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Türkiye'nin Savunma Harcamalarının Gelişimi: NATO Ülkeleriyle Karşılaştırma

The Evolution of Türkiye's Defense Spending: A Comparison with NATO Countries

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ÖZ

Savunma harcamaları, bir ülkenin güvenliğini sağlamak ve egemenliğini korumak için milli gelirinden ayırdığı harcamalardır. Bu harcamalar bir ulusun geleceği ve refahı için hayati önem taşır ve siyasi ve stratejik nedenlerle önceliklendirilir. Bu nedenle savunma harcamalarını azaltmak veya tamamen ortadan kaldırmak zordur. Ulusal güvenlik politikalarının ve uluslararası ilişkilerin şekillenmesinde kilit bir faktör olan NATO üyesi ülkelerin savunma harcamaları hem aralarındaki güç dengesini hem de stratejik ilişkilerin ve ulusal güvenlik algılamalarının temelini etkilemektedir. Bu çalışma, NATO üyesi ülkelerin askeri stratejilerinin evriminin ve daha geniş güvenlik çerçevesi içindeki rollerinin daha iyi anlaşılmasını ve savunma harcamaları hakkında bilgi edinilmesini sağlamaktadır. Öncelikli amaç Türkiye'nin savunma harcamalarını diğer NATO üyeleriyle karşılaştırmaktır. Buna ek olarak, araştırma NATO'nun tarihsel geçmişini incelemekte, savunma harcamaları kalıplarını irdelemekte, bu harcamaları etkileyen temel faktörleri tanımlamakta ve NATO'nun savunma için ayırdığı bütçeyi analiz etmektedir. NATO'nun tarihsel gelişimi incelenirken, en yeni üyeler olan Finlandiya ve İsveç de bu çerçeveye dahil edilmiştir. Analiz NATO'nun kurulduğu 1949 yılından 2024 yılına kadar olan dönemi kapsamakta ve savunma harcamalarında zaman içinde meydana gelen değişikliklere kapsamlı bir bakış açısı sunmaktadır.

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ABSTRACT

Defense expenditures are the expenditures that a country allocates from its national income to ensure its security and protect its sovereignty. These expenditures are vital to a nation's future and prosperity and are prioritised for political and strategic reasons. It is therefore difficult to reduce or completely abandon defence expenditures. As a key factor in shaping national security policies and international relations, defense expenditures of NATO member states influence both the balance of power among them and the foundation of strategic relations and national security perceptions. This study provides a better understanding of the evolution of NATO member states' military strategies and their role in the broader security framework, as well as information on their defense expenditures. The primary objective is to compare Türkiye's defense expenditures with those of other NATO members. Additionally, the research explores NATO's historical background, examines defense spending patterns, identifies key factors influencing these expenditures, and analyzes NATO's budget allocation for defense. In examining NATO's historical development, the most recent members, Finland and Sweden, are also included within this framework. The analysis encompasses the period from NATO's establishment in 1949 through to 2024, offering a comprehensive view of changes in defense spending over time.

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1. INTRODUCTION

In the international arena, security and strategic defence expenditures stand out as one of the fundamental elements that determine the political effectiveness of states and shape the dynamics of international relations In this context, the defense expenditures of NATO member states not only contribute to maintaining security within their own borders but also have the characteristic of being a fundamental carrier of collective security as part of a wider alliance structure.

NATO's defence expenditures have recently attracted considerable attention both in the academic world and in the political arena. This interest goes beyond just budget figures and encompasses multifaceted issues such as strategic planning, security policy-making and its impact on the integrity of the alliance. In particular, the interaction of economic dynamics, political objectives and security threats on defence expenditures and the analysis of these effects constitute the focus of research in this field.

The aim of this study is to make a comparative analysis of Türkiye's defence expenditures with NATO countries. For this purpose, the spending trends, budgetary priorities and factors influencing the formulation of defence policies of the member states will be discussed in detail. It will also provide an in-depth analysis of the impact of these expenditures on the integrity of the alliance, the development of military capabilities and international security dynamics. The study covers the period from 1949 to 2024.

Defence expenditures are a vital element not only for national security but also for international relations. Türkiye's position as a NATO member plays a significant role in determining these expenditures. This study aims to examine the importance of Türkiye's defence budgets in the understanding of national security.

Türkiye's relations with NATO and the impact of these relations on national security strategies aims to fill the gaps in the existing literature. Understanding how defence expenditures are affected by economic, political, and strategic factors will allow us to better grasp Türkiye's role in international security dynamics. In this context, the analyses aim to make a significant contribution to academic literature by providing an in-depth perspective on the evolution of Türkiye's security policies.

This study will apply a combination of qualitative and quantitative research methods. Firstly, a comprehensive literature review on the historical development of Türkiye's defence expenditures will be conducted by making use of existing academic studies, reports, and NATO documents.

Furthermore, an analysis will be conducted to compare Türkiye's defence expenditures with those of NATO countries. In this process, the relevant data will be carefully analysed. Statistical data on Türkiye's defence expenditures will be analysed using annual budget reports and reports of international organisations.

Finally, an assessment of Türkiye's defence policies will be made within the framework of security theories. This approach will contribute to a better understanding of Türkiye's understanding of national security.

2. NORTH ATLANTIC TREATY ORGANIZATION

NATO, formed in 1949 by the United States, Canada, and several Western European nations, was designed to provide collective defense against potential threats, particularly from the Soviet Union. Its main goal is to safeguard the security and sovereignty of its member countries through a combination of military and political approaches.[1]

NATO was founded in 1949 with 12 members and with the accession of Finland, the number of members reached 31. This enlargement is seen as an evolution of NATO and an increase in the strength of the alliance among the member states.[2] It also strengthens NATO's influence in the international arena and solidarity among member states, and represents a critical step in increasing the alliance's defence capacity.In the table below, the chronological joining dates of NATO members are listed.

[1] NATO, "Welcome to NATO," *NATO Official Website*, https://www.nato.int/nato-welcome/index.html (Accessed: 06.01.2025).

[2] NATO, "NATO member countries,"NAT Official Website, https://www.nato.int/cps/en/natohq/topics52044.htm (Accessed: 10.01.2025).

Table 1: NATO Memberships and Dates

State	NATO Membership Year	State	NATO Membership Year
Belgium	1949	Czech Republic	1999
Canada	1949	Hungary	1999
Denmark	1949	Poland	1999
France	1949	Bulgaria	2004
Iceland	1949	Estonia	2004
Italy	1949	Latvia	2004
Luxembourg	1949	Lithuania	2004
Netherlands	1949	Romania	2004
Norway	1949	Slovakia	2004
Portugal	1949	Slovenia	2004
United Kingdom	1949	Albania	2009
USA	1949	Croatia	2009
Greece	1952	Montenegro	2017
Türkiye	1952	North Macedonia	2020
Germany	1955	Finlandia	2023
Spain	1982	Sweden	2024

Source: NATO, Defence Expenditure of NATO Countries (2014-2024).

The evolution of NATO can be explained by highlighting the role of defence spending. Initially, during the Cold War, it focused on collective defence and security against the Soviet threat.[3] However, NATO's mission has broadened to become more than just a military alliance.[4]

Additionally, it is responsible for strengthening the political and military capabilities of its allies, providing defense support when needed, facilitating political reforms, ensuring military readiness through training exercises, promoting scientific collaboration, and participating in crisis management efforts.

Today, NATO's purpose is to operate in areas such as democracy, human rights, crisis management and international co-operation. In this context, political and military cooperation among member states aims to maintain peace and stability, combat terrorism and support cyber security. In this context, defence spending is an important element to support this expanded mission of NATO.[5]

NATO's enlargement took place after the collapse of the Soviet Union to include the countries of Eastern Europe. The geostrategic landscape of Northern Europe underwent a fundamental shift after Russia's full-scale military invasion of Ukraine in February 2022. Historically committed to a policy of military neutrality, Finland and Sweden reassessed their national security doctrines amidst the backdrop of an increasingly volatile regional security environment. There was a sharp rise in public support for NATO membership in both countries, which in turn precipitated swift political evolution. Finland formally petitioned to join NATO on May 18, 2022, in conjunction with Sweden, marking an end to centuries of neutrality.[6] The process of Finland's accession proceeded very rapidly, and on April 4, 2023, it formally joined as a full member following its ratification by every member state.[7]

Sweden's entry, faced more intricate diplomatic challenges. Despite Sweden's concurrent application with

[3] Zoltan Szenes, "The Adaptation of NATO to a New World, NATO 4.0 and Hungary," in Szenes Zoltan and Siposne Kecskemethy Klara (eds.), Budapest: Zrinyi Kiado, 2019, p. 7.

[4] *Keeping NATO Relevant*, Jamie Shea, https://www.jstor.org/stable/pdf/resrep26708.pdf?refreqid=fastly-default%3Acd9c46fe6a07e67c-778c23236f4c598d&ab_segments=&initiator=&acceptTC=1(Accessed: 14.01.2025). p. 14

[5]

[6] NATO (2022) Finland and Sweden apply to join NATO. [online] 18 May. Available at: https://www.nato.int/cps/en/natohq/news_195468.htm (Accessed: 22.02.2025).

[7] NATO (2023a) Finland becomes a NATO member. [online] 4 April. Available at: https://www.nato.int/cps/en/natohq/news_213448.htm (Accessed: 22.02.2025).

Finland, its membership was put on hold owing to concerns raised by Türkiye and Hungary Specifically, Türkiye has requested concrete assurances regarding Sweden's counter-terrorism measures, particularly in relation to groups that it designates as terrorist organizations [8]After extended negotiations and trilateral discussions, Sweden made policy changes to mitigate these concerns. After additional ratifications, Sweden was formally accepted as the 32nd member of NATO on March 7, 2024[9]The twin accession of Finland and Sweden represents a seminal enlargement of NATO, closing off the northern flank of the alliance and recasting the strategic equation concerning European defense.

NATO is also a partner in several international operations to provide international peace and security.[10] This expansion is important for maintaining regional stability, spreading democratic values and strengthening common interests. However, the additional responsibilities and needs of this enlargement require a balanced management of defence expenditure and resources.

In conclusion, NATO's evolution shows that defence spending should not only increase military capacity but also support the expanded role and mission of the alliance. In this context, balanced and effective management of defence expenditures, as well as the contribution of member states to collective security through these expenditures, is vital for NATO to achieve its objectives.

2.1. DEFENCE EXPENDITURES

Defence expenditure refers to the allocation of resources from a country's budget to areas related to military power, strategic defence and security[11]. These expenditures include salaries for military personnel, training, purchase and maintenance of weapon systems and equipment, research and development activities, maintenance and modernisation of military bases.

On the other hand, defence expenditures and budgetary allocations are profoundly impacted by various identified factors. It is essential to provide clarification between these elements to enable accurate subsequent evaluations. Failure to differentiate between them can lead to confusion and misinterpretation. While standardized definitions exist internationally through organizations such as the UN, IMF, and NATO, many countries formulate their own definitions in line with their security priorities and strategic interests. These personalized definitions often exclude specific expense categories, such as research and development in defense, shaping a more customized perspective on defense spending.[12]

Table 2: Defense Expenditures by NATO, IMF, and UN

Expenditure Items	NATO		IMF	UN
Military power and expenditures to support this power				
1. Payments to soldiers and police	X		X	X
2. Salaries of technicians and bureaucrats involved in military organizations and armed forces	X		X	X
3. Medical supplies, tax, and social advantages	X		X	X
4. Pensions (military fields)	X		-	X
5. Military schools and hospitals etc.	X		X	-
6. Current arms expenditures, including arms imports	X		X	X
7. Infrastructure construction, shelter, etc.	X		X	X
8. Operation and maintenance	X		X	X
9. Supply of other goods	X		X	X

[8] BBC (2023) Sweden moves closer to NATO after Türkiye drops opposition. [online] Available at: https://www.bbc.com/news/world-europe-66167922 [Accessed 9 May 2025].

[9] NATO (2024) Sweden joins NATO as 32nd Ally. [online] 7 March. Available at: https://www.nato.int/cps/en/natohq/news_222222.htm [Accessed 9 May 2025].

[10] Stepper Peter, NATO in the 21st Century, Budapest, 2019, p. 257.

[11] Bülent Yılmaz, Murat Atik, Görkem Melekoğlu, "The Impact of Defense Expenditures on the Economy and the Determination of the Weights of Expenditure Items," *The Journal of Defence and War Studies*, Vol. 32, Issue 2, December 2022, p. 275. https://intapi.sciendo.com/pdf/10.2478/bsaft-2023-0019 (Accessed: 14.01.2025).

[12] Elena Florişteanu, "Military and Defence Expenditures in the Current Security Context: Concepts and Influencing Factors," *Scientific Bulletin*, Vol. XXVIII, No. 2(56), 2023, https://intapi.sciendo.com/pdf/10.2478/bsaft-2023-0019 (Accessed: 20.01.2025).p.196

10. Military R&D	X		X	X
11. Stocking of strategic goods	Xa		-	Y
12. Destruction of weapons and production lines	Xa		X	-
13. Weapon production and transformation support	X		-	-
14. Military aid to other countries	X		X	X
15. Aid to international organizations (Military associations (NATO), United Nations Peacekeeping Force, etc.)	X		X	
16. Civil defense	-		X	X
Expenditure on past military action and military forces				
17. Payments to veterans	-		-	-
18. War debt service	-		-	-
Expenditure on other powers				
19. Paramilitary/Gendarmerie	Xb		Xb	Xb
20. Border/customs protection	Xb		Xb	Xb
21. Police	Xb		-	-
Other pens that can be added				
22. Humane, disaster relief assistance	X		-	-
23. United Nations Peacekeeping Force	X		X	-
(X): Should be included in defense expenditure (-): Should not be included in defense expenditure (Y): It should be included in the budget as income. (a): If managed and financed by the defense agency (b): Within military training, equipment, and military operations (c): It will be duplicated if included in the previous collection				

Source: Brzoska, 1995:48

According to table 2, how international organisations define defence expenditure. There are differences between organisations such as NATO, the IMF and the UN in the classification of this expenditure. In particular, NATO appears to allocate defence expenditures in the most comprehensive manner.[13]

The table above shows how various organisations categorise certain items of expenditure. NATO divides its defence expenditures into various components such as personnel payments, infrastructure development, arms procurement, military assistance. Nevertheless, there are also expenditures by other organisations that are not considered in this context. For example, military research and development or civil defence support, which NATO considers as defence expenditures, are not classified in the same way by other organisations.

The table also shows that international organisations define defence expenditures in different ways and that there are differences in these definitions. For example, payments to veterans or war debt service are not considered defence expenditures by these organisations. Similarly, what NATO defines as arms destruction or military assistance to other countries does not correspond to the classifications of other organisations.

2.2. FACTORS DETERMINING DEFENSE EXPENDITURES

As one of the most important elements of military and defence expenditures, it is the allocation of funds over different time periods. This analysis explores and reveals the differences in the financial resources used between states or global regions and provides a comparative perspective.[14]

[13] Alper Doğan, Emine Kabayel, "Savunma Harcamaları: Türkiye Değerlendirmesi," KMÜ Sosyal ve Ekonomik Araştırmalar Dergisi (KMUSEKAD) / KMU Journal of Social and Economic Research, Vol. 25, No. 45, 2023, p. 1336-1351, https://dergipark.org.tr/en/download/article-file/2958359 (Accessed: 24.01.2025).

[14] Luca Pieroni, "Military Expenditure and Economic Growth," Defence and Peace Economics, Vol. 20, No. 4, 2009pp.327-339 https://www.researchgate.net/publication/227610166_Military_Expenditure_and_Economic_Growth (Accessed: 24.01.2025) https://intapi.sciendo.com/

The perception that military expenditures increase security is known as a priority of governments. Increased security can also increase production. Adam Smith highlighted the significance of "protecting the community from all forms of physical violence, injustice, and oppression from other communities" while discussing the state's primary responsibilities. Some academics have discovered that poor countries' progress is hampered by wars and a lack of security.[15]

Nevertheless, military expenditures are thought to be motivated not only by security needs but also by profit motives by the military industrial complex.

The determinants of defense expenditures encompass a range of influences impacting a nation's allocation of funds towards defense-related endeavors. These factors are diverse, comprising internal and external elements:

Table 3: Factors of Determining Defense Expenditures

	National	Local	Global
Political Reasons	• State structure	• Territorial enemies	• Commitment to the global power bloc
Military Reasons	• Military interests • Civil war pressure	• Regional wars and international hostilities	• Foreign military aid
Economic and Social Reasons	• The level of development of the economy • Real increase in national income • State budget size • Structure of the military industry • Human rights • Political Rights • IMF Stabilization Programs	• Regional economic groupings	• Foreign capital effect • Impact of main donor countries • Foreign currency inflow to the country

Source: Dunne & Mohammed, 1995:337.

Table 3 shows the determinants of defence expenditure, classified at different levels.

At the national level, several factors influence defense expenditures, including the positions of political decision-makers, regional crises, alignment with global power blocs, domestic political dynamics, and military aid. Economic and social factors also play a significant role, such as the level of economic development, real increases in national income, the size of the state budget, the structure of the defense industry, human rights, political freedoms, IMF stabilization programs, regional economic alliances, and the influence of foreign capital.

While this table indicates the various factors affecting defence expenditures, it also shows that there are multi-layered influences in the formulation of defence policies. These factors reflect the complex elements that need to be taken into account in determining defence expenditures.

2.3. HISTORICAL DEVELOPMENT OF NATO DEFENCE EXPENDITURES

2.4. 1949- 2001

The membership of NATO has expanded periodically over the years. With this increase, there has also been an increase in expenditures. In Table 1, the highest defense expenditure is in the USA. This situation did not

[15] J. Paul Dunne, Ron P. Smith & Dirk Willenbockel, Models Of Mılıtary Expendıture And Growth: A Crıtıcal Revıew, Defence And Peace Economics, Vol, 15, 2005, https://www.tandfonline.com/doi/full/10.1080/10242690500167791

change in 1959. The USA has maintained the 1st place and the United Kingdom is in the 2nd place. 3rd place is occupied by France. Türkiye, which became a member in 1952, is not included in the table.

Table 1.Defense expenditures (in% of GDP) of NATO countries in the years 1949-1959

No.	Country	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959
1.	Canada	-	2,43	4,66	6,80	7,37	6,86	6,18	5,69	5,35	4,94	4,40
2.	Belgium	-	-	-	-	4,86	4,88	3,78	3,56	3,61	3,57	3,52
3.	Denmark	. .	1,66	2,05	2,74	3,36	3,19	3,18	3,03	3,08	2,88	2,59
4.	France	. .	5,54%	7,13	8,60	9,01	7,29	6,41	7,69	7,33	6,77	6,71
5.	Iceland[2]	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
6.	Italy	-	-	4,26	4,50	3,75	3,98	3,67	3,57	3,48	3,43	3,33
7.	Luxembourg	-	1,34	1,56	2,37	2,89	3,26	3,23	1,90	1,95	1,93	1,76
8.	Netherlands	-	-	-	-	-	-	-	5,79	5,32	4,72	4,02
9.	Norway	2,71	2,37	3,05	4,01	5,08	5,00	3,93	3,52	3,59	3,51	3,58
10.	Portugal	-	3,10	-	-	3,29	3,41	3,45	3,28	3,27	3,23	3,44
11.	United Kingdom	-	6,45	7,42	9,28	9,80	8,99	8,13	7,66	7,14	6,82	6,52
12.	United States	5,05	4,87	9,74	13,28	13,02	11,25	9,73	9,49	9,58	9,65	9,05
13.	Turkey (1952)	-	-	-	-	-	-	-	-	-	-	-
14.	Greece (1952)	5,91	6,01	6,64	6,43	5,11	5,49	5,11	5,94	5,00	4,77	4,86
15.	Germany (1955)	-	-	-	-	4,21	3,97	4,08	3,62	4,14	2,96	4,43

- no data; [2] Iceland does not maintain a permanent army, which is why there is no defense spending.

Between 1960s and 1970s, there was a general decline in defense spending. America, on the other hand, maintained its position and still ranked 1st. In the 1970s, unlike the first table, Portugal replaced the UK. England ranked 3rd. Türkiye took its place in the top ten.

Table 2.Defense expenditures (in% of GDP) of NATO countries in the years 1960- 1970

No.	Country	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970
1.	Belgium	3,29	3,15	3,18	3,12	3,11	2,88	3,02	3,04	3,02	2,85	2,78
2.	Canada	4,14	4,12	3,98	3,61	3,39	2,92	2,67	2,74	2,54	2,27	2,15
3.	Denmark	2,58	2,46	2,87	2,87	2,69	2,68	2,57	2,53	2,62	2,35	2,32
4.	France	6,19	6,04	5,89	5,41	5,18	5,02	4,90	4,90	4,72	4,20	3,96
5.	Iceland	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
6.	Italy	2,82	2,67	2,73	2,86	2,83	2,85	2,92	2,68	2,55	2,33	2,21
7.	Luxembourg	0,75	0,82	0,96	0,88	1,03	1,03	1,02	0,84	0,70	0,63	0,55
8.	Netherlands	3,70	4,09	4,12	4,01	3,93	3,57	3,37	3,52	3,26	3,23	2,87
9.	Norway	2,81	2,87	3,10	3,09	3,01	3,30	3,13	3,09	3,17	3,17	3,03
10.	Portugal	3,32	5,05	5,49	5,14	5,34	4,96	5,01	5,80	5,85	5,38	5,38
11.	United Kingdom	6,34	6,19	6,21	6,08	5,90	5,76	5,59	5,58	5,31	4,92	4,65
12.	United States	8,35	8,49	8,66	8,19	7,47	6,97	7,80	8,76	8,57	7,99	7,42
13.	Turkey	3,53	3,76	3,71	3,39	3,42	3,55	3,14	3,26	3,28	3,08	3,26
14.	Greece	3,83	3,34	3,19	3,02	2,82	2,76	2,83	3,43	3,70	3,78	3,61
15.	Germany	4,00	3,97	4,78	5,20	4,66	4,35	4,15	4,33	3,62	3,61	3,20
NATO - 15		**6,91**	**6,95**	**7,10**	**6,76**	**6,22**	**5,84**	**6,28**	**6,85**	**6,65**	**6,17**	**5,65**
World		5,98	5,94	5,94	5,63	5,21	4,97	5,33	5,76	5,65	5,27	4,73

When discussing military spending, the first elements that come to mind are current and capital expenditures for the armed forces. However, military spending also encompasses costs related to military and civilian personnel, including salaries, pensions, and social benefits for military staff. Additionally, it includes services for personnel, maintenance, procurement, and military research and development. Current expenditures related to civil defense and past military activities are also considered, although veterans' benefits, demobilization costs, and similar expenditures are excluded from these calculations.

Table 3. Defense expenditures (in% of GDP) of NATO countries in the years 1971- 1981

No.	Country	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
1.	Belgium	2,76	2,74	2,70	2,63	2,92	2,95	3,00	3,11	3,11	3,10	3,22
2.	Canada	2,09	1,98	1,80	1,75	1,83	1,73	1,77	1,82	1,68	1,73	1,68
3.	Denmark	2,25	2,10	1,89	2,14	2,30	2,12	2,14	2,19	2,17	2,27	2,34
4.	France	3,80	3,70	3,59	3,49	3,61	3,57	3,67	3,72	3,69	3,77	3,88
5.	Iceland	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
6.	Italy	2,40	2,56	2,34	2,20	2,09	1,93	2,00	1,99	1,98	1,88	1,94
7.	Luxembourg	0,58	0,60	0,57	0,55	0,70	0,72	0,73	0,75	0,74	0,84	0,88
8.	Netherlands	2,84	2,82	2,70	2,65	2,84	2,69	2,95	2,75	2,84	2,73	2,79
9.	Norway	2,94	2,83	2,70	2,62	2,78	2,72	2,69	2,81	2,74	2,59	2,59
10.	Portugal	5,63	5,28	4,52	5,64	4,02	3,07	2,69	2,65	2,64	2,64	2,64
11.	United Kingdom	4,54	4,62	4,39	4,53	4,78	4,63	4,40	4,23	4,19	4,49	4,46
12.	United States	6,41	6,05	5,49	5,55	5,23	4,85	4,84	4,64	4,65	4,83	5,29
13.	Turkey	3,50	3,45	3,35	3,19	5,12	4,94	4,71	4,19	3,36	3,88	3,96
14.	Greece	3,54	3,40	3,02	4,14	5,02	5,01	5,08	4,79	4,45	4,00	4,93
15.	Germany	2,91	3,02	3,01	3,10	3,13	2,99	2,89	2,90	2,82	2,82	2,90
NATO - 15		**4,98**	**4,73**	**4,29**	**4,30**	**4,19**	**3,95**	**3,94**	**3,81**	**3,76**	**3,86**	**4,21**
World		4,28	4,05	3,65	3,68	3,70	3,56	3,65	3,48	3,41	3,45	3,72

Between 1982 and 1992, Spain became a member of NATO (during its third enlargement), and NATO's expansion continued throughout this period. During this time, the share of defense expenditures in the public budgets of NATO countries showed a consistent downward trend.

Although the United States maintained the highest share, this proportion also declined. The weakening of the Soviet Union's military power, particularly due to the war in Afghanistan, along with the diminishing influence of the socialist bloc and the Warsaw Pact countries in Europe, played a pivotal role.

These developments accelerated the democratization processes in Central and Eastern Europe and contributed to the visible disintegration of the Eastern Bloc. These shifts had a profound effect on global dynamics, altering the trajectory of international relations and easing bipolar tensions. Consequently, the risk of large-scale armed conflict significantly decreased.

Table 4. Defense expenditures (in% of GDP) of NATO countries in the years 1982- 1992

No.	Country	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
1.	Belgium	3,12	3,05	2,87	2,80	2,82	2,77	2,51	2,35	2,25	2,19	1,75
2.	Canada	1,92	2,04	2,07	2,05	2,06	2,02	1,95	1,90	1,92	1,86	1,82
3.	Denmark	2,32	2,27	2,13	2,01	1,87	1,96	2,01	1,94	1,92	1,92	1,86
4.	France	3,85	3,87	3,81	3,76	3,69	3,73	3,54	3,45	3,36	3,36	3,22
5.	Iceland	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
6.	Italy	2,13	2,15	2,14	2,06	2,11	2,20	2,21	2,15	1,99	1,96	1,90
7.	Luxembourg	0,87	0,88	0,84	0,80	0,77	0,85	0,88	0,73	0,73	0,75	0,77
8.	Netherlands	3,09	2,81	2,80	2,74	2,70	2,70	2,60	2,51	2,36	2,24	2,21
9.	Norway	2,71	2,76	2,51	2,75	2,76	2,92	2,84	2,86	2,83	2,70	2,91
10.	Portugal	2,63	2,54	2,49	2,41	2,41	2,35	2,39	2,40	2,38	2,37	2,35
11.	United Kingdom	4,81	4,83	4,93	4,76	4,53	4,19	3,77	3,61	3,56	3,68	3,46
12.	United States	6,39	5,87	5,73	5,94	6,12	5,92	5,58	5,37	5,12	4,54	4,67
13.	Turkey	4,27	4,00	3,65	3,52	3,66	3,31	2,93	3,15	3,53	3,75	3,87
14.	Greece	4,83	4,44	4,15	4,03	3,55	3,65	3,61	3,23	3,26	2,99	3,12
15.	Germany	2,89	2,88	2,79	2,73	2,66	2,64	2,51	2,41	2,40	2,12	1,98
16.	Spain	2,54	2,80	2,83	2,82	2,50	2,49	2,37	2,25	2,19	2,03	1,95
NATO-16		**4,79**	**4,59**	**4,58**	**4,70**	**4,59**	**4,36**	**4,10**	**3,98**	**3,73**	**3,42**	**3,40**
World3		4,22	4,05	4,02	4,07	3,77	3,65	3,41	3,31	3,20	2,95	2,90

Table 5. Defense expenditures (in% of GDP) of NATO countries in the years 1993- 2003

No.	Country	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
1.	Belgium	1,66	1,60	1,54	1,51	1,45	1,41	1,38	1,34	1,28	1,22	1,21
2.	Canada	1,78	1,66	1,52	1,37	1,22	1,23	1,21	1,12	1,14	1,12	1,12
3.	Denmark	1,87	1,74	1,69	1,64	1,62	1,61	1,56	1,46	1,53	1,51	1,47
4.	France	3,22	3,18	2,98	2,89	2,84	2,66	2,61	2,48	2,42	2,44	2,49
5.	Iceland	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
6.	Italy	1,94	1,86	1,65	1,79	1,83	1,85	1,90	1,96	1,89	1,92	1,93
7.	Luxembourg	0,66	0,69	0,66	0,65	0,68	0,71	0,63	0,60	0,75	0,65	0,67
8.	Netherlands	2,02	1,91	1,79	1,76	1,66	1,58	1,59	1,45	1,45	1,45	1,46
9.	Norway	2,63	2,68	2,31	2,16	2,02	2,16	2,04	1,71	1,70	2,08	1,97
10.	Portugal	2,31	2,18	2,26	2,12	2,04	1,88	1,89	1,86	1,91	1,94	1,89
11.	United Kingdom	3,21	3,02	2,56	2,45	2,30	2,25	2,19	2,14	2,18	2,24	2,30
12.	United States	4,33	3,94	3,64	3,35	3,21	3,02	2,91	2,93	2,94	3,25	3,61
13.	Turkey	3,92	4,05	3,90	4,14	4,10	3,18	3,89	3,66	3,60	3,80	3,30
14.	Greece	3,09	3,08	3,05	3,16	3,19	3,34	3,36	3,47	3,25	3,08	2,49
15.	Germany	1,80	1,65	1,59	1,56	1,50	1,48	1,48	1,44	1,41	1,41	1,40
16.	Spain	1,92	1,91	1,87	1,76	1,68	1,67	1,76	1,73	1,63	1,46	1,42
17.	Czech Republic (since 1999)	2,01	1,97	1,78	1,68	1,60	1,75	1,86	1,88	1,75	1,82	1,89
18.	Hungary (since 1999)	1,83	1,75	1,32	1,25	1,47	1,27	1,43	1,51	1,57	1,59	1,64
19.	Poland (since 1999)	2,21	2,03	1,91	1,93	2,01	2,00	1,90	1,83	1,91	1,90	1,91
NATO - 19		**3,27**	**3,04**	**2,78**	**2,64**	**2,58**	**2,47**	**2,42**	**2,43**	**2,43**	**2,59**	**2,71**
World		2,73	2,56	2,37	2,30	2,29	2,24	2,19	2,17	2,22	2,32	2,38

NATO's expansion continued, and in 1999, the Czech Republic, Hungary, and Poland joined the Alliance, marking its fourth enlargement and bringing the total number of member states to 19. During this period, the share of defense spending in public expenditure continued to decline in most NATO countries. This trend reflected broader changes in global security dynamics and the evolving strategic priorities of the member states.

The situation in Türkiye is a little different, from 3.92 in 1993 to 3.30 in 2003, but it has overtaken Greece. It even took its place after the United States.

2.5. 2001- 2024 PERIOD

NATO consistently gathers and publicly shares defense expenditure data from allied nations. Each country's Ministry of Defence provides current and projected future expenses based on a specified definition of defense spending. These numbers reflect real or anticipated payments by national administrations to support their military requirements within a fiscal year. Complementing NATO's, additional economic and demographic insights come from organizations like the European Commission's Directorate and the Organisation for Economic Co-operation and Development.

Due to differences between information from different sources and differences in national GDP estimates and definitions of defence spending, the figures in this report may differ from those reported in national media or budgets.[16] It is not only equipment expenditures that are taken into account, but also research and development expenditures related to this equipment.In addition, personnel expenditure includes expenditure on retired personnel.[17]

NATO defines defense expenditure as the payments made by national governments to fulfill the needs of their armed forces. This definition encompasses not only the budget allocated to the Ministry of Defense but also covers other military units beyond the Armed Forces. For instance, it includes core branches such as the Army, Navy, and Air Force, as well as joint units like Command and Control, Special Operations Forces, Health Services, Logistics Command, Space Command, and Cyber Command.

On the other hand "Other Forces" such as Interior Ministry units, national police forces, gendarmerie, coast guard, etc. could potentially be included in defence expenditure. In this case, however, expenditure is limited to the proportion of units that are militarily capable, trained and able to participate in operations beyond national

[16] J. Paul Dunne, Ron P. Smith & Dirk Willenbockel, "Models of Military Expenditure and Growth: A Critical Review," Defence and Peace Economics, Vol. 15, 2005, p. 451. https://www.tandfonline.com/doi/full/10.1080/10242690500167791 (Accessed: 29.01.2025).

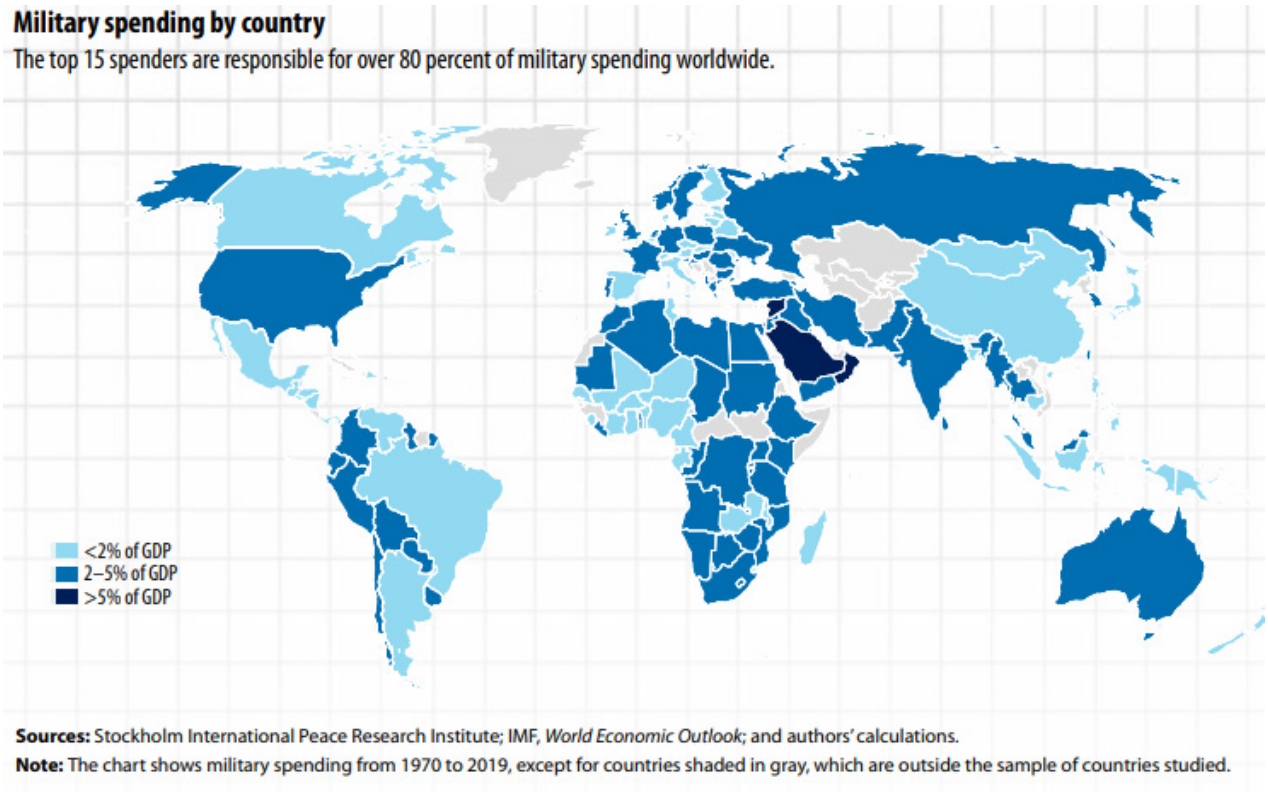
[17] NATO, "Defence Expenditure of NATO Countries (2014-2021)," *NATO Official Report*, https://www.nato.int/nato_static_fl2014/assets/pdf/2021/6/pdf/210611-pr-2021-094-en.pdf (Accessed: 14.01.2025).

borders.[18]

NATO's definition of defence expenditure includes not only expenditure on the armed forces, but also salary payments to retired personnel, research and development projects, contributions to peacekeeping operations and investments in common infrastructure. . In the literature, there are also empirical studies that analyze the effects of military expenditure on economic growth.[19] This broad scope includes the fact that, due to the diversity of information from different sources and national GDP estimates, the figures in NATO's reports may differ from those reported in national media or budgets.

According to the Stockholm Internatıonal Peace Research Instıtute ((SIPRI's)assessment of military assistance encompasses financial support, training expenses, operational costs, and the replacement expenses for military equipment stocks provided to recipients. However, it does not factor in the estimated worth of donated military equipment stocks. [20]

This broad NATO definition reflects the wide range of considerations that national governments take into account when determining defence expenditure. It provides a framework not only for military units, but also for other elements of security. This gives NATO's data on defence expenditure a broad perspective, distinguishing it from different definitions at the national level.



Source: SIPRI

Between 1990 and the mid-2000s, the collective military expenditures of nations such as China, India, Russia, the United Kingdom, and the United States notably decreased in proportion to their respective GDPs. However, there has been minimal fluctuation in these expenditures since that time.

Between 2001 and 2024, NATO defense expenditures reflected the evolving security realities following occurrences such as 9/11, the war in Afghanistan, Russia's annexation of Crimea in 2014, and the February 2022 all-out invasion of Ukraine. These occurrences witnessed defense budgets rising, particularly among Eastern european members .The most recent expansion of the Alliance with Finland's accession in 2023 and Sweden in 2024 further cemented NATO's evolving strategic ground in Northern Europe .As new members who have joined, their participation influences larger defense planning and expenditure directions for the Alliance.[21]

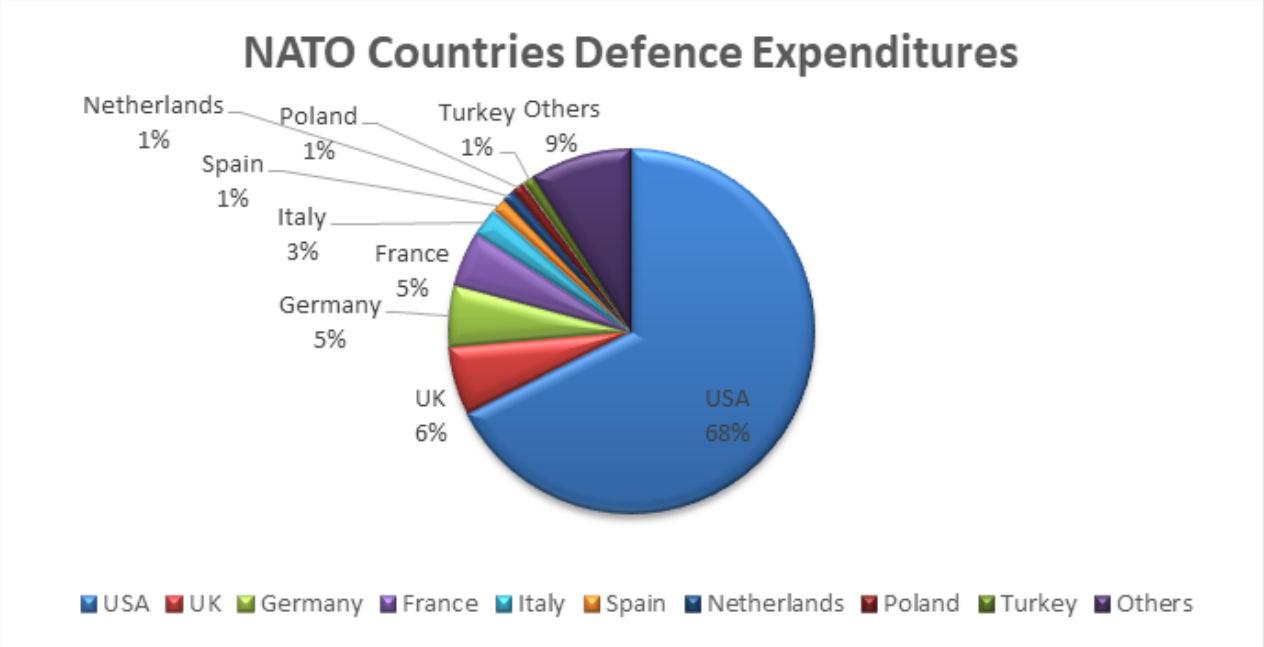
[18] Maizels, A., & Nissanke, M.K., "The Determinants of Military Expenditure in Developing Countries," World Development, 1986.

[19] Filiz Yesilyurt & M Ensar Yesilyurt Meta-Analysis, Military Expenditures And Growth, Journal of Peace Research, Vol. 56, 2019.

[20] Stockholm International Peace Research Institute (SIPRI), "Military Expenditure Database," https://www.sipri.org/databases/milex/sources-and-methods (Accessed: 22.02.2025).

[21] NATO (2024) Sweden joins NATO as 32nd Ally. [online] 7 March. Available at: https://www.nato.int/cps/en/natohq/news_222222.htm

Graph 1: Distribution of Defense Expenditures of NATO Countries in 2020

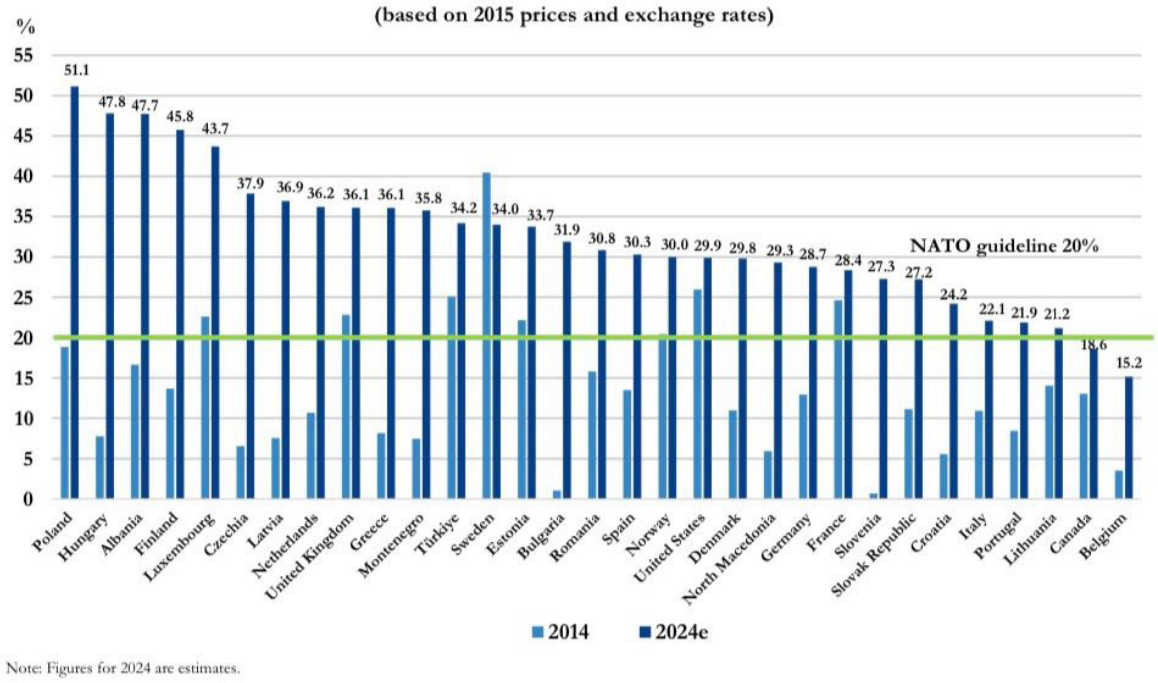


Source: NATO

An important aspect to consider is the distribution of resources allocated by the member states of the organization. In 2020, the total funds contributed by NATO member countries surpassed 1 trillion dollars. As shown in the graph, the United States was the largest contributor. The top ten contributors included the United States, the United Kingdom, Germany, France, Italy, Spain, the Netherlands, Poland, and Türkiye.

The chart below represents the percentage of defence expenditure of NATO member states relative to their national income. NATO encourages member states to spend 2% of their national income on defence.

Graph 2: Defence expenditure as a share of GDP (%)



Note: Figures for 2024 are estimates.

Source: NATO, Defence Expenditure of NATO Countries (2014-2024).

This chart presents the defence expenditures of NATO countries in 2020 according to four main categories. Since the establishment of NATO, it is possible to talk about the decline in the number of military personnel, especially in European countries.

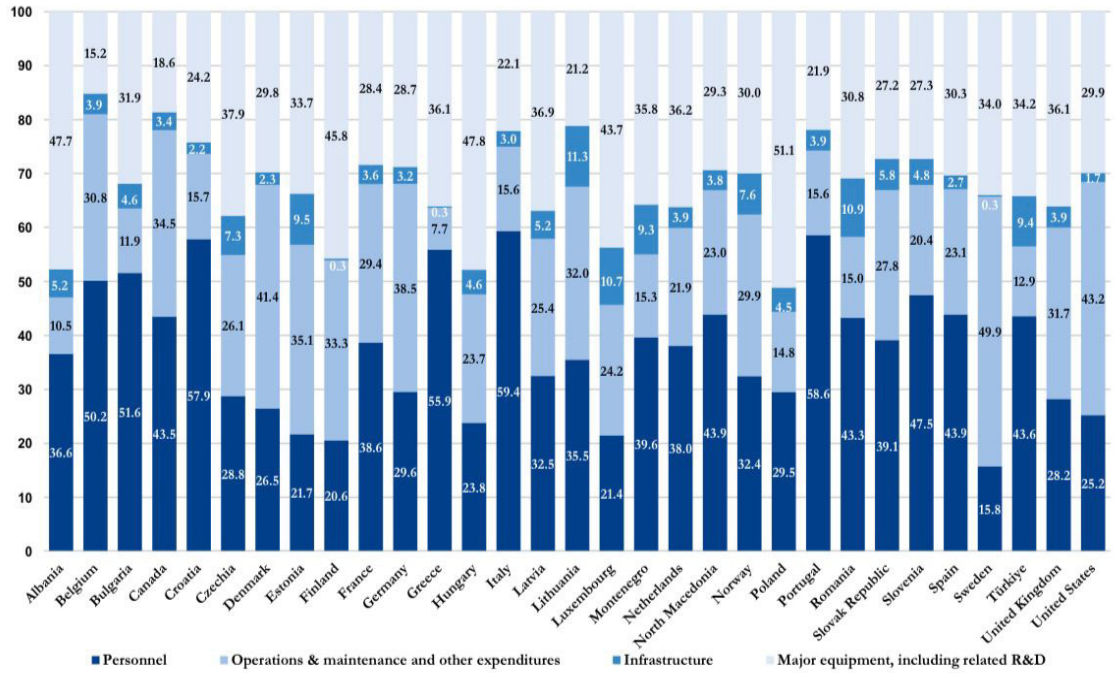
In the case of Türkiye, it has been observed that the country has not received the level of support it anticipated from NATO in its fight against regional terrorist organizations. Despite being a key member of the alliance, Türkiye has faced challenges in securing NATO's full backing for its counterterrorism efforts, particularly in dealing with groups that threaten its national security. This situation has led to frustration within Türkiye, as it navigates both regional security challenges and its relationship with NATO. Despite its 70 years of membership, having the second largest number of troops and ranking tenth in terms of NATO funding, Türkiye has not received the support it needs in this area[22].

It is also important to remember that Türkiye was the only NATO ally to share a land border with the Soviet Union during the Cold War. This strategic position made Türkiye a key player in NATO's defense strategy, as its location served as a critical point for countering Soviet influence in the region. Türkiye's geopolitical importance was particularly significant in the context of the Cold War's power dynamics, as it acted as a frontline state in the East-West confrontation.

Today, as historically, Türkiye's security is vital for NATO's overall security. Türkiye's geopolitical position and its population size are closely linked to the significant resources it allocates for defense spending. Geopolitically, Türkiye acts as a buffer zone for Europe, situated between the East and the West. On one hand, its control over the Straits and the Dardanelles, the only access point for Russia to reach the Mediterranean, gives it immense strategic value. On the other hand, Türkiye's proximity to countries in the Middle East that experience political instability presents unique challenges not encountered by other NATO members.

While these challenges often lead to security risks, they can also create opportunities, influencing Türkiye's defense priorities and military expenditures.. For example, Türkiye's security will not be as secure as that of a stable country like Belgium. Türkiye's population is the second largest after the United States.

Graph 3: Main categories of defense expenditure (%)



[22] *The Military Balance 2024*, Europe, https://www.tandfonline.com/journals/tmib20 (Accessed: 15.02.2025).

[23] "The Consultation Process and Article 4," NATO Official Website, https://www.nato.int/cps/en/natohq/topics_49187.htm (Accessed: 20.01.2025).

[24] Aviral Tiwari & Muhammad Shahbaz, "Does Defence Spending Stimulate Economic Growth in India?" Munich Personal RePEc Archive (MPRA), https://mpra.ub.uni-muenchen.de/30880/1/MPRA_paper_30880.pdf (Accessed: 20.01.2025).

Source: NATO, Defence Expenditure of NATO Countries (2014-2024).

According to the data in Chart 3, the largest share of defence expenditures is allocated to personnel costs. This is an exception for some countries, such as Estonia, Luxembourg and the United Kingdom. In 27 countries other than these three, the highest share of defence expenditures is allocated to personnel expenditures. This ratio varies between 60.5 and 25.3 percent when human expenses are taken into consideration. It's also important to note that infrastructure accounts for only a small percentage of NATO nations' defense budgets.

3. CONCLUSION AND RECOMMENDATIONS

NATO, headquartered in Brussels, is an organization committed to protecting democracy, freedom, and the rule of law. The core principle of Article 4 of the Washington Treaty emphasizes that the member states will convene for consultations whenever there is a perceived threat to the territorial integrity, political independence, or security of any of the member states. This provision ensures that NATO members support each other in times of crisis and work collectively to address potential security threats.[23]

Also defence expenditures have been examined by many studies. However, resources are not sufficient. When this issue is examined, it is seen that resource allocations for defence purposes also have effects on economic growth.[24]

The financial contributions from NATO Allies play a crucial role in enabling the organization to accomplish its missions. The portion dedicated to defense spending has shown consistent growth, with the collective defense expenditure within NATO surpassing $1 trillion. Projections indicate a further rise ahead, aligning with the anticipated increase in defense expenditures paralleling the economic growth of member countries.

NATO members include countries with different levels of development. Especially for developing countries, the increase in defence expenditures may lead to widening current account deficits.

The general upward trend in defence spending indicates that NATO countries are increasing their spending in response to factors such as economic growth and increasing security threats. However, this upward trend can create certain imbalances between countries.

The underlying reasons for differences in defence spending between countries are quite varied. Factors such as economic conditions, geographical locations and perceived threats contribute to variations in spending.

As a recommendations, the geographical location of countries and their perception of regional risks are important factors affecting defence spending. NATO should help its members better understand these risks and determine their strategies accordingly. This would help each country to allocate resources more appropriately to its own security needs.

The sharing of defence technologies and resources among NATO countries should be increased. Joint research and development projects and technology transfer can lead to more efficient use of defence spending. This can lead to stronger cooperation and efficiency among allies. More comprehensive strategic planning is needed to enhance NATO co-operation and co-ordination. Joint operations and contingency scenarios could enable allies to act together more quickly and effectively.

These recommendations could help NATO to achieve a more efficient, fair and balanced structure for defence spending. This could increase trust between allies and more successfully achieve common security objectives.

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