



The 7th International Scientific Conference
**“DEFENSE RESOURCES MANAGEMENT
IN THE 21st CENTURY”**
Bra ov, November 15th 2012



**OVERVIEW ON THE DEFENCE PLANNING PROCESS, ON
THE MILITARY BUDGETS AND ON THE DEFENCE
EXPENDITURES DATA OF DIFERRENT STATES**

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Abstract:

The present study begin from a simple analysis of the defence planning processes, the planned budgets and military expenses of the states and intends to identify in those information indicators determining the military posture of states.

Key words: defence planning, budgets, expenses, comparison, indicator

1. Introduction

The defense planning process along with the budgeting and the military expenses could play an important role in determining the military posture of states.

In the present paper we will extract some sample data from the information provided by states to different organizations, put it in a systematic format and try to identify some indicators connected with those information.

2. International Transparency Framework

In consolidating the international security by confidence building measures the transparency over the military expenses set by the UN Standardized Instrument for Reporting Military Expenditures was initiated by the General Assembly Resolution A/RES/35/142B-1980 [1] with the original goal to facilitate reduction of the military budgets and led to a comprehensive database.

The Forum for Security Cooperation of the OSCE developed its own tools to enhance the level of mutual transparency over the defense planning process, military budgets and expenses. In the second chapter Vienna Document on Confidence- and Security-Building Measures establishes that *“The participating States will exchange annually information ...to provide transparency about each OSCE participating State’s intentions in the medium to long term as regards size, structure, training and equipment of its armed forces, as well as defence policy, doctrines and budgets related thereto, based on their national practice and providing the background for a dialogue among the participating States, including the date on which the military budget for the forthcoming fiscal year was approved by the competent national authorities and the identification of those authorities. The information will be provided to all other participating States not later than three months after the military budget, referred to in paragraph has been approved by the competent national authorities.”* [2]

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Information on the defense planning processes is also exchanged among the OSCE countries according to the provisions of the Questionnaire on the implementation of the provisions of the Code of Conduct on Politico-Military Aspects of Security (“*Description of the national planning- and decision-making process - including the role of the Parliament and Ministries - for the determination/approval of (a) the military posture; (b) defence expenditures*” [3]).

3. Template for Data Extraction

The data that will be presented is extracted from national data exchanges publicly available on the UN and OSCE web sites and it is pretty accurate. As the work is not intended to point to a specific state situation in the following analysis steps we will avoid mentioning any country name so we rather refer to numbered case studies. For the same purpose we will try to focus evolutions rather than absolute figures directly extracted from the notified budgets or expenses.

As it was mentioned in the introductory part the work will try to be a first step towards a contribution in identifying indicators that could be used as measures to determine the posture of different military systems.

To achieve the above mentioned goals we will proceed to filling the following format:

- *country description* (location, alliance, dimension);
- *overview on the defense planning process* (basic documents, decisional bodies, decisional flow);
- *military budget and expenses evolution* over a specific period (overall budget and expenses, specific budgeting and expenses).

We have chosen this approach as we expected different results for different situations (big countries with important military potential, developed countries located in the central part of Europe, countries located at the borders of NATO, non-NATO countries).

For each case study we proceed to the following:

- comparison between the overall budget and expenses for the envisaged period of time;
- comparison between the specific budgets and expenses for personnel, operation & maintenance and procurement;
- successive comparison between the overall budget and the specific budgets for personnel, operation & maintenance and procurement;
- successive comparison between the overall expenses and the specific expenses for personnel, operation & maintenance and procurement.

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4. Case studies

4.1 Case study 1

For case study 1 we have chosen an example of a big country with an important military potential. The country is not part of NATO but participates to different other security cooperation frameworks.

The actual democratic control over the armed forces has recent origins. One can accept the proper functioning of a democratic system in the country but still we face an important level of centralized control and an increased level of corruption.

The data for this study covers the 2007 – 2010 period.

For this case study the proposed analysis structure led to the following:

1. Comparison between the overall budget and expenses for the envisaged period of time

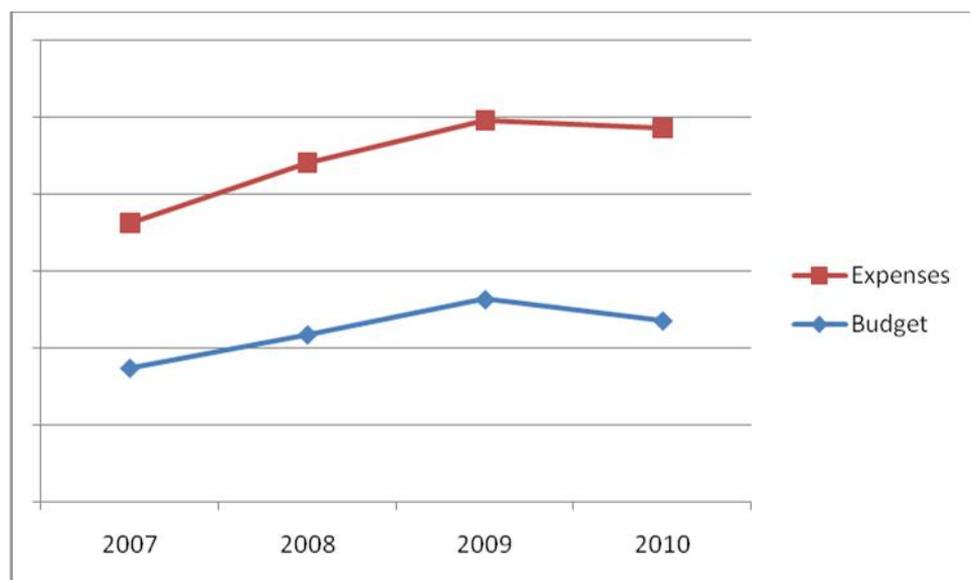


Chart 1

OVERVIEW ON THE DEFENCE PLANNING PROCESS, ON THE MILITARY BUDGETS AND ON THE DEFENCE EXPENDITURES DATA OF DIFERENT STATES

2. Comparison between the specific budgets and expenses for personnel, operation & maintenance and procurement

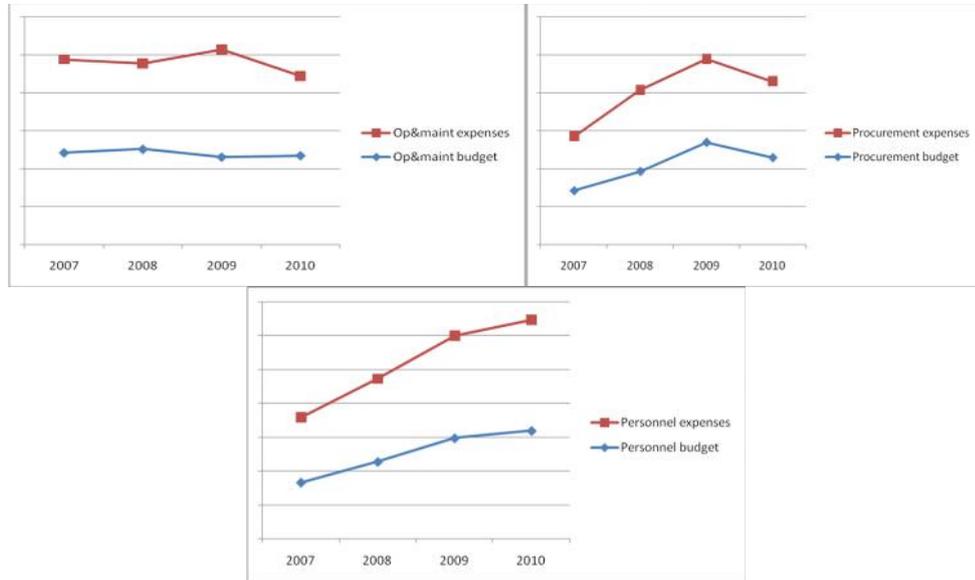


Chart 2

3. Successive comparison between the overall budget and the specific budgets for personnel, operation & maintenance and procurement

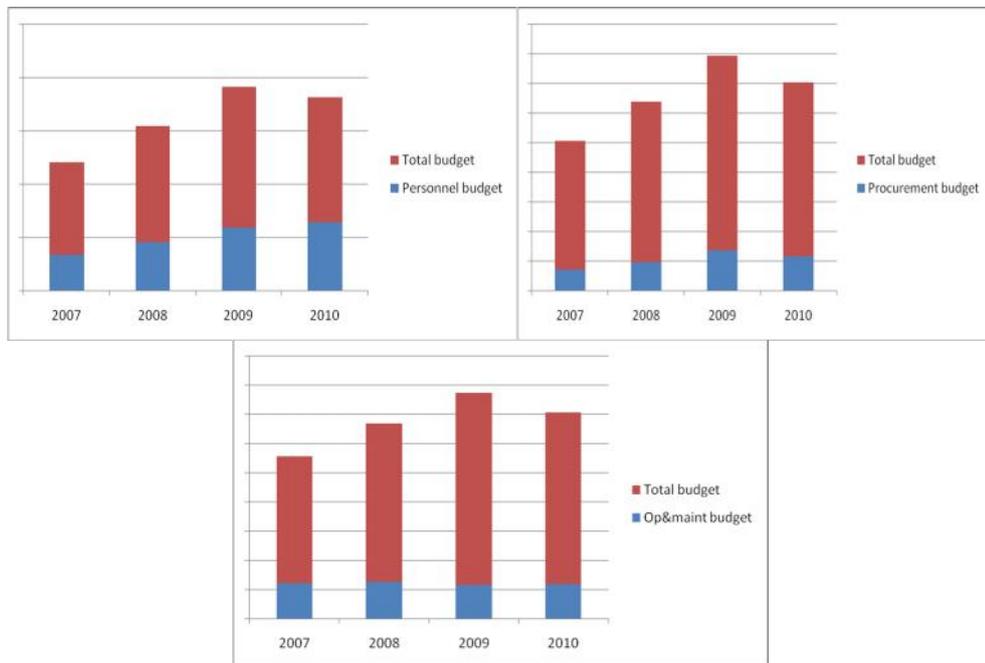


Chart 3

OVERVIEW ON THE DEFENCE PLANNING PROCESS, ON THE MILITARY BUDGETS AND ON THE DEFENCE EXPENDITURES DATA OF DIFERRENT STATES

4. Successive comparison between the overall expenses and the specific expenses for personnel, operation & maintenance and procurement

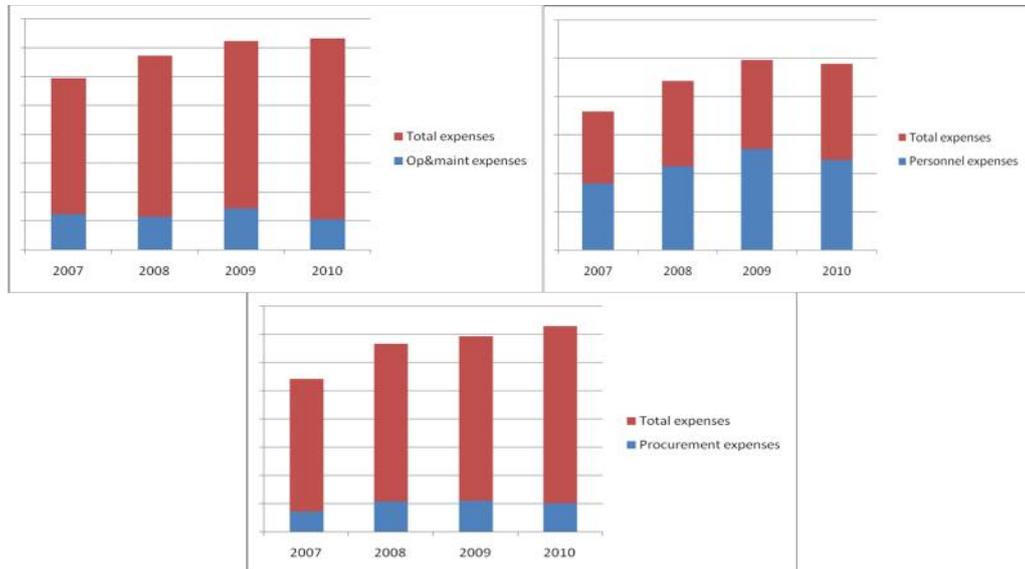


Chart 4

4.2 Case study 2

For case study 2 we have chosen an example of an average to big country with an important level of military interest. The country is part of NATO and is located to the geographical boundary of the alliance in an important strategic position.

The democratic control over the armed forces it has a long enough tradition to be consolidated.

The data used for the study covers the period 2007 – 2009.

For this case study the proposed analysis structure led to the following:

1. Comparison between the overall budget and expenses for the envisaged period of time

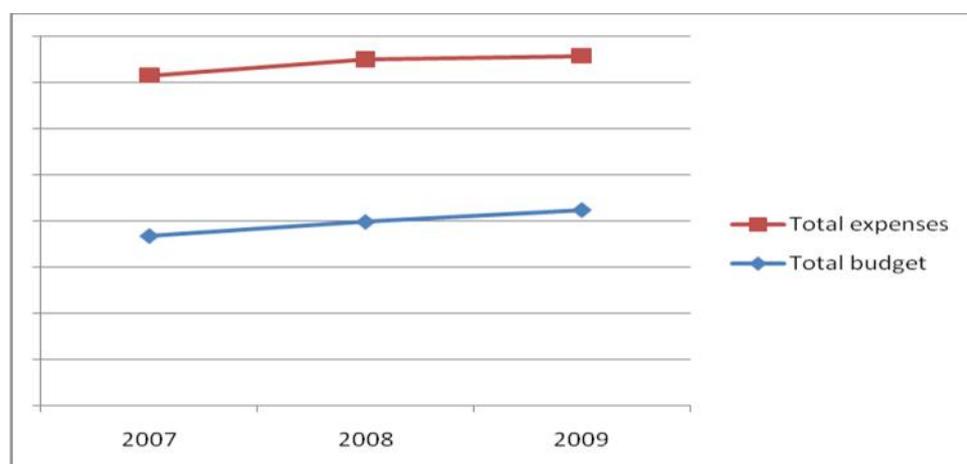


Chart 5

OVERVIEW ON THE DEFENCE PLANNING PROCESS, ON THE MILITARY BUDGETS AND ON THE DEFENCE EXPENDITURES DATA OF DIFERENT STATES

2. Comparison between the specific budgets and expenses for personnel, operation & maintenance and procurement

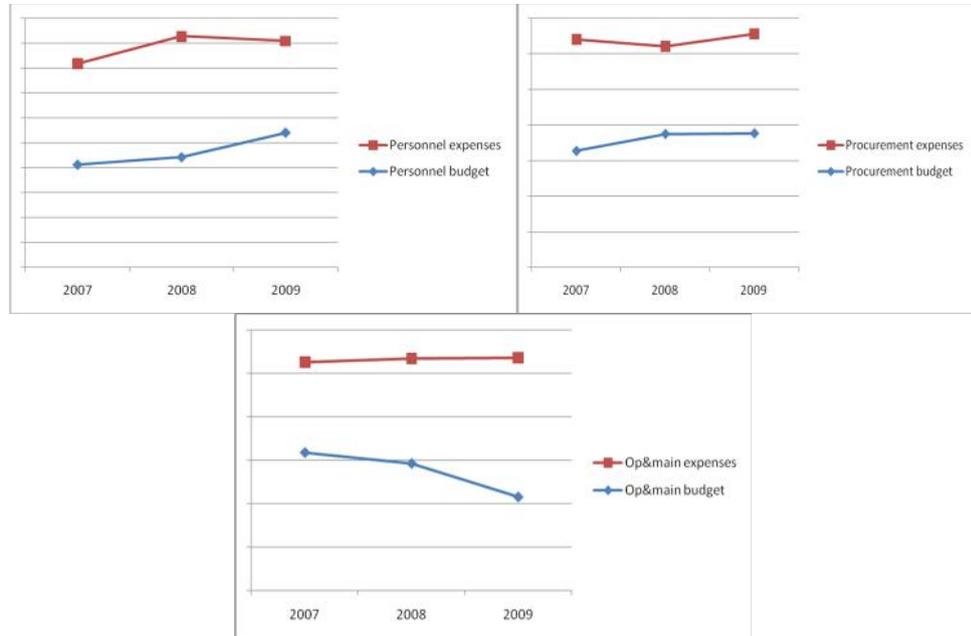


Chart 6

3. Successive comparison between the overall budget and the specific budgets for personnel, operation & maintenance and procurement

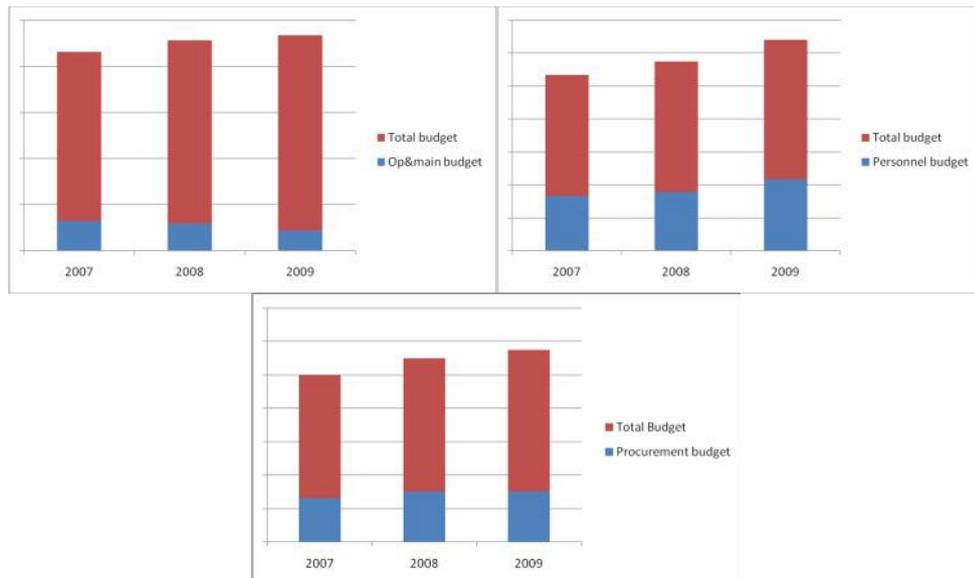


Chart 7

OVERVIEW ON THE DEFENCE PLANNING PROCESS, ON THE MILITARY BUDGETS AND ON THE DEFENCE EXPENDITURES DATA OF DIFERENT STATES

4. Successive comparison between the overall expenses and the specific expenses for personnel, operation & maintenance and procurement

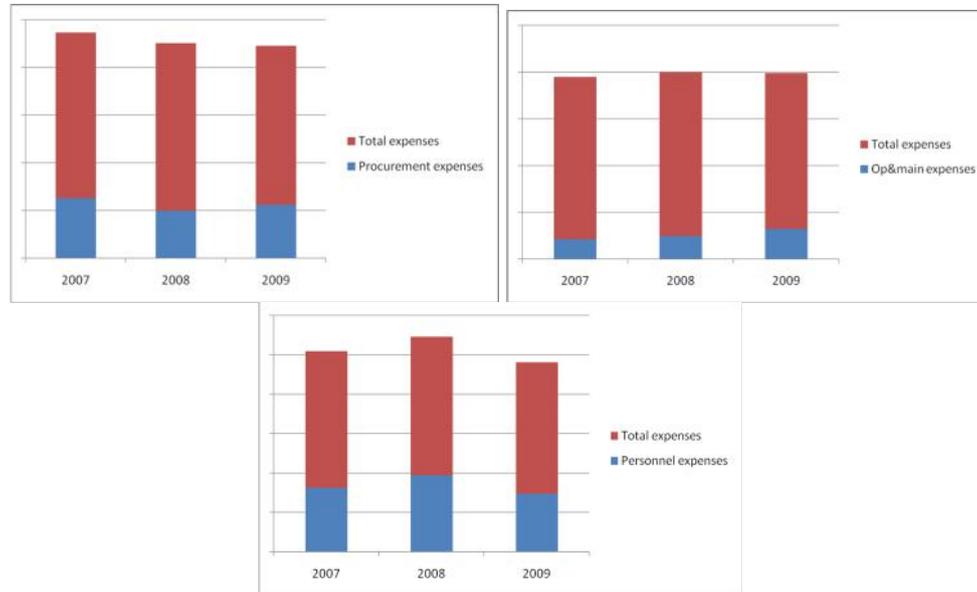


Chart 8

5. Findings

For all presented comparisons the expenses constantly exceeded the planned budgets.

All planned budgets and expenses have a smooth increasing progression during the envisaged period. A tendency to reduce the increasing tendency is visible in both cases.

In both cases the total expenses evolution follow closely the personnel expenses profile.

In the first case we can notice a decreasing tendency of the procurement and operation & maintenance expenses. In the second case they remain pretty constant.

In the first case we can observe a very high percentage of personnel expenses.

For both cases the percentage of the operation & maintenance expenses is very low compared with the overall budget.

6. Conclusion

As this is a study in a very beginning phase we cannot appreciate precisely at this stage if the presented findings are useful indicators but we cannot deny some links as the pressure to limit the expenses in some cases, the importance of the military systems that were able to obtain constantly more money than planned, the pressure on behalf of the personnel expenses etc.

Based on the previous presented findings one can appreciate that at the defense planning level put together with the military budgets and expenses there are evolutions or

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other type of indicators of the state of the military system that can be put in connection with elements determining the military posture.

References:

- [1] United Nations website (www.un.org)
- [2] OSCE website (www.osce.org)
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