



## RISING WORLD MILITARY SPENDING IN THE AGE OF PANDEMIC: AN OVERVIEW

By

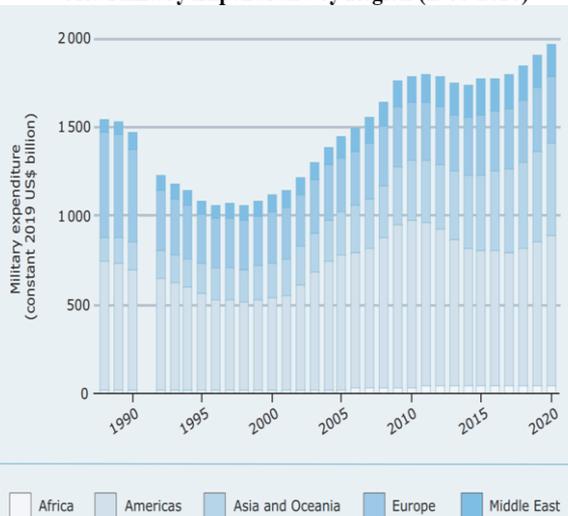
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*(Views expressed in the brief are those of the author, and do not represent those of ISSI)*

World Military Expenditure by Region (1988-2020)



The Stockholm International Peace Research Institute (SIPRI) in its latest “SIPRI Fact Sheet” of April 2021, published data on world military expenditure and estimated that the “total global military expenditure rose to US\$1981 billion in 2020, an increase of 2.6 per cent in real terms from 2019.”<sup>1</sup> Earlier the year 2019, with an estimated military expenditure of US\$1917 billion, witnessed the largest annual increase of 3.6 per cent in the decade.<sup>2</sup> It is surprising now that despite the contraction of the global economy due to the COVID-19 pandemic, world military expenditure in terms of the share of the GDP rose to 2.4 per cent in 2020 as compared to 2.2 per cent in 2019. According to the SIPRI, this was the biggest year-on-year rise in the military burden since the global financial and economic crisis in 2009.<sup>3</sup>

An overview of the SIPRI Fact Sheet of April 2021 reflects that “the five biggest spenders in 2020, which together accounted for 62 per cent of global military expenditure, were the United States,

<sup>1</sup> “World Military Spending Rises to Almost \$2 Trillion in 2020,” Stockholm International Peace Research Institute (SIPRI), April 26, 2021, <https://sipri.org/media/press-release/2021/world-military-spending-rises-almost-2-trillion-2020>

<sup>2</sup> “Global Military Expenditure sees Largest Annual Increase in a Decade — says SIPRI — Reaching \$1917 billion in 2019,” SIPRI, April 27, 2020, <https://www.sipri.org/media/press-release/2020/global-military-expenditure-sees-largest-annual-increase-decade-says-sipri-reaching-1917-billion>

<sup>3</sup> “World Military Spending Rises to Almost \$2 Trillion in 2020.”

China, India, Russia and the United Kingdom.”<sup>4</sup> As far as the total military expenditure of the top 15 countries is concerned, it is estimated that in 2020 with an estimated expenditure of US\$1603 billion their share of world military expenditure accounts for 81 per cent (see table below).<sup>5</sup> In the top 5 biggest military spenders, the US, China, India and Russia maintained their respective ranks 1, 2, 3, and 4 in 2020. The UK, by increasing its military spending by 2.9 per cent has entered into the top five biggest spenders club in 2020. However, Saudi Arabia’s military expenditure declined by 10 per cent in 2020 with total spending of US\$57.5 billion.

### Top 15 Countries with Highest Military Spending in the World 2020

Rank		Country	Spending (\$ b.), 2020	Change (%)		Spending as a share of GDP (%) <sup>b</sup>		World share (%), 2020
2020	2019 <sup>a</sup>			2019–20	2011–20	2020	2011	
1	1	United States	778	4.4	-10	3.7	4.8	39
2	2	China	[252]	1.9	76	[1.7]	[1.7]	[13]
3	3	India	72.9	2.1	34	2.9	2.7	3.7
4	4	Russia	61.7	2.5	26	4.3	3.4	3.1
5	6	United Kingdom	59.2	2.9	-4.2	2.2	2.5	3.0
<b>Subtotal top 5</b>			<b>1 224</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>62</b>
6	5	Saudi Arabia	[57.5]	-10	2.3	[8.4]	[7.2]	[2.9]
7	8	Germany	52.8	5.2	28	1.4	1.2	2.7
8	7	France	52.7	2.9	9.8	2.1	1.9	2.7
9	9	Japan	49.1	1.2	2.4	1.0	1.0	2.5
10	10	South Korea	45.7	4.9	41	2.8	2.5	2.3
<b>Subtotal top 10</b>			<b>1 482</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>75</b>
11	11	Italy	28.9	7.5	-3.3	1.6	1.5	1.5
12	12	Australia	27.5	5.9	33	2.1	1.8	1.4
13	14	Canada	22.8	2.9	26	1.4	1.2	1.1
14	16	Israel	21.7	2.7	32	5.6	5.8	1.1
15	13	Brazil	19.7	-3.1	2.1	1.4	1.4	1.0
<b>Subtotal top 15</b>			<b>1 603</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>81</b>

**Source:** “Trends in World Military Expenditure, 2020,” SIPRI,  
[https://sipri.org/sites/default/files/2021-04/fs\\_2104\\_milex\\_0.pdf](https://sipri.org/sites/default/files/2021-04/fs_2104_milex_0.pdf)

In 2020, the US spent US\$778 billion, an increase of 4.4 per cent, and stood at the top with 39 per cent (see chart below) of the total world share of military spending. As per SIPRI, this was the third consecutive year of growth in the US military spending, following seven years of continuous reductions.<sup>6</sup> Citing the growing strategic competition with Russia and China, the US has made large scale arms purchases, spent on its nuclear weapons modernisation and military-related research and development programmes. China with its share of 13 per cent is focusing on the modernisation of its People’s Liberation Army (PLA) by 2035 and wanted to transform it into a “World-Class” army by 2049.<sup>7</sup> China’s military expenditure has increased for 26 consecutive years.<sup>8</sup>

<sup>4</sup> Ibid.

<sup>5</sup> Diego Lopes da Silva, Nan Tian and Alexandra Marksteiner, “Trends in World Military Expenditure, 2020,” SIPRI, [https://sipri.org/sites/default/files/2021-04/fs\\_2104\\_milex\\_0.pdf](https://sipri.org/sites/default/files/2021-04/fs_2104_milex_0.pdf)

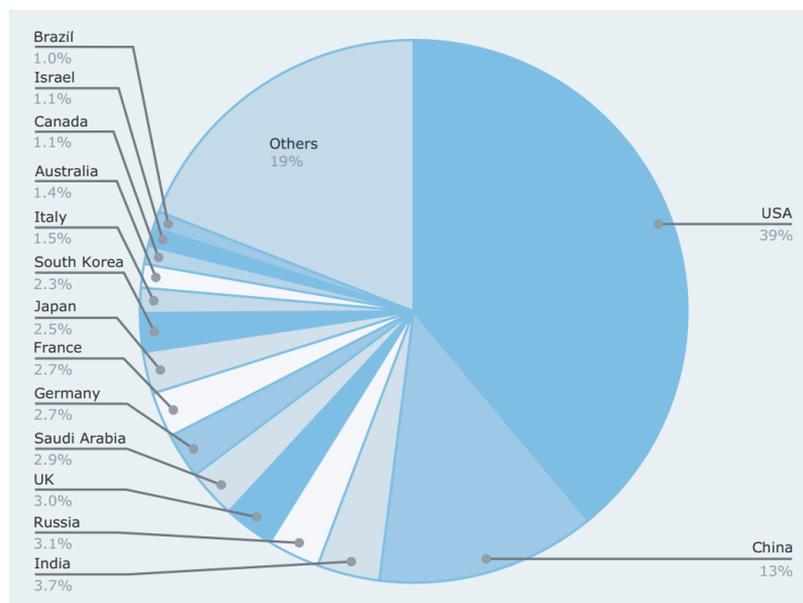
<sup>6</sup> “World Military Spending Rises to Almost \$2 Trillion in 2020.”

<sup>7</sup> Matthew P. Funaiole and Brian Hart, “Breaking Down China’s 2020 Defence Budget,” Centre for Strategic & International Studies (CSIS), May 22, 2020, <https://www.csis.org/analysis/breaking-down-chinas-2020-defense-budget>

<sup>8</sup> Silva, Tian and Marksteiner, “Trends in World Military Expenditure, 2020.”

Whereas, India, the third-largest military spender in the world, with its US\$72.9 billion and a world share of 3.7 per cent in 2020, wanted to modernise its armed forces concluded major defence deals with Russia, the US and Israel. Russia, the fourth largest defence spender, spent US\$61.7 billion on its military. The UK has suddenly started increased its military spending and moved up on the ladder of the top five military spenders in the world. The UK spending on shipbuilding, space, cyber, research and other sectors and wanted to transform the military and bring to an end an era of retreat in the armed forces.<sup>9</sup> As far as Pakistan is concerned it is not on the list of the top 15 military spenders. According to SIPRI Pakistan ranks at number 23 with US\$10.4 billion and 0.5 per cent of the world share of military spending.<sup>10</sup>

### The Share of World Military Expenditure of the 15 Countries with the Highest Spending in 2020



**Source:** "Trends in World Military Expenditure, 2020," SIPRI, [https://sipri.org/sites/default/files/2021-04/fs\\_2104\\_milex\\_0.pdf](https://sipri.org/sites/default/files/2021-04/fs_2104_milex_0.pdf)

As far as regional overview is concerned, according to the SIPRI Fact Sheet of April 2021, in 2020 the Americas and Asia and Oceania's regions were at the top with their respective global share of military expenditure of 43 and 27 per cent.<sup>11</sup> The third-largest region was Europe which accounted for 19 per cent of global military expenditure in 2020. The Middle East was accounted for roughly 9 per cent of the total world share followed by Africa which had the smallest regional share,

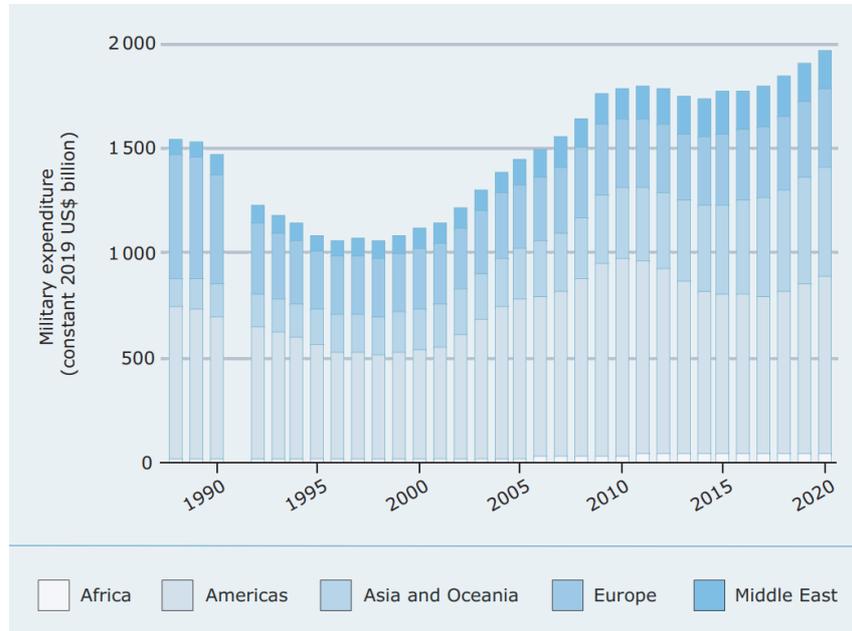
<sup>9</sup> "UK to Boost Defence Budget by \$21.9 Billion. Here's who Benefits — and Loses out," *Defence News*, November 19, 2020, <https://www.defensenews.com/global/europe/2020/11/19/uk-to-boost-defense-budget-by-219-billion-heres-who-benefits-and-loses-out/>

<sup>10</sup> Silva, Tian and Marksteiner, "Trends in World Military Expenditure, 2020."

<sup>11</sup> Ibid.

accounting for 2.2 per cent of global military expenditure.<sup>12</sup> A regional status with a global military expenditure trend from 1988-2020 is shown in the graph below.

**World Military Expenditure by Region (1988-2020)**



**Source:** "Trends in World Military Expenditure, 2020," SIPRI,  
[https://sipri.org/sites/default/files/2021-04/fs\\_2104\\_milex\\_0.pdf](https://sipri.org/sites/default/files/2021-04/fs_2104_milex_0.pdf)

The COVID-19 pandemic is not over yet and it is forecasted that the pandemic could cost the global economy trillions of dollars and many smaller economies could crash. At the outbreak of the COVID-19, it was expected that in this global fight against this deadly virus, states would prefer to cut their defence budgets. However, the trend in world military expenditure in 2020 shows significant growth and likely to continue in future. Major powers are involved in a strategic competition and investing in their weapons and military modernisation programmes. States are engaged in a new arms race and spending more and more on modern and lethal weapons technologies. This growing military competition at the regional and international level will bring severe implication for human security issues. States should invest more in human health, wellbeing and prosperity and against threats like COVID-19.

<sup>12</sup> Ibid.