with a North American country, the USA, taking the lead in the military defence of Western Europe. During the fifties several new members joined NATO, namely, Greece and Turkey in 1952, West Germany in 1955 (the reunified Germany in 1990). The number of member states then remained the same for almost a quarter of a century until 1982, when a democratic Spain joined the organization.

The end of the Soviet Union's grip on Eastern Europe led to three successive rounds of expansion. First of all in 1999 with the entry of the Czech Republic, Hungary and Poland. Following in 2004 with the membership of Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia and Slovenia. The third round concerned in 2009: Albania and Croatia. In 2017 Montenegro joined the NATO as the 29th member. The NATO treaty prescribes that the new candidates for the NATO membership must be unanimously approved by all the existing members.

1. NATO funding

The NATO has three budgets: a civil, a military and an investment budget. The contributions of the 29 members are based on an agreed cost-sharing formula based on "National Gross Income" (NGI)⁴.

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² The Secretary General's Annual Report, 2017, Brussels: NATO – OTAN, May 2018, 117p.

- Defence expenditures of NATO countries - Les dépenses de défense des pays de l'OTAN, (2010 – 2017), Brussels: NATO/OTAN press release (PR-CP 2018-016), 15 March 2018, 12 p.

³The NATO has two official languages: English and French (OTAN: Organisation du Traité de l'Atlantique Nord).

⁴H. MATTHIJS, The Funding of the North Atlantic Treaty Organization, Journal of Power Politics and Governance, vol. 3, no. 1, June 2015, pp. 47-62.

The civil budget of the NATO funds the personnel and the operating costs of NATO headquarters⁵. The budget is approved by the NATO council. The civil budget for 2017 came to 193 million euro. The military budget covers the operation and maintenance of the military headquarters⁶, known as SHAPE (Supreme Headquarter Allied Powers in Europe), and about 50 other institutions (defence college, standardization office, etc.). This budget came to 1.3 billion euros in 2017. The third budget is the NSIP (NATO Security Investment Programme) and concerns the resources needed for the construction and the administration of strategically important military installations (such as pipelines). The 2017 ceiling for this budget was 655 million euros.

The cost sharing over the member states is as follow for the years 2018-197:

- 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%
- etc.

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 a share of nearly 43%. The ten 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.

2. Military personnel

Military personnel numbers in the NATO countries fell back during the 2010-2017 period as follows⁸:

2010	3.572.000
2017	3.163.000

These figures are representing a decline of 11.5 % over the period. Such a reduction in the military establishment is a trend common to all NATO countries with the exception of Czech republic, Estonia, Latvia, Lithuania, Luxembourg, Norway, Poland and Canada. Indeed the US's northern neighbour increased its military establishment in the period from 61,000 in 2010 to 73,000 in 2017. These mentioned countries are mostly located in the border area with Russia. The decrease is particularly noticeable in the larger NATO memberstates, as can be seen from Table I.⁹

Table I: Military personnel (2010 – 2017)

	2010	2017	-/+
France	234,000	209,000	- 10.7 %
Germany	235,000	180,000	- 23.5%
Italy	193,000	181,000	- 6.3%
Poland	100,000	111,000	+11.0%
Spain	131,000	121,000	- 7.7%
Turkey	495,000	387,000	- 21.9%
UK	198,000	161,000	- 18.7%
USA	1,427,000	1,306,000	- 8.5%

⁵NATO's civil and political headquarters are located in the Belgian capital of Brussels.

⁶NATO military headquarters is located in the Belgian town of Mons.

⁷NATO annual report 2017, pp. 97-98 and NATO website for the NATO funding figures.

⁸Defence expenditures of NATO countries / Les dépenses de défense des pays de l'OTAN, NATO press release – communiqué de presse OTAN, op cit. , p. 8.

⁹NATO Annual Report 2017, p. 112.

These figures indicate a fall in military personnel in all the greater countries with exception of Poland. The decline goes from 6% to 23% ! Remarkable is the fact that the UK has the smallest army in Europa and that Germany and Italy 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. Finally we have to underline the figures in the NATO report, that there is little increase of personnel over the last years in France (2015: 205 thousand), Germany (2015: 177 thousand) and Turkey (2016: 373 thousand).

The next table looks at the evolution of military personnel numbers on the two sides of the Atlantic between 2010 and 2017.

Table II Evolution (2010 – 2017)

	2010	2017
Europe	2,084,000 (58.3 %)	1,784,000 (56.4%)
North America	1,488,000 (41.7 %)	1,379,000 (43.6 %)
Total	3,572,000	3,163,000

This table shows that in total the 26 European countries – Montenegro is a member since 2017 -- 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 now contribute a proportionally greater number of troops to NATO.

A glance at the defence budgets of the NATO countries soon reveals what a large percentage of these budgets is spent on personnel¹⁰.

Table III provides an overview of the percentage expenditure on military personnel (not including Iceland) in the national defence budgets. The ranking in this table is from the highest share (in 2017) to the lowest one concerning this item. This table concerns a comparison between the years 2010 and the 2017, the last years with NATO figures.

Table III : Distribution of personnel expenditures(without: Iceland)

Country	2017	2010
1. Portugal	78 %	(70 %)
2. Belgium	76 %	(75 %)
3. Slovenia	75 %	(61 %)
4. Montenegro	72 %	(73 %)
5. Greece	72 %	(65 %)
6. Albania	68 %	(75 %)
7. Italy	68 %	(75 %)
8. Croatia	62 %	(71 %)
9. Spain	61 %	(63 %)
10. Czech rep.	56 %	(50 %)
11. Romania	54 %	(79 %)
12. Slovak rep.	54 %	(62 %)
13. Bulgaria	54 %	(64 %)
14. Turkey	53 %	(49 %)
15. Netherlands	50 %	(52 %)
16. FR Germany	48 %	(52 %)
17. Denmark.	48 %	(50 %)
18. Poland	47%	(56%)
19. France	47%	(47%)
20. Canada	47%	(45%)
21. Lithuania	42 %	(65%)
22. Hungary	42 %	(56 %)
23. USA	42 %	(46 %)
24. Luxembourg	38 %	(45 %)
25. Latvia	37 %	(55 %)
26. Norway	35 %	(42 %)
27. Estonia	34 %	(34 %)
28. UK	34 %	(36 %)

¹⁰ NATO Annual Report 2017, p. 113.

When the percentage of personnel spending is grouped by size, we arrive at the following result for the budget figures of 2017:

- Countries spending <40 % on personnel: 5 countries,
- Countries spending 40 – 49 % on personnel: 8 countries,
- Countries spending 50 – 59 % on personnel: 6 countries,
- Countries spending 60 – 69 % on personnel: 4 countries,
- Countries spending > 70 % on personnel: 5 countries.

From this it appears that the majority of NATO countries have excessive personnel costs in their defence budgets. In 15 states it concerns more than 50% of the budget.

Personnel costs evolved as follows in the 2010 – 2017 period over the members:

- More or less status quo at a lower level: USA, UK, Norway, Canada, Estonia, Luxembourg and France;
- A reduction in percentage personnel costs: Poland, Latvia, Hungary, Lithuania, FRG, Netherlands, France, Croatia and Denmark;
- An increase in percentage personnel costs: Czech republic and Turkey;
- High with a decrease: Bulgaria, Slovak rep. and Romania;
- A continued high percentage: Portugal, Belgium, Slovenia, Montenegro, Greece, Albania, Italy, Croatia and Spain.

Comparing with the budget year 2010 in 21 countries the personal share of the budget went down. In the most important member states of the NATO – France, FRG, Poland, UK and the USA – the share is under the 50% of the budget. Turkey has an evolution over the 50% and the two great south European countries, Italy and Spain, have still an internal budget problem with the great impact of the personnel cost in the total defence budget.

3. Expenditure and GDP

Next in this study is 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- 2017.¹¹ The countries are arranged in alphabetical order. There are no NATO figures concerning the republic of Iceland.

Table IV : GDP evolution (share of real GDP)

	2010	2017
Albania	1,56%	1.10 %
Belgium	1.08 %	0.90 %
Bulgaria	1.64 %	1.53 %
Canada	1.16 %	1.29 %
Croatia	1,54 %	1.26 %
Czech Rep.	1.28 %	1.05 %
Denmark	1.40 %	1.17 %
Estonia	1.70 %	2.08 %
France	1.96 %	1.79 %
Germany	1.35 %	1.24 %
Greece	2.64 %	2.36 %
Hungary	1.03 %	1.06 %
Italy	1.35 %	1.12 %
Latvia	1.06%	1.75 %
Lithuania	0.88 %	1.73 %
Luxembourg	0.47 %	0.46 %
Montenegro	1.80 %	1.58 %
Netherlands	1.34 %	1.15 %
Norway	1.51 %	1.62 %
Poland	1.77 %	1.99 %
Portugal	1.49 %	1.31 %
Romania	1.24 %	1.80 %
Slovak rep.	1.27 %	1.19 %
Slovenia	1.61 %	0.98 %
Spain	1.03 %	0.92 %
Turkey	1.83 %	1.48 %
United Kingdom	2.47 %	2.12 %
United States	4,81 %	3,57%

¹¹ NATO Annual Report 2017, p. 109.

In this article we want to try and view the percentages in the above Table IV in the light of the “NATO Wales summit” held outside Cardiff in 2014. At the summit, the leaders of the 28 NATO countries 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.

When we analyse the figures in the table, we see that defence spending as a percentage of GDP has fallen in almost all countries. The exceptions are in the three Baltic states, Canada, Norway, Poland and Romania. The fact that spending as a percentage of GDP has risen only in these countries is almost certainly linked to their proximity to Russia.

With respect to the 2 % of GDP decision, only five countries met this target in 2017: the United States, Greece, the United Kingdom, Estonia and nearly Poland. All other countries must still make immense budgetary efforts if they are to meet the “NATO Wales summit 2014” objectives. This is a better result than in 2010 with only the Greece, the UK and the USA which were in accordance with the – on that moment – not existing NATO rules.¹²

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

- NATO European states: 1,63% (2010) -- 1,46% (2017)
- USA & Canada: 4,46% (2010) -- 3,35% (2017)
- NATO total: 3,03% (2010) -- 2,42% (2017)

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 1,42%, lowest average in 2015, to the present one in 2017. There is an increase of 0,04% over the last two years. Several countries are in the possibility to reach the 2% GDP rule. France has a military budget of 1,79% over the Macron years, but the situation of the French public finances is dramatic. On the other side has France still a nuclear capacity and worldwide interests ! The FR of Germany went up from 1,18% (2014) to 1,24% (2017). 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. Italy increased his budget from 1,08% (2014) to 1,12% (2017). But this greater European state remains a lot below the average and the 2% GDP rule.

Also Spain has still a weak defence share ! On a short term are countries, as Latvia – Lithuania and Romania, the closets situated to achieve the NATO 2% GDP rule. In other words the majority of the European member states has still a lot of work in progress to achieve the goals of military expenditures. The fact that the NATO average is more than the 2% norm is only due to the high defence budget of the United States.

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 2017 the NATO estimates that 12 countries are in accordance with this goal. The following countries comply with this investment objective (2017 figures): Romania (33%), Luxembourg (32%), Lithuania (31%), Turkey (30%), Bulgaria (29%), the USA (28%), Norway (25%), France (24%), the United Kingdom (22%), Poland (22%), Italy (20%), Slovak republic (20%) and nearly Estonia with Canada and Spain (all 19%).

The next years has to prove if these groups of countries can hold this 20% rule every budget year and if the other members can reach this objective.

The figures given above can be used to class the NATO membership into four distinct groups, namely¹³:

- Countries which meet the 2 % of GDP standard and the 20 % investment standard: the USA, the United Kingdom, Poland and nearly Estonia;
- Countries which meet the 2 % of GDP standard but do not meet the 20 % investment standard: Greece;

¹² NATO Annual Report 2017, p. 109.

¹³ Ibidem, p. 35.

- Countries which do not meet the 2 % of GDP standard, but do meet the 20 % investment standard: Bulgaria, France, Italy, Luxembourg, Lithuania, Norway, Romania, Slovak republic, Turkey and nearly Canada with Spain (total of eleven member states) ;
- Countries which do not meet either standard: the 12 other countries (not including Iceland).

We must conclude from the foregoing exercise, that a large majority of NATO members still do not conform to the above standards.

If we take the median of the NATO guidelines, than the country result is as follow for the two objectives.¹⁴The 2% GDP has a median of 1,3%. In addition to the five already mentioned countries, which have a military budget in conformation with the NATO guideline, a group of nine countries have also a budget which is greater than the median of 1,3% GDP: Bulgaria, France, Latvia, Lithuania, Montenegro, Norway, Portugal, Romania and Turkey. This means that 14 members are , for 2017, situated above the NATO median. The NATO 20% equipment guideline has a median of 19,27%, which is nearly the required percentage. It concerns the already 15 mentioned countries. The practical result is a lot better concerning this equipment objective than compared with the general budget 2% GDP rule.

The third resolution of the “NATO Wales summit” spoke over a better balance between the military expenditure of the North American and European NATO members. In other words the Wales demands an increase of the military budget outlays from the most of the European partners. The next table illustrates the situation using the 2017 figures.¹⁵

Table V: The American Burden

	GDP share	current prices ¹⁶	Constant prices ¹⁷
USA	45.5 %	71.7 %	67.4 %
Canada	4.9 %	2.2 %	2.6 %
Turkey	3.1 %	2.1 %	1.9 %
European members	46.5 % ¹⁸	24%	28.1 %

In 2017 the 26 European- NATO states , including Iceland , have an estimated GDP of 18.803 billion US dollar, which is a share of 46,5% of the NATO total of 37.982 billion. The USA follows with a GDP of 17.300 billion US dollar or 45,5%. Canada and the non-European state of Turkey are following a lot further. The North American share is 50,4% and therefore a little bit greater than the European-Tukey share.

The next exercise of this table is to compare the GDP share with the defence expenditures of the states. This amounts are mentioned in current prices and in constant 2010 prices. In both calculations this table underlines the amazing difference between the US contributions and their GDP share: more than 22 till 26% ! The European states are spending much less than their GDP value: minus 18 à 22% ! The same conclusion is valid for Canada and Turkey, but the differences are here less important. It's important to notice that the USA has the greatest GDP share with 45,5% and the second country is the FR of Germany with a share of 10,2% ! (3.878 billion dollar as GDP)

4. Military budgets

The figures for military expenditure (in constant prices for 2017) show the defence budgets of the NATO countries (in billions of USD¹⁹) ranked from large to small (only the 15 greatest contributors):

- United States: 617
- United Kingdom: 59

¹⁴Defence expenditures of NATO countries (2010-2017) / Les dépenses de défense des pays de l'OTAN (2010-2017) – press release of 15 March 2018, p. 2.

¹⁵NATO Annual Report 2017, pp. 108 and 110.

¹⁶Current prices are given the nominal value and don't make the adjustment for inflation.

¹⁷Constant prices are given the real value with the effect of inflation.

¹⁸This figure and share concerns the European members of the NATO. This is not the same as the GDP of the European Union. Because EU members as Sweden, Austria, Finland, Malta , Cyprus and Ireland are not NATO members. On the other side Albania, Iceland, Montenegro and Norway are no members of the European Union.

¹⁹NATO Annual Report 2017, p. 108.

- France:	51
- Germany:	47
- Canada:	24
- Italy:	23
- Turkey:	17
- Spain:	13
- Poland:	11
- Netherlands:	10
- Norway:	7,8
- Greece:	5,8
- Belgium:	4,7
- Denmark:	4,1
- Romania:	3,7

In connection with these figures we must once again stress the personnel costs in the Turkish, Spanish and Italian budgets (see Table III above).

What is particularly noticeable in the above top fifteen of the defence budgets of NATO members are the immense differences between the military spending of the various countries. First of all there is the giant gap between the USA and the UK. There is also a relatively gap between the UK and France. In turn France spends much more on defence than Germany, the European country with the largest GDP. The difference between German and Italy is also enormous.

If we add up the defence spending of the ten EU member states in this table (without the USA, Canada, Turkey, Norway and the UK as follow of the Brexit), we arrive at a figure of 171 billion USD. This figure is only a measly of the American military budget and illustrates the tremendous problems that European countries experience in winning political support for defence spending. The cuts that many European countries have made in military spending is a result of the close of the cold war, a general trend toward ever more stringent controls on public spending and an ingrained conviction that the United States will always come to the defence of Europe.

5. Defence expenditure per capita

In this article we also wish to link the foregoing to per capita defence spending. Doing so yields a different perspective on NATO's military expenditure. Table Vi²⁰below 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 2017 (estimated NATO figures) with (in parentheses) the figures of 2010. There are no figures about Iceland in this table concerning the defence expenditures.

²⁰Ibidem, p. 111.

Table: VI : Defence expenditure (D.E.)and GDP per capita (in US dollars)

	<u>D.E. per capita</u>	<u>GDP per capita</u>
United States	1.896 (2.325)	53.100 (48.300)
Norway	1.481 (1.329)	91.400 (87.800)
United Kingdom	896 (961)	42.300 (38.900)
France	760 (800)	42.600(40.700)
Denmark	720 (812)	61.500 (58.000)
Canada	664 (548)	51.500(47.300)
Netherlands	620 (675)	53.700 (50.300)
Germany	576 (576)	46.600 (42.600)
Greece	545 (711)	23.100(26.900)
Luxembourg	500 (489)	108.800(104.800)
Belgium	415 (481)	46.200 (44.400)
Estonia	393 (249)	18.800 (14.600)
Italy	391 (479)	34.900 (35.500)
Poland	309(220)	15.500 (12.400)
Portugal	301 (325)	23.100 (22.500)
Spain	300 (317)	32.500 (30.700)
Lithuania	290 (105)	16.700 (12.000)
Latvia	273 (120)	15.700 (11.300)
Slovenia	251 (377)	25.600 (23.400)
Czech rep.	239 (253)	22.800 (19.700)
Slovak rep.	236 (210)	19.900 (16.500)
Turkey	219 (193)	14.800 (10.600)
Romania	193 (103)	10.700 (8.300)
Croatia	190 (214)	15.000 (13.900)
Hungary	165 (135)	15.600 (13.100)
Bulgaria	128 (113)	
Montenegro	123 (120)	7.800 (6.700)
Albania	54 (64)	4.900 (4.100)
Iceland	n.a.	50.800 (41.700)

This table let see that the GDP per capita was going up over these mentioned years in all the countries, with exception of Italy (minus 0,6%) and Greece (minus 3,8%). In both of the years the top three of the richest countries per capita were and are: Luxembourg, Norway and Denmark. The concerned average of the years 2010 and 2017are the following figures (in US dollars):

NATO European states: 30.300 (2010) -- 32.900 (2017)
 North America : 48.200 (2010) -- 52.900 (2017)
 NATO total: 37.100 (2010) -- 40.700 (2017)

Over these even years the GDP growth was higher in the two American NATO states (plus 4.900 US dollar) and a lot lower was the European increase of the GDP per capita (plus 2.600).

In both years they were and are 18 European states under the NATO average of the GDP per capita. As well in 2010 and 2017 it concerns the same member states with all the Eastern – southern NATO members.

The second part of the above table concerns the defence expenditures per capita between the years 2010 and 2017.(except Iceland) In 14 states the D.E. went down (f.e. the USA, the UK, France etc.) in the federal republic of Germany there is a s.q. and in 13 states the D.E. are increasing (Bulgaria, Canada, Estonia, Hungary, Latvia, Lithuania, Luxembourg, Montenegro, Norway, Poland, Romania, Slovak republic and Turkey). In 2010 and 2017there were only two countries with a per capita defence expenditures above the NATO average: Norway and the United States.

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

NATO European states:	494 (2010) -- 481 (2017)
North America:	2.149 (2010) -- 1.772 (2017)
NATO total:	1.127 (2010) -- 982 (2017)

This table again highlights the problematic situation of spending on defence in most of the European members of this military alliance.

Another element revealed by the table is that per capita military spending has fallen sharply in the two leading military powers in NATO: the United States and the United Kingdom. But this decreasing situation is again going up over the last years.

The special position of Norway is worth commenting on, although the main reason for its high place in the ranking has to do with size of the GDP of this Scandinavian country. A similar remark also applies to Denmark, albeit to a much smaller extent.

Just like the figures for percentage GDP (Table IV) the table also reveals the bigger investors. When per capita military spending is divided by per capita GDP, the result is a figure for defence spending as a percentage of GDP. The difference lies in the different perspective this gives on the subject.

The most interesting analyses that the table makes possible is to compare countries with a similar per capita GDP. Belgium and Germany, for example, have a per capita GDP that is roughly equivalent. Even so Germany clearly spends more per capita on defence than does Belgium. A second useful comparison can be made of France and the UK. Both European military powers have a broadly similar per capita GDP. Defence spending in the UK though is clearly higher than in France.

6. Conclusion

In this article we have looked at trends in military spending in the NATO countries over the years in this decade. The first conclusion must be 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.

Military personnel levels have also fallen sharply in recent years. The fall can be most clearly seen in the larger NATO countries. Another conclusion is that a decline in personnel levels is taking place on both sides of the Atlantic. Poland is about this an important exception. In percentage terms though the cuts in troop numbers have been deeper in Europe. Nevertheless, the total number of troops stays greater in Europe. Concerning this last remark, should be pointed out the Turkey number. In 15 member states the budget impact of the personnel expenditures is more than 50% and this fact is an European one.

Defence spending as a percentage of GDP has fallen in nearly all NATO countries with the exception of the seven indicated countries in the proximity of the Russian Federation.

The figures have also been examined in the light of the objectives decided at the Cardiff NATO summit in 2014. This analysis shows that only members currently meet this objective of 2% GDP. There is important difference between this 2% prescription and the concerned median (=1,3%). This median is concerning the 20% investment rule more or less the same. To this investment guideline meet a lot more countries ! Analysis of the per capita parameter confirms the impression created in the first part of the article. The USA is the largest source of NATO funding and also contributes the most to the defence of NATO territory. The United Kingdom follows as a distant second. Remarkable in the capita analyse are the high positions of Norway and Denmark. The establishment of a European defensive system would appear to be difficult to bring about unless more resources are forthcoming from the alliance members on the European continent and the project were to receive the support of the UK. In view of the highly unstable situation on Europe's borders, NATO's European members must assume their responsibilities vis-à-vis the defence of the old continent. In budgetary terms this means that there will have to be more spending on defence in the majority of Europe's NATO countries. Because over the last decades the (West) European security was and still is financed by the United States.