Increase in World Military Spending during Covid-19: SIPRI

Why in News

According to the latest data published by Stockholm International Peace Research Institute (SIPRI), the military spending across the world rose to USD 1,981 billion in 2020, during Covid-19 pandemic.

The 2.6% increase in world military spending came in a year when the global GDP shrank by 4.4% largely due to the economic impacts of the Covid-19 pandemic.

Key Points
• Global Scenario:
  ○ Military spending as a share of Gross Domestic Product (GDP), reached a global average of 2.4% in 2020, up from 2.2% in 2019.
  ○ The five biggest spenders in 2020, which together accounted for 62% of global military expenditure were: the United States > China > India > Russia > the United Kingdom.
    ▪ US: 2020 was the third consecutive year of growth in US military spending, following seven years of continuous reductions. This reflects growing concerns over perceived threats from strategic competitors such as China and Russia, as well as the Trump administration’s drive to bolster what it saw as a depleted US military.
    ▪ China: China’s spending has risen for 26 consecutive years, the longest series of uninterrupted increases by any country in the SIPRI Military Expenditure Database.
  ○ Nearly all members of the North Atlantic Treaty Organization (NATO) saw their military burden rise in 2020.
  ○ The countries with the biggest increases in military burden among the top 15 spenders in 2020 were Saudi Arabia, Russia, Israel and US.

• Regional Scenario:
  ○ Europe: Military spending across Europe rose by 4.0% in 2020. Germany and France were the 7th and 8th largest spender globally.
  ○ Asia and Oceania: In addition to China, India (USD 72.9 billion), Japan (USD 49.1 billion), South Korea (USD 45.7 billion) and Australia (USD 27.5 billion) were the largest military spenders in the Asia and Oceania region. All four countries increased their military spending between 2019 and 2020 and over the decade 2011-20.
  ○ Sub-Saharan Africa: Military expenditure in sub-Saharan Africa increased by 3.4% in 2020 to reach USD 18.5 billion. The biggest increases in spending were made by Chad, Mali, Mauritania and Nigeria, all in the Sahel region, as well as Uganda.
  ○ South America: Military expenditure in South America fell by 2.1%. The decrease was largely due to a 3.1% drop in spending by Brazil, the sub region’s largest military spender.
  ○ Middle Eastern Countries: The combined military spending of the 11 Middle Eastern countries for which SIPRI has spending figures decreased by 6.5% in 2020.
    ▪ Eight of the nine members of the Organization of the Petroleum Exporting Countries (OPEC) for which SIPRI has figures cut their military spending in 2020.
    ▪ Angola’s spending fell by 12%, Saudi Arabia’s by 10%, and Kuwait’s by 5.9%.
    ▪ Non-OPEC oil exporter Bahrain also cut its spending by 9.8%.
India’s Scenario:

- India was the third largest military spender in the world in 2020, behind only the US and China.
- India’s military expenditure was USD 72.9 billion and it accounted for 3.7% of the global military expenditure share.
- India’s spending since 2019 grew by 2.1%. The increase can be largely attributed to India’s ongoing conflict with Pakistan and renewed border tension with China.
  
  The continuing military confrontation with China in eastern Ladakh, of course, has led India to make several emergency arms purchases from abroad since the crisis erupted in early May 2020.
- India’s annual military expenditure also includes a huge pension bill for 33-lakh million veterans and defence civilians.
  
  In the 2021-2022 defence budget, for instance, the pension bill was Rs. 1.15 lakh crore out of the total Rs 4.78 lakh crore outlay.
- India has to maintain an over 15-lakh strong armed forces because of the two active and unresolved borders with China and Pakistan.
  
  Consequently, the revenue expenditure for the day-to-day running costs and salary bill in the defence budget by far outstrips the capital outlay for military modernization, leaving critical operational shortages on different fronts, ranging from fighters to submarines.
- With a weak domestic defence-industrial base, India of course continues to languish in the strategically-vulnerable position of being the world’s second-largest arms importer just behind Saudi Arabia.
  
  India accounted for 9.5% of the total global arms imports during 2016-2020.

Stockholm International Peace Research Institute

- This think tank is an independent international institute dedicated to research into conflict, armaments, arms control and disarmament.
- It was established in 1966 at Stockholm (Sweden).
- It provides data, analysis and recommendations, based on open sources, to policymakers, researchers, media and the interested public.

Source: IE