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General Assembly

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Guiding Package

**Topic 1:** Taking Measures to Reduce Global Military Expenditures

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***Abstract:***

As one of the most essential parts in a nation, the military requires a substantial amount of funds to achieve its purpose; defending the nation and keeping it’s peace. These are the main focuses of the military. This is why a significant amount of a country's income is spent on the military. Most countries allocate resources to the military even in the absence of a conflict. Hence why the military expenditures of many countries are expressed in a percentage of the countries gross domestic product (GDP).

Practically, the act of defending a nation broadens to defending a nation’s strategic interests. Besides, the whole notion of “adequate” is up for negotiation in any democracy. The reduction of global military expenditures is a highly debated matter since increasing military expenditures could lead to slower economic growth which negatively affects a country. Recently, many countries have opted into the idea of reducing military expenditures due to the adverse side effects it could have on a country such as economic growth. Including the fact that funds allocated to a nation’s military could be ultimately used in other domains such as government spending on the country which increases economic growth.

It is important that countries report their military expenditures to increase trust and to inform other countries in case of a sudden increase in military expenditure, which could lead to disaster. “Input” measures that are directed to military expenditures are not directly associated with the “output” of military security, ability and actions.

***Introduction:***

The debate concerning the topic of military spendings has been highly neglected for decades. Although military spending has significantly decreased since World War 2. It has begun to slowly rise again. In the past 20 years military spending has increased 75%. It is estimated that in 2020 the world’s military expenditure was 1981$ billion, the highest it has been since 1988.

The growth of military expenditures has raised many concerns such as; how military spendings can contribute to technological advancements in weapons systems with tremendously unexpected consequences, it is also often correlated with high levels of state predation and corruption. And finally, the ongoing augmentation in military spendings captivates political attention and material assets that could be dedicated to more necessary security problems.

The increase in military spending and subsequently in military research and development (R&D), has led to the creation of many valuable and useful tools, such as the internet, global positioning systems (GPS) and microwaves.

Furthermore, a country’s funds are limited, so when they fund the military this could remove funding from other areas of the government or could lead to the country taking out a loan which leads to an increase in national debt. Even though it may not seem that some countries are increasing their military spending in terms of %GDP[[1]](#footnote-0), we must take into consideration that these countries are also developing economically so their gross domestic product (GDP) is also increasing. In turn this means that 1% of a country's GDP now is significantly more than it was 20 years ago.

***Key Terms:***

* **SIPRI**: Stockholm International Peace Research Institute
* **Gross Domestic Product (GDP):** The total value of goods produced and services provided in a country during one year.
* **Expenditure**: The action of spending funds.
* **Military Expenditure:** Military expenditures from SIPRI, includes all current and capital expenditures on the armed forces, including all current and capital expenditures on the armed forces, including peacekeeping forces; defense ministries and other government agencies engaged in defense projects.

***Background Information:***

 The Growth of Military expenditure :

Over the past 20 years, global military expenditures have increased by 75% due to heavy investment in research and development. The United states of America, China, India, Russia and the United Kingdom are the top five military spenders in 2020 and together they account for approximately 61% of the world’s military expenditure.

The volume of international transfer of major weapons has enlarged continuously since 2004 due to the growth of production rate. In 2012 till 2016 they reached the highest volume for any 5 year period since the end of the Cold War. During that period only Asia, Oceania and The Middle East have increased their imports. Furthermore, the five biggest weapons exporters account for 74% of total weapon exports. The United States at 33%, Russia at 23%, China at 6.2%, France at 6% and Germany at 5.6%.

NATO’s Actions:

In 2017, The north atlantic treaty organization (NATO), 29-members’ were spending 900 billion dollars accounting for 52% of the world’s spending and the 610 billion dollars belonged to the USA.

The repercussion of increasing military spending is often demonstrated by the Guns and Butter graph. This famous graph demonstrates the opportunity cost associated with the increase in military funding which could harm other sectors since those funds could be used there. This economic cost could be used to fund other areas in the nation such as increasing government spending which would lead to an increase in economic growth.

 During times of war and conflict, countries often shift their focus as they increase military funding. Such as in the second world war, Japan had dedicated 99% of its GDP into military expenditures. This highlights the fact that military spending experiences a sudden spike in time of conflict and war.

Countries’ history and actions:

 Over the past decades countries such as China have increased their military spending by 83% while other countries such as the United States have decreased their military by 17%.They currently contribute to 14% and 36% of the world’s military expenditures respectively.

Giving priority to military power suggests a fundamentally distorted point of view of security that minimizes multiple non-military threats.

In 2019, the United States increased their military expenditure by almost 5.3% which is equivalent to approximately $730 billion. China increased its military spending by 5.1%, India increased it’s spending by 6.8%, Russia increased it’s spending bt 4.5% and Saudi Arabia decreased it by 16%.

Threats that are imposed for the future:

By 2030, it is expected that the countries with the highest military expenditures would be the United States with over 1 trillion, China with 730 billion and India with 200 billion. This would be a massive increase from the 636 billion, 240 billion and 66 billion budget respectively.

An analysis has taken place where famous professors evaluate six major USA’s wars; World War II, The Korean War, The Cold War, the Wars in Iraq and Afghanistan and The Vietnam War. Some of the key findings were that the cost of war negatively affects the nation’s economy, debt, jobs, taxes and investments. In several wars public debt and tax rates increased, on the other hand consumption and investment decreased. Military spendings have displaced more productive government investment such as education or infrastructure and in high-tech industry, which they all have severely influenced the economic growth rate on a long term basis. The unintended consequences of military expenditures on the economy are extreme and several.

***Major Countries and Organization Involved:***

The United States of America: After Social Security, Military expenditures is the second largest item in the federal budget. The United States has not been labeled as a global superpower for no reason. It is by far the country with the highest military spending, with a budget of $ 778 billion in 2020 that exceeds the remaining $ 703.6 billion of other countries. For its part, the United States represents slightly less than 40% of world military spending. Ironically, the basic budget of the Ministry of Defense does not include war expenses. This is included in emergency operations abroad. The budget of the Ministry of Defense is 69 billion U.S. dollars. Since 2001, the Overseas contingency operations budget has spent US$2 billion to pay for the war on terror. The Department of Defense knows that it needs to become more efficient. It now devotes one-third of its budget in personnel and maintenance. Due to medical and retirement costs, this proportion will increase to 100% by 2024. In this way, there is no funds for acquisition, research and development, construction or housing. These required support programs now account for more than one-third of the Department of Defense’s budget.

People’s republic of China: The growth rate of China's defense budget is closely related to its economic development and perceived security needs. Although estimates vary, China's military expenditure is second only to the United States, ranking second in the world. According to SIPRI, China's military spending in 2019 far exceeds that of neighboring countries, and more than India, Russia, Japan, South Korea and Taiwan combined. China's massive defense spending continues to promote the development of its military capabilities, which poses a threat to the interests of the United States and its allies. China's continued investment in the defense sector makes the military balance in the region beneficial to it. In addition, the weakening of China by traditional deterrence increases the risk of conflict, including the possibility of a safer and more courageous China seeking to unilaterally change the status quo through the threat or use of force.

Russian federation: Russia is often described as spending about 60 billion U.S. dollars on its military each year. This is roughly in line with the defense expenditures of middle powers such as Britain and France. In recent years, Russia has initiated a military modernization program through rapidly increasing military expenditures and pursued a more confident foreign policy. This has aroused people's attention to the level of its military expenditures. Over the past two decades, Russia's military spending has increased significantly. From 2010 to 2019, the real growth rate was 30%, and from 2000 to 2019, the real growth rate was 175%. Although Russia's military spending declined in 2017 and 2018, it rose again in 2019, reaching US $ 65.1 billion. In 2019, Russia's economic military spending accounted for 3.9% of GDP, which is higher than in 2010, but well below the peak of 5.5% in 2016. According to SIPRI data, Russia has been one of the five countries with the highest military expenditures in the world in the last ten years. Russia was the fifth largest consuming country in 2018 and rose to fourth place in 2019, second only to the United States, China and India, mainly due to the decrease in spending from Saudi Arabia.

The republic of India: India is the world's third largest military expenditure in 2020, after the United States and China. According to the latest military expenditure database released by SIPRI this Monday. SIPRI stated that military spending in Asia and Oceania was “2.5% higher than 2019 and 47% higher than 2011, and has maintained an uninterrupted upward trend since at least 1989”, and attributed this increase “primarily to this increase” In China and 2020, India together accounted for 62% of total military expenditures in the region.” Despite the increasing threats from both China and Pakistan, as well as rising security challenges, India's defense spending has fallen by 4% in terms of the government's total expenditure over the last six years.

The Kingdom of Saudi Arabia: Saudi Arabia announced its 2020 budget plan. Overall, the government expects to spend approximately US$272 billion during the year. Total revenue will reach 222 billion U.S. dollars, with a deficit of approximately 49 billion U.S. dollars. In a report issued by the Ministry of Finance, the government stated that for the military sector, Saudi Arabia will spend 48.5 billion U.S. dollars on defense affairs in 2020. This is a decrease of approximately 4.7% from the budget approved in 2019. Saudi Arabia has the largest defense budget in the Middle East. However, since King Salman bin Abdulaziz Al Saud took office in 2015, the government has cut defense spending almost every year. The Saudi budget has faced downward pressure from falling energy prices. Oil sales account for the majority of budget revenue.

Stockholm International Peace Research Institute (SIPRI):

The Stockholm International Peace Research Institute is an independent institute dedicated to research into conflict, armaments, arms control and disarmament. SIPRI was established in 1966 and provides data and analysis. Currently SIPRI is the most trusted resource in terms of reliable numbers for military expenditures even being used by the United Nations to provide it’s statistics and numbers.

***UN Involvement:***

The United Nations, beginning with the Security Council's deliberations under its mandate under Article 26, including the work of the Committee on Conventional Armaments and the Disarmament Commission.

Germany and Romania have co-led the resolution in support of the standardized instrument on military spending since 1993. Despite the end of the cold war, participation in the instrument remained low, with serious efforts to broaden participation beginning only after 1997, with the re-establishment of the Department for Disarmament Affairs. Following the Secretary-consultations, General's which resulted in a number of recommendations, the General Assembly mandated international and regional outreach, which likely contributed to the large increase in participation over the decade that followed.

Member countries adopted the 2030 Agenda for Sustainable Development in September 2015, which included 17 goals with specific targets and indicators to be met within 15 years. One of the Sustainable Development Goals was directly related to arms control. Goal 16 includes a target, 16.4, to significantly reduce illicit financial and arms flows by 2030. The relevant indicator, 16.4.2, reads as follows: “Proportion of seized, found or surrendered arms whose illicit origin or context has been traced or established by a competent authority in line with international instruments”.

**Resolutions that have been adapted throughout the years regarding Military Expenditures:** They are all adopted to Encourage States to provide clear objective information on their military spending.

* 2013 | [A/RES/68/23](http://undocs.org/A/RES/68/23)
* 2015 | [A/RES/70/21](http://undocs.org/A/RES/70/21)
* 2017 | [A/RES/72/20](http://undocs.org/en/A/RES/72/20)
* 2019 | [A/RES/74/24](https://undocs.org/en/A/res/74/24)

***Possible solutions:***

* Limit military spending to a small percentage of a country’s GDP
* Set a cap for the amount a country can spend on military spending
* Encouraging the increase of military spending

***Guiding questions:***

* What is your country’s GDP?
* Does your country have any major decrease in its military expenditures?
* Does your country have any major increase in its military expenditures?
* What are the consequences your country will face due to military expenditures?
* What actions did your country take in regards to this conflict?
* How does your country spend its military spending?
* What is your country’s Military budget?

***Useful Links:***

* <https://sipri.org/media/press-release/2021/world-military-spending-rises-almost-2-trillion-2020>
* <https://ourworldindata.org/military-spending>
* <https://www.investopedia.com/articles/investing/072115/how-military-spending-affects-economy.asp>
* <https://www.sipri.org/databases/milex/definitions>
* <https://www.un.org/disarmament/update/unoda-launches-occasional-papers-on-rethinking-unconstrained-military-spending/>

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1. Refer to Key Termes [↑](#footnote-ref-0)