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## Increase in World Military Spending during Covid-19: SIPRI

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### Why in News

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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

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- **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 7<sup>th</sup> and 8<sup>th</sup> 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**