

REPORT
on
ALLIED CONTRIBUTIONS
TO THE
COMMON DEFENSE

July 2003

A Report to the United States Congress
by the Secretary of Defense

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INTRODUCTION

PURPOSE

THIS REPORT COVERS ALLIED CONTRIBUTIONS MADE DURING CALENDAR YEAR 2002.

This Report presents the Department of Defense's annual assessment of the relative contributions toward the common defense and mutual security made by our NATO allies, our Pacific allies (Australia, Japan and the Republic of Korea), and the countries of the Gulf Cooperation Council (GCC) – Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates.

Under legislative provisions dating back to the Defense Authorization Act of 1981 (Public Law 96-342, Section 1006), the Secretary of Defense has provided an annual report to Congress comparing the defense burdens borne by our allies, explaining disparities, and describing efforts to eliminate such disparities. This year's Report also covers responsibility sharing requirements in the FY 2003 Department of Defense Military Construction Appropriations Act (Public Law 107-249, Section 119).

UNDERSTANDING THE DATA

Annex A should be read in order to gain a clear understanding of the methodology used in presenting the data throughout this Report and its annexes. Incorrect conclusions can be drawn without an understanding of this section of the Report. This Report does not attempt to assess the combat capability of the forces of any country or alliance. There are too many unknown factors such as manning, ammunition stocks, logistical support, communications, training, leadership, and morale to make accurate judgments of true capabilities based on the information in this report alone. This report contains different measurements of a country's ability to provide a defense establishment by comparing these measurements to Gross Domestic Product (GDP) and available manpower. It is up to the reader to draw conclusions from the data provided.

U.S. RESPONSIBILITY SHARING POLICY

The September 11, 2001 terrorist attacks and the ensuing War on Terrorism have reinforced the need to continue strengthening and adapting our security relationships with allies and other friendly nations. The military and peacekeeping operations of the past decade have demonstrated the importance of responsibility sharing. Our allies and friends have made important contributions, both military and non-military, to these operations - from Bosnia and Kosovo to the Persian Gulf and Afghanistan.

The United States and its allies are committed to achieving the common goals of promoting peace, sustaining freedom, and encouraging prosperity. Our regional security arrangements aim to provide the security and stability essential for democracy, economic progress, and the orderly resolution of international differences. The United States relies on its allies and friends to fulfill critical roles in regions such as Europe, Southwest Asia, and Northeast Asia to shape the security environment, and meet and deter threats to regional and global security.

The responsibility and costs of meeting the challenges of current and future threats around the world cannot be met by any one nation alone. The cornerstone of effective alliance relationships is the fair and equitable sharing of the full range of mutual security responsibilities,

and the appropriate balancing of costs and benefits. This approach acknowledges that each country's contribution includes a mix of political, military, and economic elements, and that increasing allied efforts is a long-term endeavor heavily influenced by specific historical, economic and geographical circumstances. This is the basis of U.S. responsibility sharing policy.

U.S. EFFORTS TO INCREASE ALLIED BURDENSARING

The United States will continue to urge allied and partner nations to increase their responsibility sharing contributions where there is scope for greater effort, such as in defense spending, military modernization, mobility and logistic forces, and host nation support. For host nation support, the Department of Defense (DoD) will pursue, at least as an interim goal, cost sharing arrangements in which host nations contribute 50 percent of total non-personnel stationing costs. A number of countries already meet or exceed the 50 percent target (including Norway, Oman, Luxembourg, Japan, Belgium, Spain, Saudi Arabia, and Kuwait). In January 2002, the United States and the Republic of Korea (ROK) concluded a new Special Measures Agreement, which will see a 15 percent increase in ROK host nation support contributions from 2001 levels, the biggest single increase in eight years. In addition, ROK contributions are to increase by 8.8 percent plus inflation for each year through 2004.

At the September 2002 Informal Defense Ministers' meeting held in Warsaw, Secretary Rumsfeld proposed a 'NATO Response Force (NRF)' that was adopted at the November 2002 NATO Summit in Prague. This Force will consist of a technologically advanced, flexible, deployable, interoperable and sustainable force including land, sea and air elements ready to move quickly to wherever needed as decided by the Council. The NRF, which is to achieve an Initial Operational Capability no later than October 2004, will also act as a catalyst for focusing and promoting improvements in the Alliance's military capabilities. The United States is accordingly working with NATO to address the key capability shortfalls identified at the Prague Summit: chemical, biological, and nuclear defense capabilities; intelligence, surveillance, and reconnaissance capabilities; command, control and communications; precision-guided munitions; mobility assets; and deployable logistics.

The United States will continue to participate actively in the NATO Defense Planning Process in order to influence political decisions in alliance capitals relating to defense spending and fulfillment of force goal obligations. The United States will continue to hold allies to their Prague Capabilities promises to include full funding and measurable progress. The U.S. speakers at the January 2000 Defense Planning Symposium and the February 2003 Wehrkunde Conference also stressed the transformation of the alliance.

ORGANIZATION OF THIS REPORT

This Report is organized into two chapters and a comprehensive data annex. The first chapter presents an Executive Summary providing a brief assessment of country contributions. Chapter II provides assessments of country efforts and a regional perspective of U.S. security interests and highlights the contributions of the United States and key allies.

Additional information is provided in the Annex, which contains sources and notes, summarizes responsibility sharing contributions on a country-by-country basis, and provides an array of supporting statistics.

This Report will also be available on the Department's web site, DefenseLINK, at http://www.defenselink.mil/pubs/allied_contrib2003.

CHAPTER I

EXECUTIVE SUMMARY

The Responsibility Sharing Report presents the Department of Defense's annual assessment of the relative contributions toward the common defense and mutual security by our NATO allies, our Pacific allies (Australia, Japan and the Republic of Korea), and the Gulf Cooperation Council (GCC) nations. The cornerstone of effective alliance relationships is the fair and equitable sharing of the full range of mutual security responsibilities, and the appropriate balancing of costs and benefits.

Assessments in this Report cover responsibility sharing contributions across a broad range of categories, including defense spending, NATO defense modernization spending, combat forces (ground, naval, and air), military mobility/logistic forces, multinational peace operations, cost sharing, and foreign assistance. National contributions are generally assessed relative to ability to contribute by measuring each nation's share of total allied contributions relative to its corresponding share of total allied Gross Domestic Product (GDP) or labor force. A nation is considered to be doing its *fair share* in a particular category if its share of total contributions is in balance with its share of total GDP or labor force.

CONTRIBUTIONS TO THE WAR ON TERRORISM

The quantitative data presented in this Report does not reflect nations' contributions to the War on Terrorism. Instead, a narrative description of some of the allied contributions is provided. Allied contributions to Operation IRAQI FREEDOM (OIF) will be addressed in the 2004 Report.

NATO

- Six allies actively participated in combat operations inside Afghanistan during 2002. Denmark, France, Germany, and Norway contributed elite special operations forces (SOF) units, while Canada deployed 850, and the United Kingdom about 1,000, conventional ground troops in addition to SOF personnel.
- Canada, France, Germany, Greece, Italy, the Netherlands, Poland and the United Kingdom all contributed vessels to coalition maritime operations in the Indian Ocean, Persian Gulf and/or Red Sea during 2002. France and the UK each contributed a carrier battlegroup in the early part of the year, and aircraft from them flew numerous combat missions over Afghanistan.
- Many NATO nations contributed support aircraft (transports, recon and EW aircraft, aerial tankers, etc.) to Operation ENDURING FREEDOM (OEF), including Germany, Italy, Spain, and Portugal. In addition, four nations (Denmark, France, the Netherlands, and Norway) deployed fighter-bombers to Kyrgyzstan and flew combat missions within Afghanistan.
- The NATO allies provided the bulk of the sixteen-nation International Security Assistance Force (ISAF) in Kabul. The United Kingdom commanded the first operational rotation through June 2002 (ISAF-I), and Turkey held command of ISAF-II through March 2003.
- NATO member nations substantially increased military and civilian police personnel committed to help secure U.S. military bases located within their territory.
- NATO AWACS aircraft continued to support the air defense of the continental United States against terrorist attack from the beginning of 2002 through mid-May.

Pacific Allies

- Australia deployed elite Special Air Service troops for combat operations in Afghanistan, and also contributed air-to-air refueling aircraft and F/A-18 fighter aircraft to the War on Terrorism (the latter deployed to Diego Garcia to back-fill U.S. combat aircraft deployed elsewhere in support of OEF). Australia also maintained a naval task group of two frigates in the Persian Gulf - representing a fifth of the Australian Navy's total major surface combatants.
- Elements of the Japan Maritime Self-Defense Forces conducted refueling operations in support of OEF throughout 2002, and in December 2002, one of Japan's four Aegis-equipped destroyers was dispatched to the region to provide additional protection for these operations. In addition, the Japan Air-Self Defense Force flew numerous transport missions both in support for U.S. forces within Japan and to Guam and Diego Garcia.
- The Republic of Korea provided G-130 transport aircraft and an amphibious landing ship. Furthermore, a 120-man Korean medical unit was deployed at Manas Airbase, Kyrgyzstan throughout 2002.
- Japan and the Republic of Korea provided significant financial assistance and humanitarian aid to Afghanistan, Pakistan, and other adjoining countries. Both also provided enhanced security at U.S. bases within their territory.

Gulf Cooperation Council (GCC)

- The GCC nations provided critical support for operations in Afghanistan by granting overflight rights, and allowing the United States to base large contingents of aircraft, personnel, and equipment in their territory.
- Most GCC states increased security at bases hosting U.S. forces, provided key air traffic control and fuel storage services, and covered increased U.S. billeting costs.
- The GCC nations contributed generously to humanitarian operations in and near Afghanistan, and some provided significant economic assistance to Pakistan. They have also played a key role in efforts to block terrorist financing, including the seizure of al-Qaida financial assets.

OTHER RESPONSIBILITY SHARING CONTRIBUTIONS

NATO

Collectively, the non-U.S. NATO Allies contributed roughly their *fair share* or more of peace operations personnel and funding, combat forces, and foreign assistance but less than their *fair share* of defense spending. They also provided less than their *fair share* of military mobility/logistic forces including naval supply, tender and transport tonnage and substantially less than their *fair share* of military transport aircraft capacity, and tanker aircraft fuel offload capacity.

- **Defense Spending as a Percentage of GDP:** Overall, the non-U.S. NATO members spent an average of 1.9 percent of GDP on defense in 2002 – as compared to 2.0 percent in 2001. Turkey, Greece, France, the United Kingdom, Portugal, the Czech Republic, Poland, Italy and Norway ranked at or above this average. All other Alliance members fell below average, highlighting that there is clearly scope for greater effort in this area.
- **NATO Modernization Spending:** Non-U.S. NATO members spent an average of 19 percent of their defense budgets on modernization programs in 2002. Turkey, the United Kingdom,

Norway, Luxembourg, and France ranked above average, while all other members fell below average. Nonetheless, thirteen allies increased their percentages in 2002.

- **Combat Forces:** Most NATO Allies contributed their *fair share* or more in at least one of the following categories: ground combat capability, naval combat and mine countermeasures tonnage, and combat aircraft capability. Greece and Turkey contributed far more than their *fair share* in all three categories.
- **Military Mobility/Logistic Forces:** Most NATO Allies contributed less than their *fair share* in all of the following categories: naval supply, tender and transport tonnage, military transport aircraft capacity, and tanker aircraft fuel offload capacity. Turkey contributed substantially more than its *fair share* of all three categories. Greece contributed substantially more than its *fair share* of naval supply, tender and transport tonnage and its *fair share* of military transport aircraft capacity. The United Kingdom contributed its *fair share* of naval supply, tender and transport tonnage.
- **Multinational Peace Operations:** Our NATO Allies made strong contributions to multinational peace operations in terms of personnel and funding. France and Portugal contributed substantially more than their *fair share* in both categories.
- **Foreign Assistance:** Eleven allies contributed their *fair share* or more of foreign assistance. Italy contributed less than its *fair share*, as did less wealthy countries: the Czech Republic, Greece, Poland, and Turkey. Hungary is a net foreign aid recipient.
- **Cost Sharing:** Italy, Germany, and the UK, the NATO Allies with the highest numbers of U.S. troops stationed on their soil, offset 34 percent, 21 percent, and 15 percent (respectively) of U.S. stationing costs.

Pacific Allies

- Australia spent 1.9 percent of its GDP on defense in 2002. Australia contributed its *fair share* of multinational peace operations personnel and funding, naval combat and mine countermeasures tonnage, combat aircraft capability, and foreign assistance. It contributed less than its *fair share* of military mobility/logistic forces and substantially less than its *fair share* of ground combat capability.
- Japan spent one percent of GDP on defense in 2002, however its defense budget was second only to the U.S. in *absolute* terms. Japan contributed substantially less than its *fair share* of combat and military mobility/logistic forces, and peace operations personnel. However, this must be viewed in the light of constitutional and historical factors that have limited the size and deployment of Japan's defense forces. Japan contributed more funding for foreign assistance and UN peace operations than any nation in this Report, other than the United States. It also contributed the highest absolute level of host nation support (\$4.6 billion), and offset 75 percent of U.S. stationing costs in 2001.
- The Republic of Korea (ROK) spent 2.8 percent of GDP on defense in 2002, which is above the average of 2.5 percent for all nations covered in this Report. The ROK contributed substantially more than its *fair share* of combat forces but substantially less than its *fair share* of military mobility and logistic forces. The ROK contributed substantially less than its *fair share* of multinational peace operations funding and personnel, and foreign assistance, reflecting the focus on the North Korean threat. The ROK offset approximately 39 percent of U.S. non-personnel stationing costs in 2001. Under the terms of the new 2002-2004 Special

Measures Agreement, ROK offsets will increase by 8.8 percent plus inflation each year through 2004.

Gulf Cooperation Council (GCC)

- **Defense Spending as a Percentage of GDP:** The GCC nations spent larger percentages of GDP on defense (4.2 to 14.5 percent) in 2002 than any country, other than Greece and Turkey, addressed in this Report.
- **Combat Forces:** All GCC nations contributed more than their *fair share* of ground combat capability and all but the United Arab Emirates (UAE) contributed more than their *fair share* of combat aircraft capability. Excluding Kuwait and Saudi Arabia, all GCC nations contributed their *fair share* or more of naval combat, and mine countermeasures tonnage. Bahrain contributed substantially more than its *fair share* in all three categories and Oman contributed more than its *fair share* in all three categories.
- **Military Mobility/Logistic Forces:** Oman contributed its *fair share* of naval supply, tender and transport tonnage. Saudi Arabia, Oman, and the UAE, contributed their *fair share* or more of military transport aircraft capacity. Saudi Arabia contributed substantially more than its *fair share* of tanker aircraft fuel offload capacity while the other GCC nations had no contributions.
- **Multinational Peace Operations:** The GCC nations contributed substantially less than their *fair share* of peace operations personnel and funding. Only the UAE contributed peace operations personnel in 2002 (five personnel).
- **Foreign Assistance:** Kuwait contributed more than its *fair share* of foreign assistance, while Saudi Arabia and the UAE contributed substantially less. Bahrain, Oman, and Qatar are net foreign assistance recipients.
- **Cost Sharing:** Oman offset 79 percent of U.S. stationing costs in 2001 – ranking second of all nations in this Report. Saudi Arabia and Kuwait also contributed over 50 percent of U.S. non-personnel stationing costs in 2001.

The United States

- In absolute terms, the United States contributes more funding for UN peace operations, and greater military combat and mobility/logistical forces than any other nation covered in this Report. It also devoted a far larger percentage of its defense spending to modernization than any other NATO nation. While the United States contributed less than its *fair share* of multinational peace operations personnel and funding, and foreign assistance, it contributed its *fair share* or greater of defense spending, combat forces, military mobility/logistic forces, and NATO modernization spending.
- The United States greatly outstrips all of its allies in a broad range of military capabilities that are not reflected in the static indicators assessed in this Report. The most important of these are the United States' unique capabilities to deploy and sustain military forces over long distances for extended periods; others include suppression of enemy air defenses, precision strike, and theater ballistic missile defense capabilities.

CONCLUSION

The Department of Defense (DoD) will continue to urge allied and partner nations to maintain and increase their responsibility sharing contributions, particularly where there is scope

for greater effort. Such areas include defense spending (including making better use of those funds), military modernization, mobility and logistic forces, and host nation contributions for U.S. forces stationed on allied territory. Where it is appropriate to do so, DoD will, at least as an interim goal, pursue cost sharing arrangements in which host nations commit to offset 50 percent of total non-personnel stationing costs. The United States will also continue to hold NATO Allies to their Prague Capabilities promises to fund and rectify Alliance shortfalls in chemical, biological, and nuclear defenses; intelligence, surveillance, and reconnaissance capabilities; command, control and communications; precision-guided munitions; mobility; and logistics.

CHAPTER II

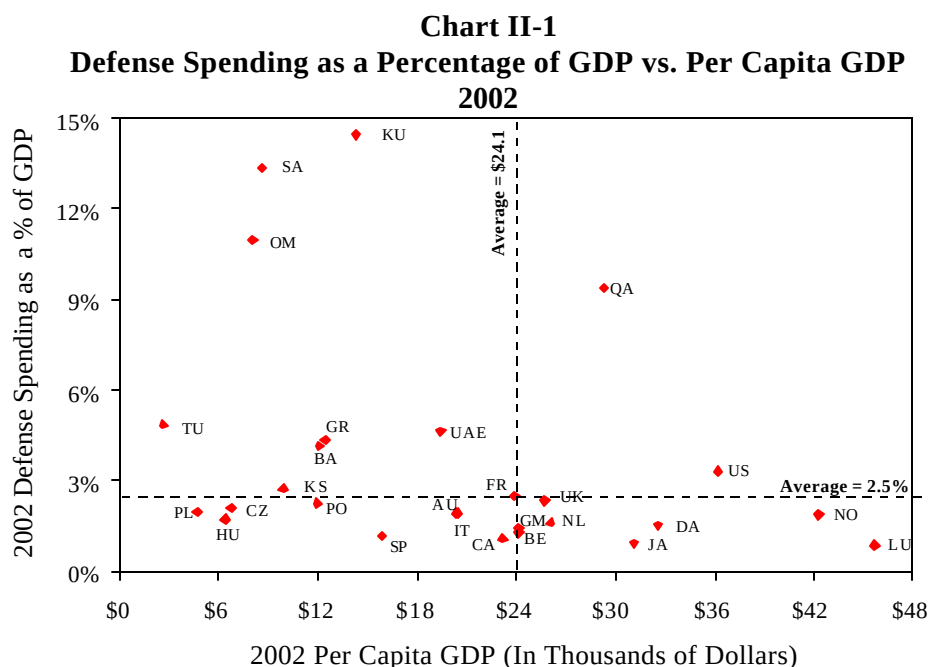
COUNTRY CONTRIBUTIONS AND REGIONAL OVERVIEW

This chapter presents the Department's assessment of U.S., NATO and Pacific allies' and Gulf Cooperation Council (GCC) countries' responsibility sharing contributions, with particular emphasis on defense spending, cost sharing, and the War on Terrorism. The assessments are based on the most recent, complete, and reliable data available. Notes on uses and sources of these figures, and a country-by-country summary of selected responsibility sharing statistics, can be found in the Annex, along with a compendium of supporting data.

This chapter also places U.S. responsibility sharing policy in strategic perspective, describing U.S. security objectives, mutual security arrangements, and forward presence in the three regions most important to vital U.S. security interests: Europe, East Asia-Pacific, and Southwest Asia. The chapter provides a discussion of Alliance and country responsibility sharing contributions, including contributions to the War on Terrorism. Contributions to Operation IRAQI FREEDOM (OIF) will be addressed in the 2004 report.

DEFENSE SPENDING

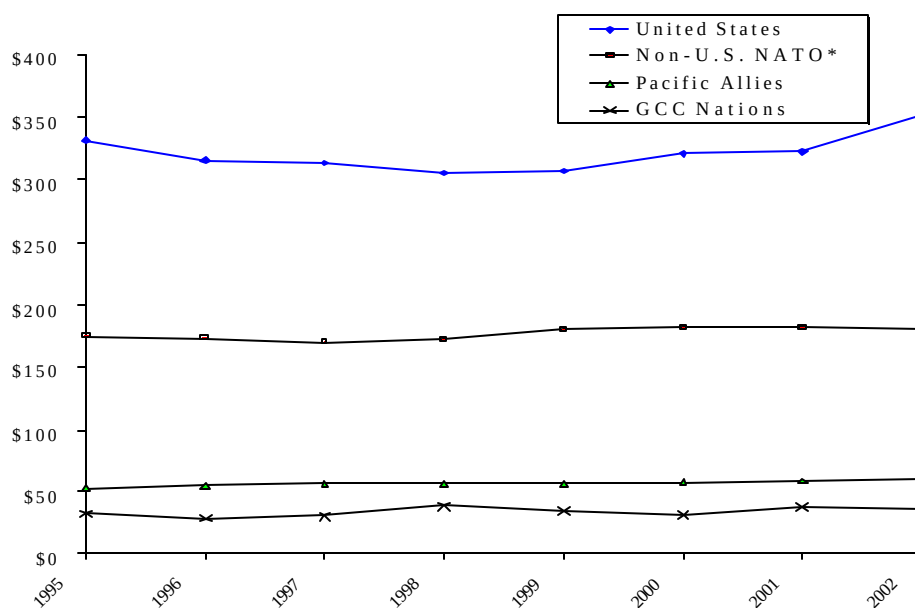
Defense spending is one of the most important indicators of allied responsibility sharing efforts, since it offers the clearest evidence of allied nations' willingness to commit resources to the common defense. Chart II-1 depicts the wide variations in 2002 per capita GDP (a widely accepted indicator of prosperity and standard of living) among the nations addressed in this Report – from under \$3,000 in Turkey to over \$45,000 in Luxembourg.



Given such great disparities in standards of living, “equitable” defense spending among nations may not necessarily mean that each nation should devote the same proportion of its national wealth to defense. That is, it may be *fairer* for nations with the strongest economies and wealthiest populations to carry a proportionately larger share of the burden of providing for the common defense. Chart II-1 reveals that eight of the countries addressed in this Report that spent above-average percentages of GDP on defense had below-average per capita GDP: Turkey, Greece, the Republic of Korea, and all the GCC nations except Qatar. In contrast, with the exception of the United States and Qatar, all nations that had above-average standards of living spent a below-average percentage of their GDP on defense. France’s defense spending as a percentage of GDP was just barely above-average, while its per-capita GDP was just barely below-average.

Chart II-2 depicts 1995-2002 defense spending trends for the United States, our NATO and Pacific allies, and our GCC partners. United States defense spending grew by about 6 percent over this period, while our NATO allies’ overall defense spending grew by nearly 4 percent, and the Pacific allies and GCC partners both registered overall increases of better than 14 percent. However, whereas U.S. defense spending rose by nearly 9 percent between 2001 and 2002, Pacific allies’ defense spending increased by less than 3 percent, and overall NATO allied and GCC partner defense spending both declined marginally (by less than 1 percent each). That being said, a dozen allied and partner nations nonetheless achieved real increases in defense spending between 2001 and 2002. The biggest gains were posted by Qatar (24 percent), the Republic of Korea (10 percent), Portugal (8 percent), Norway (7 percent), Luxembourg (6 percent) and Hungary (5 percent). Refer to Table D-4 in the Annex for further information on defense spending trends.

Chart II-2
Defense Spending
2002 Dollars in Billions - 2002 Exchange Rates



*The Czech Republic, Hungary, and Poland are not included prior to their admission to NATO (1995-1998).

Certain expenditures outside of defense budgets also promote shared security interests, and should be recognized – such as Germany’s investments in the infrastructure of eastern Germany, and its financial support for economic and political reform in the new democracies of Central Europe. Nonetheless, it is essential that our allies maintain their defense budgets at appropriate levels, in order to ensure that they remain able to field effective military forces. In our discussions with allies and partners, the Department continues to urge sustained efforts in this area.

Defense Spending as a Percentage of GDP

Defense spending relative to GDP combines the most comprehensive indicator of defense effort (defense spending) with the most comprehensive indicator of ability to contribute (GDP). As a result, it is the most widely used indicator of burdensharing efforts. However, this indicator should not be viewed in isolation from other national contributions to shared security objectives. Also, this measure does not take into account efforts that are not directly reflected in defense budgets, nor does it give credit to those countries that are able to make more effective use of their defense resources.

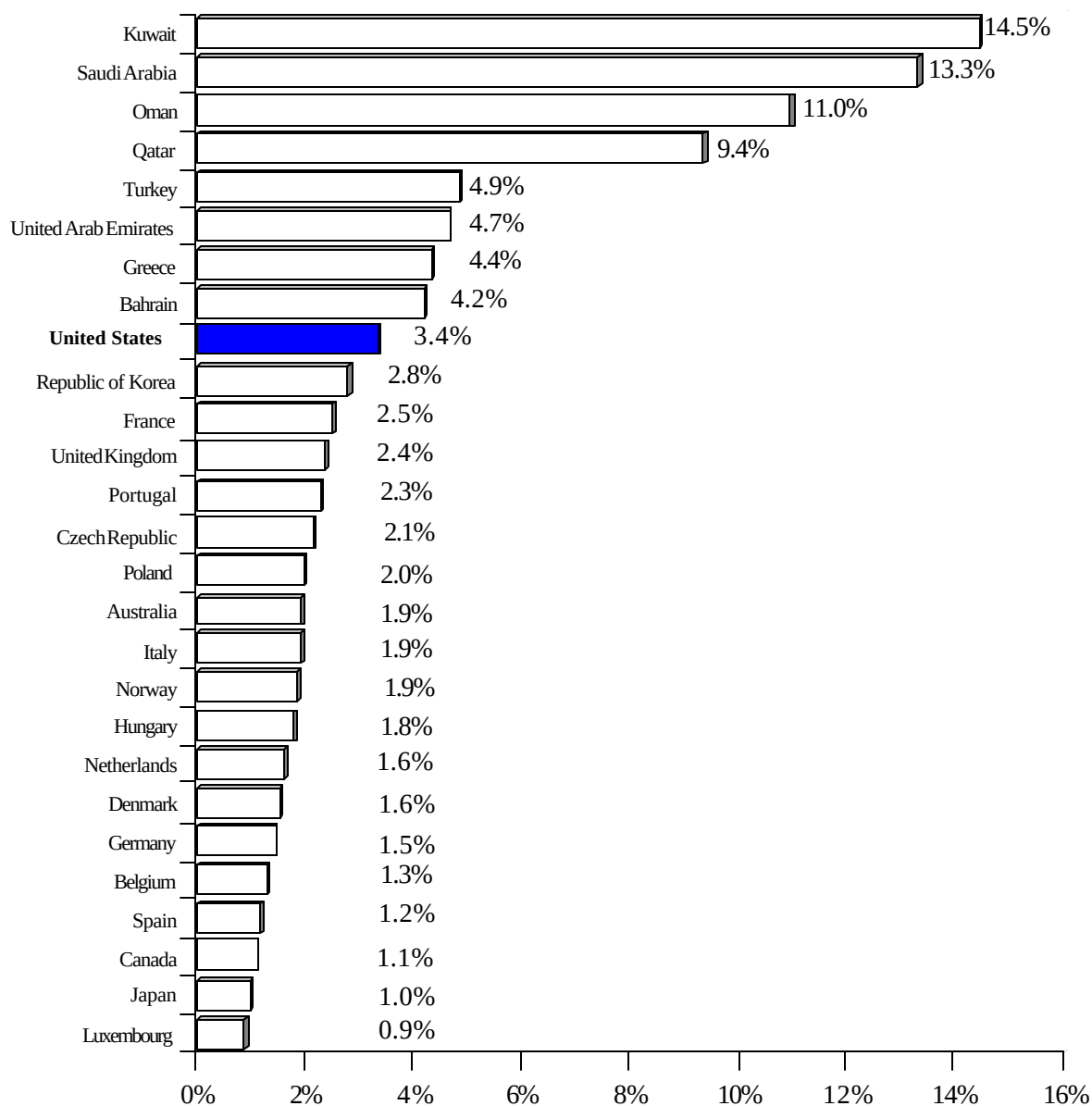
Chart II-3 shows the percentage of GDP spent on defense by the United States and its allies in 2002. (Trend data since 1995 are found in the Annex in Table D-5). For 2002 and throughout the 1990s, the pattern has remained relatively constant: the GCC nations, along with Greece and Turkey, spent the highest percentages of GDP on defense, while Japan, and several of our NATO allies (Luxembourg, Canada, Spain, Belgium, Germany, Denmark, and the Netherlands) spent the smallest proportions of GDP on defense.

The average level of defense spending as a percentage of GDP for all the nations in this Report is 2.5 percent. France and those countries above it on the chart (i.e., the Republic of Korea, the United States, Greece, Turkey and the GCC countries) rank above average in defense spending as a percentage of GDP. Conversely, the United Kingdom and those countries appearing below it on this chart spent below average percentages of their GDP on defense. See Section C of the Annex for additional statistics relating countries’ contributions relative to their ability to contribute.

Chart II-3

Defense Spending as a Percentage of GDP

2002



Dashed line represents the overall average defense spending as a percentage of GDP for all the nations covered in this Report -- 2.5 percent.

COST SHARING

The most familiar form of cost sharing is *bilateral* cost sharing between the United States and an ally or partner nation that either hosts U.S. troops and/or prepositioned equipment, or plans to do so in time of crisis. The Department of Defense distinguishes between two different types of bilateral cost sharing: the *direct* payment of certain U.S. stationing costs by the host nation (i.e., on-budget host country expenditures), and *indirect* cost deferrals or waivers of taxes, fees, rents, and other charges (i.e., off-budget, forgone revenues).

Cost Sharing Contributions

As shown in Chart II-4, in 2001 (the most recent year for which data are available) the United States received direct and indirect cost sharing assistance from our NATO, Pacific, and GCC allies estimated at about \$7.5 billion.

Cost sharing has been a particularly prominent aspect of our bilateral defense relationships with Japan and the Republic of Korea. As Chart II-4 shows, Japan provides a greater level of direct cost sharing (\$3.5 billion) than we receive from any other ally. Japan's emphasis on direct cost sharing reflects constitutional provisions and other factors that limit the scope of activities of Japan's own armed forces. The Republic of Korea first agreed to contribute the Combined Defense Improvement Projects (CDIP) construction program in 1979 – which marked the beginning of our present cost sharing relationship. In 1988, it agreed to a CDIP program funded at \$40 million a year. Since that time, annual cost sharing negotiations have brought a gradual increase in ROK contributions. During 2001, it provided \$420 million in direct cost sharing and nearly \$385 million in additional indirect cost sharing.

Bilateral cost sharing by our GCC security partners during 2001 totaled nearly \$465 million paid or pledged by Kuwait, the UAE, Saudi Arabia, Oman, Bahrain, and Qatar to offset U.S. incremental costs in the Persian Gulf region. Kuwait and Qatar both host a prepositioned U.S. Army heavy brigade equipment set, and share the land use, maintenance, and operating costs for U.S. forces stationed or exercising on their territory.

NATO countries have long provided indirect support for U.S. forces stationed on their territory. Our allies provide bases and facilities rent-free, various tax exemptions, and reduced-cost services. NATO allies with the largest cost sharing contributions to the United States in 2001 were Germany (\$862 million) and Italy (\$324 million).

In addition to *bilateral* cost sharing, our NATO allies also provide *multilateral* cost sharing, through common- and jointly-funded budgets. These include the NATO Security Investment Program (NSIP); the NATO Military Budget for the operations and maintenance (O&M) of NATO Military Headquarters, agencies, and common-use facilities; and the NATO Civil Budget for the O&M of NATO Headquarters and several non-military programs including civil preparedness. See Chart II-6 for additional detail.

Chart II - 4

U.S. Stationed Military Personnel & Bilateral Cost Sharing

2001 Dollars in Millions - 2001 Exchange Rates

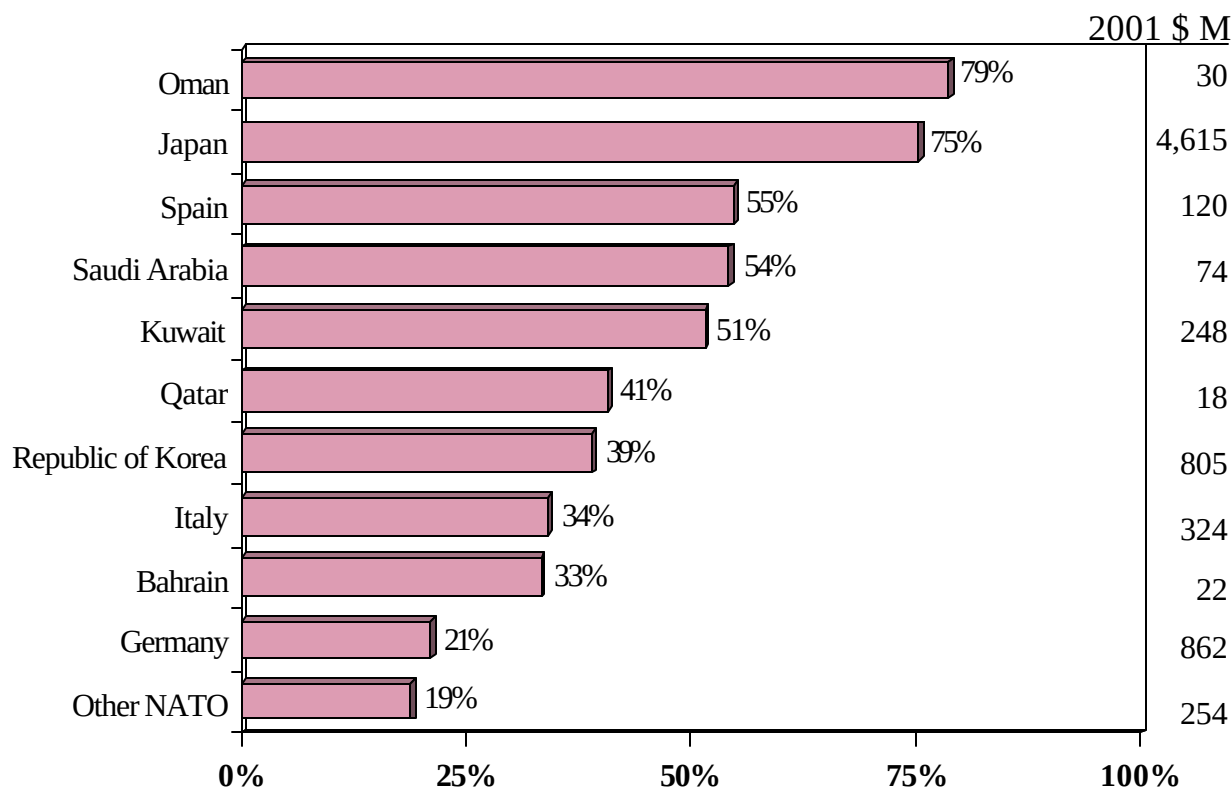
NATO Allies	U.S. Stationed Military Personnel (Dec. 31, 2001)	Bilateral Cost Sharing		
		Direct Support	Indirect Support	Total
Belgium	1,554	\$0.17	\$54.35	\$54.53
Canada	165	NA	NA	NA
Czech Republic	15	NA	NA	NA
Denmark	28	\$0.02	\$0.05	\$0.07
France	70	NA	NA	NA
Germany	71,434	\$8.21	\$853.45	\$861.66
Greece	526	\$0.47	\$17.27	\$17.74
Hungary	26	\$0.00	\$2.40	\$2.40
Italy	11,854	\$2.90	\$321.13	\$324.03
Luxembourg	10	\$1.11	\$18.72	\$19.83
Netherlands	696	NA	NA	NA
Norway	187	\$10.31	\$0.00	\$10.31
Poland	20	NA	NA	NA
Portugal	992	\$1.71	\$2.39	\$4.11
Spain	1,778	\$0.00	\$119.58	\$119.58
Turkey	2,170	\$0.00	\$13.55	\$13.55
United Kingdom	11,361	\$20.06	\$113.84	\$133.90
NATO Allies' Total	102,886	\$44.98	\$1,516.73	\$1,561.72
Pacific Allies				
Japan	39,691	\$3,456.63	\$1,158.22	\$4,614.85
Republic of Korea	37,972	\$420.33	\$384.65	\$804.98
Pacific Allies' Total	77,663	\$3,876.96	\$1,542.87	\$5,419.83
Gulf Cooperation Council (GCC)				
Bahrain	1,280	\$2.00	\$20.18	\$22.18
Kuwait	4,300	\$239.08	\$8.55	\$247.63
Oman	560	\$0.00	\$29.74	\$29.74
Qatar	72	\$0.00	\$17.59	\$17.59
Saudi Arabia	4,802	\$4.76	\$68.90	\$73.66
United Arab Emirates	207	\$0.08	\$74.01	\$74.09
GCC Allies' Total	11,221	\$245.92	\$218.96	\$464.88
Grand Total	191,770	\$4,167.86	\$3,278.57	\$7,446.43

NA = Not Applicable

In assessing cost sharing contributions, consideration needs to be given to the differences in the nature of our security relationships with various allies and partners. For instance, our European allies have no tradition of providing the kind of direct cash and in-kind support provided by Japan and the Republic of Korea, since NATO has concentrated on strengthening participation in the military roles and missions of the Alliance. In contrast, due to the different security situation, and the unique defense capabilities of Japan and the Republic of Korea, our responsibility sharing policy with these nations has emphasized cost sharing rather than global military roles and missions.

Chart II- 5 shows the nations with the greatest U.S. cost offset percentages for 2001. Oman, Japan, Spain, Saudi Arabia, and Kuwait covered over 50 percent of costs associated with the stationing of U.S. forces. A cost offset percentage cannot be given for the UAE due to the lack of complete information regarding U.S. stationing costs there.

Chart II-5
Share of U.S. Overseas Stationing Costs Paid by Selected Allies
2001



THE WAR ON TERRORISM

Sixty-nine countries provided support to the War on Terrorism in 2002, and twenty of these actively supported Operation ENDURING FREEDOM (OEF), deploying more than 16,000 troops to the U.S. Central Command (CENTCOM) area of responsibility.

NATO Contributions to the War on Terrorism

Following the September 11, 2001 terror attacks on the United States, NATO invoked Article V of the 1949 Washington Treaty (which states that an armed attack on any ally is considered an attack against all) for the first time in its history. Allies continued to support OEF steadfastly throughout 2002 by enhancing intelligence sharing, providing access to ports and airfields, granting blanket overflight clearance, increasing security for U.S. bases on allied territory, 'backfilling' selected U.S. and allied military assets withdrawn from NATO's area of responsibility, and providing assistance to allies and other states that were subject to increased threats due to their support of the war against terrorism. In addition, nearly all Alliance members have contributed directly to the War on Terrorism by participating in military operations in and around Afghanistan.

The United Kingdom supported OEF with a naval task force of a dozen warships built around the aircraft carrier *Illustrious* from September 2001 through early 2002, when it was relieved by the helicopter carrier *Ocean*. A pair of Royal Navy frigates continued to participate in maritime intercept operations in the Indian Ocean at year's end. The Royal Air Force contributed tanker, AWACS, reconnaissance and surveillance, and C-130 transport aircraft to operations in the region. A ground task force comprising 1,700 Royal Marine Commandos with artillery, helicopter and engineering support elements deployed into Afghanistan in the first half of 2002 to engage in offensive operations against Taliban and Al-Qaida forces.

France has made substantial contributions to OEF. At one point in 2002, it had over 4,200 military personnel serving in CENTCOM's area of responsibility. Its only aircraft carrier, the *Charles de Gaulle*, operated in the northern Arabian Sea for the first half of the year, flying 2,000 reconnaissance, strike and electronic warfare missions over Afghanistan. All told, twenty-five French naval vessels (including auxiliaries and two submarines) were deployed in the region during the year - representing a fifth of the entire French Navy, and a larger proportion of its combat ships. A detachment of six Mirage-2000 fighter-bombers were based at Manas Airbase, Kyrgyzstan from February to October, and provided close air support for U.S. and coalition ground forces during the Battle of Shah-I-Khot (Operation ANACONDA) in March 2002. French Air Force transport, tanker, reconnaissance and electronic warfare aircraft also supported OEF.

Italy actively supported coalition maritime surveillance/interdiction efforts in the Indian Ocean during 2002. It initially contributed the aircraft carrier *Garibaldi*, two frigates and a tanker, and continued to provide one frigate in the latter part of year after the carrier had been withdrawn. Furthermore, two Italian C-130 transport aircraft deployed to Manas Airbase in Kyrgyzstan in October 2002. Canada was also a major contributor, providing two frigates and a pair of naval patrol aircraft to participate in coalition maritime operations, three CC-130 transports for humanitarian relief flights, and deploying an infantry battalion into Afghanistan for six months. At their peak, these forces totaled about 3,000 personnel, making Canada the fourth largest contributor to OEF.

In April 2002, Denmark, the Netherlands, and Norway established a joint airlift detachment of three C-130s at Manas Airbase, Kyrgyzstan to support OEF. The three nations significantly increased their contributions in October 2002 when they deployed a total of eighteen F-16s fighter-bombers and one KDC-10 tanker aircraft to Manas Airbase, Kyrgyzstan to relieve the six French Mirage-2000 fighters that had been based there since February. This tri-national force, known as the European Participating Air Forces (EPAF) detachment, provides day and night air support for both coalition and International Security Assistance Force (ISAF) forces in Afghanistan.

The Spanish Navy commanded Task Force 150 from October 2002, a multinational maritime interdiction force based in Djibouti, to which it contributes a frigate, a support vessel and approximately 400 sailors and marines. Germany commanded this task force from April to October 2002. Spanish forces participating in this Task Force were responsible for the recent interdiction and search of the North Korean cargo ship *So San*, which was found to be carrying Scud missiles. There are also about 480 Spanish troops serving with coalition forces in Afghanistan, and a pair of Spanish search-and-rescue helicopters are deployed in Kyrgyzstan.

Germany, Greece and the Netherlands all participated in maritime intercept operations in support of OEF during 2002, and continued to provide five, one and two naval vessels (respectively) for this purpose at year's end. Furthermore, Denmark, Germany, Norway and the United Kingdom deployed elite special operations forces (SOF) to Afghanistan to join U.S. and other coalition SOF troops in hunting down elusive remnants of the Taliban and Al-Qaida. Germany and the Czech Republic have both sent specialized nuclear/biological/chemical (NBC) defense units to the region for prolonged deployments. Poland contributed a logistic support ship, and deployed about 90 ground troops into Afghanistan to conduct demining, convoy security and logistic support activities.

The NATO allies also contributed military assets to support humanitarian relief efforts in and around Afghanistan, and supplied the lion's share of the ISAF peacekeepers in Kabul. Thirteen NATO nations contributed ground troops and/or transport aircraft to ISAF during 2002. The United Kingdom commanded and provided the largest single national contingent (over 1,800 personnel) of ISAF-I. Turkey assumed command of ISAF-II in June 2002, and contributed about 1,400 personnel. Other participating nations were Belgium (40 troops), the Czech Republic (140 troops), Denmark (60 troops), France (550 troops), Germany (1,200 troops), Greece (130 troops), Italy (400 troops), the Netherlands (230 troops), Norway (15 demining experts), Portugal (23 personnel) and Spain (270 troops).

Finally, most NATO Allies increased force protection for American military bases located in their territory. Germany, which hosts the majority of U.S. bases in Europe, deployed over 2,000 troops for this purpose.

Pacific Allies' Contributions to the War on Terrorism

Following the terrorist attacks on New York and Washington, and recognizing the common threat they represented, Australia invoked the mutual security provisions of the Australia, New Zealand, and the United States Security Treaty (ANZUS) - for the first time in its 51-year history. Since then, Australia has provided practical support to the War on Terrorism in a number of ways, including law enforcement, customs, financial controls, intelligence-sharing, and military contributions to operations in Afghanistan and elsewhere. In 2002, Australia deployed Special Air Services contingents for combat operations in Afghanistan, and also contributed air-to-air refueling aircraft and F/A-18 fighter aircraft to the War on Terrorism (the latter deployed to Diego Garcia to back-fill U.S. combat aircraft that deployed in support of OEF). Australia also maintained a naval task group of two frigates in the Persian Gulf - representing a fifth of the Australian Navy's total major surface combatants.

Japan continued to provide significant support for the war against terrorism during 2002 in the realms of diplomacy, intelligence-sharing, financial and humanitarian contributions, military operations, and improved force protection for U.S. bases on Japanese territory. In March and November 2002, Japan extended for six months its 'Basic Plan,' for the Japan Self-Defense Force (JSDF) to provide rear-area logistic support for OEF (in accordance with the legislation passed by

the Diet last year). Elements of the Japan Maritime Self-Defense Force conducted refueling operations in support of OEF throughout 2002, and in December 2002, one of Japan's four Aegis-class destroyers was dispatched to the region to provide additional protection for these operations. In addition, the Japan Air-Self Defense Force flew numerous transport missions both in support for U.S. forces within Japan and to Guam and Diego Garcia. In November 2002, the Japanese government decided that the JSDF could transport materials, including heavy construction equipment belonging to Thailand, for the maintenance of a U.S. air base in Afghanistan.

Since September 11, 2001, the Republic of Korea has supported the War on Terrorism by sharing intelligence data, providing substantial humanitarian assistance to Afghanistan and neighboring countries, and increasing force protection for Americans in-country. It also contributed military forces to OEF, providing C-130 transport aircraft and an amphibious landing ship (LST). Furthermore, a 120-man Korean medical unit was deployed at Manas Airbase, Kyrgyzstan throughout 2002.

GCC Contributions to the War on Terrorism

The Gulf Cooperation Council (GCC) member states provided immediate and robust support for the War on Terrorism and continue to serve as important coalition partners in support of OEF. Bahrain committed its only frigate to participate in coalition maritime surveillance and interception operations, but the other GCC states did not become directly involved in military operations. The GCC members have nonetheless provided critical support for OEF by allowing coalition aircraft to overfly their territory and permitting the deployment and storage of large numbers of U.S. aircraft, equipment and personnel at their military bases, civilian airports and other facilities. Most GCC nations are also providing troops and equipment to increase security, and expand air traffic control and fuel storage capacities at such facilities.

At the conclusion of the 21st Gulf Cooperation Council Interior Ministers' Summit in October 2001, the ministers issued the "Muscat Declaration on Combating Terrorism." Citing the events of 11 September 2001, the ministers reaffirmed their "permanent position condemning terrorism" and approved a strategy for combating extremist-linked terrorism that includes addressing its causes and freezing its financing. In keeping with this strategy, the GCC nations have been key partners in the effort to block terrorist financing, including the seizure of assets associated with al-Qaida's financial network.

The GCC nations have generously supported humanitarian operations associated with the War on Terrorism by establishing refugee camps in Pakistan, and contributing money and supplies for refugee relief and the reconstruction of Afghanistan. Kuwait also provided C-130 transport aircraft to help deliver humanitarian supplies. Finally, several GCC member states have provided substantial economic assistance packages to Pakistan.

The following table provides a more extensive, but not exhaustive, list of allied contributions to the War on Terrorism during 2002.

Allied Military Contributions to Combat, Maritime Surveillance, Humanitarian and Peacekeeping Operations in and Around Afghanistan

Country	Contributions
Australia	2 frigates Special Air Service teams (150 personnel) 6 F-18 fighters (deployed to Diego Garcia) 2 Boeing 707 tanker aircraft

	C-130 transport aircraft
Bahrain	1 frigate
Belgium	C-130 transport aircraft
Canada	3 CC-130 transport aircraft 2 CP-140 maritime reconnaissance aircraft Light infantry battlegroup (850 personnel) Special operations personnel 2 Halifax-class frigates
Czech Republic	1 Tu-154 transport aircraft NBC defense company (249 personnel) Military field hospital (140 personnel declining to 50 in late 2002)
Denmark	1 C-130 transport aircraft (77 personnel) 100 special operations personnel 6 F-16 fighter bombers (150 personnel) (ISAF) 60 infantrymen replaced 48 engineer/mineclearing troops
France	6 Mirage-2000 fighter-bombers (Kyrgyzstan) 5 KC-135 tanker aircraft 2 C-130s or C-160s transport aircraft (Tajikistan) 7 Rafale combat aircraft 16 Super Entendard combat and reconnaissance aircraft 2 Mirage IV and 2 E-2C reconnaissance aircraft 2 Maritime Patrol Aircraft 2 KC-135 aerial tanker aircraft and DC-8, C-160, and Falcon 50 transport aircraft Aircraft carrier <i>Charles de Gaulle</i> , 10 frigates, 4 corvettes, 1 tanker, 4 mine hunters, 3 replenishment ships, 2 tenders, 1 electronic intelligence ship, 2 submarines Infantry and special forces personnel (225 troops) in OEF (ISAF) Infantry company, recon company, engineer demining unit, and HQ and support elements at the end of 2002 (550 troops) Medical facility in Djibouti
Germany	3 frigates, 1 intelligence ship, 1 supply ship 3 maritime patrol aircraft (Mombassa, Kenya) 100 special operations personnel Infantry battalion task force (ISAF – 1200 troops) 1 Chemical reconnaissance unit (60 personnel in Kuwait with standby reinforcement in Europe)
Greece	1 frigate (includes S-70B6 helicopter) 2 C-130 transport aircraft (56 personnel) (ISAF) Engineer company (136 troops) Army and air force personnel deployed to Karachi airport, Pakistan (55 personnel)
Italy	3 C-130 transport aircraft Leased 1 Boeing 707, 1 An-124, and 1 IL-76 transport aircraft to support ISAF 1 frigate 43-man engineering team for runway repair (Afghanistan) (ISAF) 400 infantry, engineer, reconnaissance and carabinieri troops
Japan	C-130 and C-1 transport aircraft (including for missions to Guam and Diego Garcia) 1 Aegis cruiser, 3 destroyers, 2 fast combat support ships, 1 minesweeper tender
Kuwait	C-130 aircraft for humanitarian support missions
Netherlands	6 F-16 combat aircraft 1 KDC-10 tanker/transport aircraft and 1 C-130 transport aircraft P-3 maritime patrol aircraft 2 frigates (ISAF) Infantry company (228 troops)
Norway	6 F-16 combat aircraft 1 C-130 transport aircraft Mineclearing vehicles and 15 personnel (at Qandahar airport) Special operations forces (90 personnel)
Poland	Logistics support, convoy security and demining units (95 personnel) 1 logistics support ship
Portugal	(ISAF) 1 C-130 (15 personnel)

	(ISAF) Medical team (8 personnel)
Republic of Korea	C-130 transport aircraft 1 amphibious transport ship (LST) Medical unit (140 personnel - Kyrgyzstan)
Spain	1 P-3 Orion maritime patrol aircraft 3 C-130 transport aircraft (70 personnel) 2 search and rescue helicopters (Kyrgyzstan) 1 frigate and 1 support vessel (preparing to deploy) 480 troops in Afghanistan for OEF, including field hospital (Bagram Airbase) (ISAF) 260 personnel
Turkey	2 KC-135 tanker aircraft Special operations unit (90 personnel) (ISAF) 1400 personnel including infantry
United Kingdom	VC-10 and Tristar aerial tanker aircraft and C-130 transport aircraft Nimrod and Canberra PR9 reconnaissance aircraft E-3 AWACS aircraft Aircraft carrier <i>Illustrious</i> , 1 amphibious ship, 2 frigates, 3 submarines, 7 auxiliary ships Special operations personnel 1,700 Royal Marine commandos (ISAF) At peak strength 1,800 infantry, headquarters, engineer, medical, logistics, military police and air transport support troops - declining to 440 personnel by August 2002

NATO ALLIES

One of the fundamental objectives of U.S. national security strategy is to maintain NATO as the preeminent organization for ensuring transatlantic security and the anchor of American engagement in Europe. Over the past decade, the threat of direct invasion of NATO territory has decreased significantly, while other types of threats (including regional conflicts on the periphery of NATO, proliferation of nuclear, biological and chemical weapons, and terrorist attack) have increased considerably. In 2002, NATO heads of state and government launched a fundamental transformation of the Alliance at the NATO Summit in Prague, the Czech Republic. The Alliance's new blueprint for the future focuses on new members, new capabilities, and new relationships. At the United State's request, the heads of state agreed to develop a NATO response force to project power "quickly to wherever needed." While promising to enhance NATO's military capabilities, they also invited seven new nations to join the Alliance and endorsed stronger relationships with Russia, Central Asia and the Caucasus, solidifying NATO's ever more important political role as the central organizing security body for allies and our partners.

New Members

The Czech Republic, Hungary and Poland joined NATO in 1999. At the November 2002 Prague Summit, NATO invited Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia and Slovenia to begin accession talks to join the Alliance. At the end of the accession process, the seven invited countries should formally become members of the Alliance, most likely by May 2004. NATO membership for these seven will consolidate democracy over dictatorship and erase the last Cold War divisions in Europe. As stated in the Prague Summit Declaration, NATO's door will remain open to European democracies willing and able to assume the responsibilities and obligations of membership.

New Capabilities

At Prague, Allies made a series of political commitments on improving national and collective military capabilities necessary for the Alliance to be able to carry out the full range of its new missions and improve interoperability among NATO forces. Recognizing continuing shortfalls in Allied military capabilities, NATO leaders at Prague agreed to focus on a refined list of key operational capability areas. These areas are: defending against chemical, biological, radiological and nuclear (CBRN) attacks; ensuring command, communications and information superiority; improving interoperability of deployed forces and key aspects of combat effectiveness; and ensuring rapid deployment and sustainment of combat forces. This initiative is called the Prague Capabilities Commitment (PCC) and with it Allies have pledged to improve national and collective capabilities and rectify shortfalls through ‘multinational efforts, role specialization, and reprioritization.’ The flagship of NATO’s capabilities improvement efforts is the NATO Response Force (NRF). The NRF, consisting of land, sea, and air elements will enhance NATO’s ability to respond rapidly to future threats and speed the transformation of Alliance and national military capabilities.

New Relationships

NATO heads of state and government agreed to form the NATO-Russia Council (NRC) at the Rome Summit in May of 2002. The NRC provides NATO member states and Russia with a vehicle for consultation, consensus-building, cooperation, joint decision, and joint action on a wide range of security and defense issues in the Euro-Atlantic regions. Such issues include peacekeeping, defense reform, Weapons of Mass Destruction (WMD) proliferation, search and rescue, emergency planning, theater missile defense and terrorism.

The Euro-Atlantic Partnership Council (EAPC) and the Partnership for Peace (PfP) have greatly enhanced security and stability throughout the Euro-Atlantic area to include Central Asia and the Caucasus. At Prague, NATO leaders decided to strengthen political dialogue and increase involvement of EAPC and PfP partners in the ‘planning, conduct and oversight of those activities and projects in which they participate and to which they contribute with EAPC and PfP countries.’

Cost Sharing in the Alliance

Although most NATO Allies do not offset the same percentage of U.S. stationing costs as Japan, they contribute significantly more toward sharing the military roles, as well as the overall political and economic costs, of protecting shared interests.

Under long-standing cost sharing agreements, our NATO allies collectively pay three-quarters of NATO’s common-funded budgets, which totaled \$1.4 billion in 2002 (excluding contributions to the NATO Airborne Early Warning and Control Program). The U.S.’ one-quarter share of the NATO common-funded budgets (in which all 19 members participate) provides it with significant leverage in Alliance decision-making, and access to NATO facilities that would cost the U.S. far more to build and maintain on its own. NATO’s common budgets also provide a cost-effective means of dealing with large acquisitions, which, if funded separately, would create a heavy burden for any one nation. Within NATO, Allies consult on the goals and priorities for their national defense programs, and engage in a regular peer review process with the aim of increasing effectiveness, improving burdensharing, and anticipating future challenges to the Alliance.

Multilateral Cost Sharing: NATO's Common-Funded Budgets

NATO's long-standing arrangement for sharing the costs of mutually-beneficial projects is one of the Alliance's best tools for promoting responsibility sharing equity. A summary of 2002 outlays by each of the NATO common-funded budgets is provided below, showing each country's contribution and percentage share of costs incurred.

Chart II-6

NATO's Common-Funded Budgets - 2002*
2002 Dollars in Millions - 2002 Exchange Rates

	NATO Security & Investment Program	% of Total	Military Budget	% of Total**
Belgium	27.9	4.0%	16.2	3.0%
Canada	25.6	3.7%	30.0	5.6%
Czech Republic	6.8	1.0%	5.2	1.0%
Denmark	22.6	3.3%	9.6	1.8%
France	37.2	5.4%	47.8	8.9%
Germany	152.0	21.9%	89.5	16.7%
Greece	7.1	1.0%	2.2	0.4%
Hungary	4.9	0.7%	3.8	0.7%
Iceland	0.0	0.0%	0.2	0.0%
Italy	59.2	8.5%	34.4	6.4%
Luxembourg	1.3	0.2%	0.5	0.1%
Netherlands	31.1	4.5%	16.2	3.0%
Norway	19.2	2.8%	6.7	1.2%
Poland	18.7	2.7%	14.4	2.7%
Portugal	2.6	0.4%	3.7	0.7%
Spain	24.8	3.6%	20.4	3.8%
Turkey	7.6	1.1%	9.2	1.7%
United Kingdom	76.8	11.1%	93.3	17.4%
United States	167.7	24.2%	134.1	25.0%
Total	693.1	100.0%	537.4	100.0%
	Civil Budget	% of Total	TOTAL NATO Common Budgets	% of TOTAL**
Belgium	4.8	2.8%	48.9	3.5%
Canada	9.3	5.3%	64.9	4.6%
Czech Republic	1.6	0.9%	13.6	1.0%
Denmark	2.6	1.5%	34.8	2.5%
France	26.8	15.4%	111.8	8.0%
Germany	27.1	15.5%	268.6	19.1%
Greece	0.7	0.4%	10.0	0.7%
Hungary	1.1	0.6%	9.8	0.7%
Iceland	0.1	0.1%	0.3	0.0%
Italy	10.0	5.7%	103.6	7.4%
Luxembourg	0.1	0.1%	1.9	0.1%
Netherlands	4.8	2.8%	52.1	3.7%
Norway	1.9	1.1%	27.8	2.0%
Poland	4.3	2.5%	37.4	2.7%
Portugal	1.1	0.6%	7.4	0.5%
Spain	6.1	3.5%	51.3	3.7%
Turkey	2.8	1.6%	19.6	1.4%
United Kingdom	30.1	17.3%	200.2	14.3%
United States	39.1	22.4%	340.9	24.3%
Total	174.4	100.0%	1404.9	100.0%

*Due to rounding, the numbers shown may not add up to the totals.

**Calculation does not include contributions to the NATO Airborne Early Warning and Control Program.

Contributions of Selected NATO Allies

This section describes notable responsibility sharing contributions by the United Kingdom, Germany, Italy, and Poland. These nations account for over half of the defense spending of all our European-NATO allies. The United Kingdom, Germany and Italy host over 90 percent of the U.S. military personnel stationed in Europe. There are no U.S. forces permanently stationed in Poland.

United Kingdom

The United Kingdom is one of the United States' closest allies, as demonstrated by its participation in OEF, its command of the first ISAF rotation in Afghanistan, and its continuing strong support for the global War on Terrorism. UK-U.S. military-to-military cooperation has no parallel. The UK also participates actively in NATO and the Partnership for Peace, and is a Permanent Member of the UN Security Council. British forces play major roles in NATO's conventional and nuclear force structures, as well as deploying around the world in response to regional crises and national commitments.

While, the United Kingdom's defense budget declined by a marginal 1.9 percent in real terms during 2002, its defense spending relative to GDP (2.4 percent in 2002) was the fifth highest in NATO. The UK devoted the second highest percentage of defense spending (29 percent) to NATO modernization programs (i.e., procurement, and research and development). The UK provides substantial host nation support for U.S. forces (over \$133 million), almost entirely in the form of indirect contributions (i.e., waived taxes, rents and other forgone revenues). British forces form the backbone of the Allied Command Europe (ACE) Rapid Reaction Corps (ARRC), and provide the second largest shares of total NATO naval combat and mine countermeasures tonnage, combat aircraft capability, naval supply, tender and transport tonnage, military transport aircraft capacity and tanker aircraft fuel offload capacity.

The UK continues to implement changes called for in the 1998 Strategic Defense Review (SDR), creating a more deployable, sustainable, and flexible force. In light of the events of September 11, 2001, the UK produced a 'New Chapter' for the SDR to ensure that it possesses the right concepts, forces, and capabilities needed to confront the challenges of international terrorism and asymmetric threats. The 'New Chapter,' published in July 2002, concluded that the UK should plan to undertake a wide range of activities against terrorists overseas, and called for increased defense spending in order to improve its capabilities to engage in such operations. As a result, the UK plans to increase its defense budget by 3.7-percent over the period 2002/2003 to 2005/2006 - the biggest sustained increase in defense spending in 20 years.

The UK also contributed about 5,500 personnel to NATO operations in the Balkans for most of 2002, declining to roughly 4,900 at year's end: 1,900 in Bosnia (SFOR) and 3,000 in Kosovo (KFOR). British forces also served in UN peace operations in Cyprus, on the Iraq-Kuwait and Eritrea-Ethiopia borders, Georgia, Sierra Leone, Kosovo, the Democratic Republic of the Congo, and East Timor. The UK is the only ally that joined the United States in using offensive air power to enforce the northern and southern no-fly zones over Iraq. Finally, it made the fifth largest financial and personnel contributions to UN peace operations in 2002, of all the nations covered in this Report.

The United Kingdom provided nearly \$5.5 billion in foreign assistance in 2001 (0.3 percent of GDP). Furthermore, the UK works closely with the United States on countering the proliferation of weapons of mass destruction, focusing especially on compliance issues. It has pledged to contribute about \$750 million to the G-8 Global Partnership Initiative, and, during

2002, established a comprehensive project implementation framework for a wide range of Soviet nuclear legacy issues, including: nuclear submarine dismantlement and management of spent fuel, re-employment of proliferation-sensitive skills in closed 'nuclear cities,' improving the operational safety of nuclear power plants, addressing the social consequences of nuclear power plant closure, and physical security of facilities containing sensitive material of interest to terrorists. The UK has budgeted £32 million for these projects.

Germany

Over the past decade, Germany has steadily expanded its participation in peacekeeping and humanitarian operations, development assistance, and, most recently, the War on Terrorism. Germany's armed forces form a major component of Alliance military capabilities. Germany is in the process of a significant reform of its Armed Forces. As part of this reform, and with the aim of creating a more professional and deployable force, Germany has reduced active-duty military strength from 338,000 to 282,000 (of whom 85,000 are conscripts). Dedication of adequate resources at a time of tight budgets will be crucial to the successful completion of this reform.

Germany's defense spending increased by a modest 0.6 percent in 2002 (to \$29.4 billion), but relative to GDP, remained stable at 1.5 percent -- below the average of 1.9 percent of GDP for all non-U.S. NATO nations. Continuing economic difficulties make it doubtful that defense budgets will be increased in the near-term, and defense spending as a percentage of GDP is expected to remain flat through 2006. In December 2002, Defense Minister Struck accordingly announced deep cuts in most of Germany's major defense acquisition and modernization programs, including A-400M air transports, Eurofighter tactical aircraft, Tiger attack helicopters, Meteor and IRIS-T air-to-air missiles, and frigate, corvette and submarine construction projects. Germany provides the second largest share of total NATO ground combat capability and fourth largest shares of total NATO naval supply, tender and transport tonnage; combat aircraft capability; and military transport aircraft capacity.

Germany ranked first among all the nations covered in this Report in personnel contributions to multinational peace operations at the end of 2002. There were about 3,800 German troops serving with KFOR in Kosovo, another 1,300 supporting SFOR in Bosnia, and 159 deployed with NATO's Operation ALLIED HARMONY in the Former Yugoslav Republic of Macedonia (FYROM). Moreover, Germany commanded NATO's Task Force Fox in FYROM from September 2001 to June 2002, supporting the international observers monitoring implementation of the peace settlement which resolved that nation's recent civil war. During 2002, Germany also contributed small military contingents to UN peace operations in Sierra Leone, the Republic of Georgia and along the Iraq-Kuwait border, and about 360 civilian police to the UN Interim Administration Mission in Kosovo (UNMIK). Germany also made very large financial contributions to UN peace operations, ranking fourth in absolute terms after the United States, Japan and France (\$186 million).

German foreign development assistance contributions totaled almost \$6 billion for 2001, ranking third among all the nations covered in this Report. Germany has pledged about \$280 million over four years for Afghanistan reconstruction and humanitarian assistance, and has taken the lead in training and equipping the Afghan police. About \$12 million was contributed to humanitarian assistance programs in the Balkans during 2002. Germany also contributed \$5.1 million for counter proliferation and nuclear threat reduction efforts in 2002, mainly to programs for the destruction and physical protection of chemical and nuclear weapons stocks in Russia and the Ukraine.

Since September 11, 2001, German federal and local governments have allocated considerable resources to enhance force protection for U.S. military personnel and dependents. Bundeswehr troops have been deployed to protect U.S. military facilities and additional support provided by local police. Germany contributed over \$861 million in 2001 to offset the costs of maintaining U.S. military forces on its soil, representing about 21 percent of U.S. non-personnel stationing costs in Germany. Almost all cost sharing was in the form of indirect contributions (i.e., waived taxes, rents and other forgone revenues). Finally, Germany works diligently to assure that its airspace is available for both U.S. and NATO training needs, and has granted a blanket clearance for U.S. military aircraft transiting its territory.

Italy

Italy maintains a close security relationship with the United States, both through NATO and bilaterally, and is an active participant in efforts to protect shared security interests around the world. Italy is a major staging and logistics base for operations in and beyond the immediate region. Italy hosts American military forces at seven major and many minor bases that contribute significantly to the United States' power projection capability. NATO air bases in Italy, for example, were essential in the bombing campaign against Yugoslavia during the 1999 Kosovo crisis, and continue to provide essential staging and transportation points for NATO peacekeeping missions in the Balkans.

Italy's real defense spending declined by 3.0 percent between 2001 and 2002, and as a proportion of GDP, fell from 2.0 to 1.9 percent. The draft 2003 defense budget calls for a 3.1-percent increase in defense spending, but this represents only a modest increase over 2002 after projected inflation is taken into account. The ongoing transition to a smaller, fully professional military of 190,000 troops by the end of 2005 promises to create more proficient and deployable forces, but places additional pressure on the defense budget, and is being impeded by continuing shortfalls in recruiting regular personnel. However, Italy is nonetheless pursuing significant military acquisition and modernization programs, including procurement of Eurofighters and aerial refueling aircraft, leasing 34 ex-U.S. F-16 fighters, constructing a new class of submarines, and enhancing amphibious capabilities by refitting its two LPDs, buying new helicopters, and enlarging the San Marco marine group. Italy provides the fourth largest shares of total NATO naval combat and mine countermeasures tonnage and tanker aircraft fuel offload capacity.

Italy ranks third (after Germany and France) in personnel contributions to multinational peace support operations, with nearly 6,300 military and carabinieri troops deployed abroad in such operations (including in Afghanistan) at the end of 2002. There were 4,350 Italian troops deployed in Kosovo and Albania with KFOR, of which Italy took command for a six-month period starting in October 2002, and approximately 1,200 serving with SFOR in Bosnia. A further 200 personnel were deployed in Macedonia as part of NATO's Operation ALLIED HARMONY, and about 250 were serving in Albania under the auspices of bilateral military assistance programs. Finally, at year's end, Italy was contributing about 200 military and carabinieri personnel serving in UN operations in The West Bank, Congo, Kosovo, Lebanon, Western Sahara, and on the Iraq/Kuwait, India/Pakistan and Eritrea/Ethiopia borders.

Italy's foreign assistance spending in 2001 was about \$2 billion, or 0.16 percent of GDP. This falls considerably short of the agreed OECD target of 0.24 percent of GDP, and of all the nations covered in this Report, Italy ranks sixth from last among the net aid donors.

Italy is active in a number of initiatives that complement U.S. efforts to strengthen collective security arrangements both in Europe and globally. The Army's Julia Mountain Brigade forms the

framework of the Multinational Land Force, a brigade-sized tri-national formation incorporating Italian, Hungarian, and Slovenian units. Italy also contributes signals and C3I assets, and an infantry battalion to the Multinational Peace Force South-Eastern Europe, which is dedicated to enhancing regional security in the Balkans. (Albania, Bulgaria, Greece, Romania, Turkey and the Former Yugoslav Republic of Macedonia also contribute.) Finally, Italy contributes troops to the 14-nation Stand-by Forces High Readiness Brigade (SHIRBRIG), which gives the United Nations a rapid-reaction peacekeeping capability. It was deployed as the core peacekeeping element of the UN Mission to Ethiopia and Eritria (UNMEE) in 2000.

Italy contributed \$324 million in 2001 to offset the costs of maintaining U.S. military forces on its soil, representing about 34 percent of U.S. non-personnel stationing costs in Italy. Almost all cost sharing was in the form of indirect contributions (i.e., waived taxes).

Poland

Since 1989, the cornerstone of the Polish Government's foreign and security policy has been the strong strategic relationship with the U.S. and robust participation in NATO. Poland, a NATO member since 1999, is increasingly playing a larger role in defending international security and stability while continuing its internal process of military restructuring and transformation. The Polish government's program to boost defense capabilities gained considerable momentum in 2002 as a major downsizing to reduce Polish military forces to 150,000 neared completion and modernization programs including the procurement of major new systems for land and air forces and upgrades to bring Soviet-era equipment up to NATO standards gained ground. The foremost military modernization issue is Poland's decision in 2002 to acquire 48 new multi-role fighter aircraft, namely Lockheed Martin's F-16 with delivery to take place by 2008. However, among all the NATO nations, Poland had the second lowest percentage of defense spending (10.3 percent) on modernization programs in 2002 - just over half the non-U.S. NATO average of 19 percent.

Poland's economic slump continued in 2002 and forced the Government to take government-wide austerity measures although defense spending was not affected. Poland's defense spending increased by a 3.2 percent in 2002 (to \$3.6 billion), but relative to GDP, remained stable at 1.97 percent - slightly above the average of 1.9 percent of GDP for all non-U.S. NATO nations. Poland's GDP increased in 2002 by 1.2 percent in real terms, up marginally from 1 percent growth in 2001. The large reduction in the annual inflation rate - from 28 percent in 1995 to 1.9 percent last year - represents a major accomplishment for both the Polish government and the National Bank of Poland (NBP).

Poland was an active contributor to NATO, UN, and OSCE peacekeeping operations and observer missions in 2002 with approximately 1,575 military and civilian personnel deployed in 15 peacekeeping operations and observer missions in Europe, Africa, and Asia. Of note, Poland has shifted its participation toward NATO-led operations and away from its traditional focus of UN-led operations. Poland made no financial contributions to UN Peace Operations. In 2002, Poland maintained a 573-person force in KFOR and 297 in SFOR.

At the request of the U.S., Poland provided Soviet-era weapons and ammunition to the U.S.-sponsored Georgia Train and Equip Program and offered to provide military equipment to the Afghan National Army as well. The Polish Ministry of Foreign Affairs disbursed approximately \$42 million of humanitarian and developmental assistance in 2002. Assistance to Afghanistan included medicines, clothing, and educational scholarships for Afghan women at Warsaw University.

Poland continued in 2002 to conduct an active mentoring program for NATO aspirants. Poland spent roughly \$500,000 in 2002 on Partnership for Peace related activities. The Polish Ministry of Defense negotiated work plans with NATO aspirants to foster military reforms and adjustment to NATO standards, provided training to aspirant officers and NCOs at Polish military academies, and transferred excess Soviet-era equipment to a few aspirants with the idea of creating capabilities on which NATO could draw.

The U.S. and Poland continued in 2002 to develop the bilateral Defense Transformation Initiative, focusing on unit partnerships with the goal of increasing interoperability through training and joint exercises. The bilateral Military Capabilities Initiative (MCI) focuses on cooperative activities that do not involve any increase in U.S. funding for the Polish military.

PACIFIC ALLIES

The United States has important security relationships in the Asia-Pacific region with Australia, Japan and the Republic of Korea (ROK). As with NATO, these three bilateral relationships are instrumental in adapting both to a fundamentally altered global geopolitical situation and to emerging challenges and opportunities in the region.

For over sixty years, Australia has been one of the United States' closest and most trusted allies and security partners. This is demonstrated through Australia's consistent military contributions to coalition operations, close cooperation across the spectrum of defense and security activities, contributions to stability in the region, and its increasingly prominent role in global security issues.

At the heart of the alliances with Japan and the ROK is the continued presence of significant numbers of forward-stationed U.S. troops: 40,000 in Japan and over 37,000 in Korea. In addition, Japan serves as the forward deployment site for approximately 14,000 United States naval personnel and the *U.S.S. Kitty Hawk* carrier battle group. These forces play a vital role in contributing to peace and security in the region, and are a tangible expression of vital American interests in Asia, and of U.S. willingness and capability to defend those interests in concert with our allies.

In view of the constraints that influence the policies and capabilities of Japan and Korea, the division of the Korean peninsula and the threat of conflict, and in the constitutional restrictions that strictly limit the scope of Japan's military activities – their responsibility sharing efforts have historically focused on offsetting U.S. stationing costs. However, their active participation in shared regional and global military roles and missions has recently increased.

Australia

Australia makes major contributions to achieving common defense and policy goals with the United States. Australia places very strong emphasis on interoperability with the United States in the development of its weapons systems and platforms, as well as with its military doctrines and strategies, to be able to fight as an effective ally. In addition, Australia provides extensive amounts of unique and vital information and analysis of the region that the U.S. depends upon. Our military cooperation with Australia has both breadth and depth with joint operations and exercises, continual high-level joint planning and strategy efforts and joint facilities in Australia. In addition, there is extensive scientific cooperation between U.S. service laboratories and the Australian Defence Science and Technology Organisation.

The joint intelligence facility at Pine Gap, Australia is an example of the two nations' close partnership in pursuit of shared strategic interests. Australia provides more than 4,000 acres of land for this long-established facility at which Australian personnel work alongside their U.S. counterparts. The Australian Defense Force plays a significant role in U.S. Pacific Command's theater engagement plan through bilateral and multilateral exercises and regional exchanges. Australia maintains close diplomatic and defense ties with almost all the countries of East and Southeast Asia and, through its membership of the five power defense arrangements (with Malaysia, Singapore, New Zealand and the United Kingdom), helps ensure the security of maritime Southeast Asia.

In 2001-2002 (the Australian fiscal year runs from July to June) the Australian Department of Defense received its first installment of \$262 million from the \$14.7 billion in increased defense funding which the government has committed to spend over the next decade as laid out in Australian's 2000 White Paper on defense. In all, defense spending over the next ten years is expected to increase by an average of approximately 3.0 percent per year in real terms.

As a credible military power in its region, Australia makes important contributions to regional security in Southeast Asia and Oceania, including 200 military and security personnel deployed in 13 nations under a wide range of security assistance projects. Through its Defence Cooperation Program (DCP) with South Pacific nations, Australia has given assistance to regional security forces in the areas of strategic planning, command and control, infrastructure, communications and logistics support, and by transferring 22 naval vessels. Australia is also a major contributor to peacekeeping operations in the Asia-Pacific region. During 2002, it supplied 1,100 troops and 55 civilian police for the UN Mission in East Timor (UNMISET), 43 personnel to the four-nation Peace Monitoring Group on Bougainville and Papua New Guinea, and 72 personnel to the International Monitoring Team (IMT) in the Solomon Islands. Moreover, the Australian Defense Force also contributed to peacekeeping operations beyond the region in 2002, providing a total of 66 Australian troops to NATO peace operations in the Balkans, and UN operations in Cyprus, the Sinai Peninsula, the West Bank, and on the Ethiopia-Eritria border.

Australia also plays an important role in global security in the area of counter-proliferation and WMD threat reduction. For over fifteen years, Australia has organized and chaired annual meetings of the Australia Group (AG) - an informal group of 33 countries and the European Commission - to harmonize export control arrangements to counter the proliferation of chemical and biological weapons and agents.

Japan

Our bilateral alliance with Japan (the 1960 Treaty of Mutual Cooperation and Security between the United States of America and Japan) is the key to our security strategy in the Asia-Pacific region, and is crucial to the forward deployment of U.S. forces there. Japan is expanding its cooperation with the United States and is taking an increasingly active role in international affairs. Although Japan spends a smaller proportion of GDP on defense (1.0 percent), than any other ally except Luxembourg, the size of its economy is such that it ranks second in *absolute* defense expenditures among all the countries in this Report. Japan provides the second largest share of total naval combat and mine countermeasures tonnage and the fifth largest share of total combat aircraft capability.

Cost sharing in support of U.S. forces stationed on its territory remains Japan's most significant responsibility sharing contribution. Indeed, its host nation support is the most generous of any U.S. ally, and consists of funding covered under both the Special Measures

Agreement (SMA) and the Facilities Improvement Program (FIP). Japan's cost sharing support for U.S. forces in 2001 was \$4.6 billion, covering 75 percent of U.S. basing costs.

The current SMA, which has been in effect since April 2001, provides approximately \$7.3 billion over five years. Under the SMA, Japan pays virtually all of the costs of local national labor employed by U.S. forces, as well as a portion of the costs of public utilities on U.S. bases. In addition, the SMA covers the costs of transferring U.S. training activities from U.S. bases to other facilities in Japan when the Government of Japan requests such transfers.

Under the separate FIP, Japan voluntarily provides substantial funding for quality-of-life projects, including housing, community support and recreation facilities, and utilities upgrades. In recent years Japan has also shown increased flexibility under the FIP in constructing direct operational facilities, such as hangars and hardened aircraft shelters. In 2001, Japan provided almost \$660 million for the construction, restoration, and maintenance of facilities under the FIP. In addition, Japan also provided over \$700 million in rents and \$507 million for other vicinity improvements in 2001.

The Department estimates that the value of Japan's direct labor cost sharing (using 2000 exchange rates) will be approximately \$1.3 billion per year through 2006, or \$6.5 billion of the \$7.3 billion SMA total. Over the same five-year period, Japan's direct and indirect cost sharing, including forgone taxes, rents, and revenues, will continue to be \$4.0 to \$5.0 billion per year, depending on exchange rate fluctuations.

Japan's evolving international role means greater involvement in multinational efforts to promote regional and global stability. During 2002, Japan dramatically increased its commitment to multinational peacekeeping operations by deploying 650 troops to East Timor. Another 30 troops continued to serve in the United Nations Disengagement Observer Force (UNDOF) on the Golan Heights. Japan had the second largest foreign assistance budget of any nation in this Report during 2001 (\$11 billion or 0.33 percent of its GDP). Japanese aid focuses on poverty reduction programs and emergency situation assistance and is primarily targeted to low-income and least developed countries. Japan's monetary contributions to UN peace operations during 2001 (\$519 million) were greater than any other nation in this Report except the United States.

The formal U.S.-Japan cooperative research and development projects, valued at \$303.5 million, continued to show progress during 2002. Two of the six formal cooperative projects were successfully completed, while the remaining programs are in various stages.

The Republic of Korea (ROK)

The Mutual Defense Treaty between the United States and the ROK remains central to the stability of the Korean Peninsula and Northeast Asia. U.S. forces stationed in the ROK contribute significantly to the security and territorial integrity of the country, and demonstrate U.S. support for peaceful change and democratic evolution in the region.

The ROK makes major contributions to regional security by maintaining strong, modern, and proficient armed forces. In 2002, the ROK devoted 2.8 percent of its GDP to defense, a 3.6 percent increase from 2001. Furthermore, the Republic of Korea provided the second largest percentage of total allied ground combat capability, and in terms of GDP, made significant contributions to military combat forces including combat aircraft capability and naval combat and mine countermeasures tonnage.

The U.S. and ROK Special Measures Agreement (SMA) for 2002-2004 outlines the cost-sharing contributions of both nations. The baseline 2002 contribution is approximately \$490

million. This is a 15 percent increase from 2001, the biggest single increase in the SMA in eight years. In addition, ROK contributions are to increase by 8.8 percent plus inflation in both 2003 and 2004.

While the ROK has begun a subtle but definite shift in its security focus from a North Korean view to a broader Northeast Asian and worldview, Seoul's defense efforts in 2002 continued to focus on military readiness. However, during 2002, the ROK provided 440 troops to serve with the UN Mission in East Timor (UNMISET), the successor to the UN Transitional Administration in East Timor, in which the ROK also participated. In addition, the ROK continued to post 20 medical officers in the Western Sahara, 9 military observers to India/Pakistan, and 3 military observers in Georgia. In 2002, it commanded the UN peacekeeping force in Cyprus, the first time the ROK has led a peacekeeping operation. Korea's total troop contribution to major multinational peace operations in 2002 numbered 473.

The ROK re-opened its chemical munitions destruction facility and resumed chemical weapons destruction in 2002. It hopes to destroy 45 percent of its chemical weapons stocks within the next 2-3 years.

GULF COOPERATION COUNCIL

The United States seeks to sustain and adapt security partnerships with key states throughout this critical region, broaden the economic and cultural underpinnings of these relationships, and promote peaceful settlement of regional disputes before they erupt into conflicts that could threaten our interests. Collective efforts are essential, as neither the United States nor its partners in the region can ensure the security of Southwest Asia alone. The security framework in Southwest Asia is strikingly different from those in other regions of vital interest to the United States. The U.S. has no formal bilateral or multilateral defense treaties, and instead relies upon a range of executive agreements for military access, status of forces, and prepositioning of equipment and supplies.

Our principal security partners in this region are the member states of the Gulf Cooperation Council (GCC): Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates (UAE). In December 2000, the six countries signed a joint defense pact that calls for the GCC's defense resources to be pooled, and stipulates that an attack on any member would be considered an attack against all the states. Meeting in Oman at the end of 2001, the GCC nations reaffirmed this commitment, and announced plans to accelerate the formulation of an integrated defense policy. They also established a supreme defense council to oversee expansion of the Peninsula Shield Force from 5,000 to 20,000 troops. Construction of a new base for the force in northeastern Saudi Arabia began in 2002, and the target date for completing the expansion is mid-2003. The GCC nations continue to operate their multinational air defense command and control network, which became operational in early 2001, allowing the states to share air surveillance data.

Other Responsibility Sharing Contributions

The GCC nations continue to spend above-average percentages of GDP on defense, noting that many have per capita GDPs that are lower (and in some cases, much lower) than the average for all the nations in this Report. Strong oil prices in 2002 had, overall, a positive impact on GCC government budgets. Qatar increased defense spending by 23.9 percent in 2002, while the United Arab Emirates and Saudi Arabia boosted their defense spending by 1.8 and 0.9

percent, respectively. Oman's defense spending decreased by 22.5 percent in 2002 and Kuwait's declined by 5.0 percent.

In general, the GCC nations shares of total allied ground and air combat capability continued to far exceed their corresponding shares of total GDP. Relative to its share of total GDP, Bahrain contributes the largest shares of naval combat and mine countermeasures tonnage and combat aircraft capability, and the second largest share of ground combat capability of all the nations addressed in this Report. Kuwait provides the largest share of ground combat capability, relative to GDP. Saudi Arabia contributes the largest share of military tanker aircraft fuel offload capacity and the third largest share of military transport aircraft capacity, relative to its GDP, of all the nations covered in this Report.

Kuwait provides significant grant aid and humanitarian assistance to lesser-developed countries, primarily in the Arab world, but also to nations in Southeast Asia, Africa and the Balkans. In 2001, Kuwait contributed \$73 million, a decline of over 53 percent over 2000 assistance levels. The UAE contributed \$124 million, a decline of 11 percent over 2000 assistance levels. Saudi Arabia increased foreign assistance levels to \$486 million in 2001. This represents a 70 percent increase over 2000 contributions.

The GCC nations provide a major contribution to regional security by allowing U.S. forces the use of military facilities, transit rights, and other forms of access. In 2002, the United States had defense cooperation agreements permitting access and prepositioning with Kuwait, Bahrain, Qatar, and the UAE. During the year, these nations and Oman collectively hosted greatly increased contingents of U.S. ground and air forces that were deployed both to support ongoing operations in Afghanistan and to prepare for possible operations against Iraq. Furthermore, Kuwait and Saudi Arabia continued to provide access to U.S. forces enforcing the no-fly zone over southern Iraq (Operation SOUTHERN WATCH). Since 1995, Bahrain and Qatar have also hosted several Air Expeditionary Force deployments in support of Operation SOUTHERN WATCH. Bahrain has provided port facilities to U.S. naval forces for 50 years, hosts the headquarters for U.S. Naval Forces Central Command (USCOMNAVCENT), furnishes facilities for prepositioned equipment, and has granted rapid access for U.S. military aircraft when needed. In 2002, an estimated 185 U.S. navy ships docked in Bahrain including four homeported minesweepers. Bahrain is currently the U.S. navy's busiest overseas port.

Qatar plays an important role in supporting the U.S. military presence in the region. The forward headquarters of CENTCOM Special Operations Command has been located at Al Sayliyah, Qatar since 2001. In 2002, CENTCOM's deployable forward headquarters was established at Al Sayliyah and supported Internal Look, a major U.S. exercise designed to test the deployable headquarter's ability to operate from Qatar. Also in 2002, an implementing agreement was signed by Secretary Rumsfeld and Foreign Minister Hamad Bin Jassim Bin Jabr Al Thani to improve facilities available to the U.S. military at Al Udeid Air Base. Al Udeid played an important role in OEF, and is a vital link in the U.S. Air Force's prepositioning program in the Middle East. Qatar also hosts deployed U.S. forces that are participating in OEF at Doha Airbase ('Camp Snoopy').

The UAE provides access to U.S. forces and hosts more U.S. Navy ships than any port outside the United States. In 2002 the UAE provided hangar and ramp space for U.S. aircraft at al Dhafra Air Base. The UAE continued to provide the U.S. Navy with a highly valuable dedicated deepwater berthing space in the Jebel Ali port complex that can accommodate aircraft carriers. Oman likewise allows the United States to preposition equipment on its territory, and has granted access to its military bases since 1980.

Saudi Arabia covered approximately 54 percent of U.S. non-personnel stationing costs in 2001 and contributed substantially to offset the costs of Operation SOUTHERN WATCH. Kuwait contributed 51 percent of non-personnel stationing costs in 2001 and also offset U.S. prepositioning and exercise costs. Oman and Qatar offset 79 and 41 percent of stationing costs respectively. Bahrain offset around 33 percent of non-personnel stationing costs.

In spite of the efforts described above, there remains a substantial disparity between the military forces of the GCC states and those of their principal antagonists in the Persian Gulf. Due to this imbalance, the U.S. continues to urge the Gulf countries to work closely with other moderate Arab states to enhance their collective ability to defend the region.

UNITED STATES

The United States plays a leading role in promoting and defending shared security interests worldwide. Our armed forces are sized, equipped, and trained for the full range of conflict, from global warfare to regional contingencies and special operations – on land and sea, air and in space. Our capabilities are unsurpassed across nearly the entire spectrum of military power, and are particularly notable in the areas of strategic intelligence, power projection, and nuclear deterrence.

The United States defends shared security interests first and foremost by leading the global War on Terrorism, and likewise, international efforts to halt the proliferation of weapons of mass destruction (WMD). The United States also promotes shared security interests by continuing to maintain powerful military forces at bases in Europe, the Persian Gulf, and Northeast Asia. These forward-based units strengthen peace and stability within their respective regions, and enhance the ability to project U.S. influence and military power worldwide (particularly the forces permanently based in Europe).

The United States spent approximately \$350 billion on defense during 2002. This represents a real increase of 8.7 percent from 2001 due to spending increases approved in the wake of the September 11 attacks. Likewise, the percentage of GDP devoted to defense increased from 3.2 to 3.4 percent.

The U.S. ranked fourth among all the nations covered in this Report in terms of personnel contributions to multinational peace operations during 2002. In December 2002, a total of 631 Americans were serving in UN peacekeeping operations in Kosovo, East Timor, the Republic of Georgia, the Western Sahara, and on the Israeli, Iraq-Kuwait and Ethiopia-Eritrea borders. In addition, U.S. personnel served with NATO's Stabilization Force (SFOR) in Bosnia (1,754 personnel at the end of 2002), Kosovo Force (KFOR) (2,927 personnel at the end of 2002), and in the Multinational Force and Observers (MFO) on the Sinai Peninsula. Furthermore, the U.S. contributed more funding for UN peace operations than any other nation during 2002 (\$669.5 million).

The United States provided over \$13.1 billion in foreign assistance during 2001 – the largest contribution of all nations covered in this Report, and just over a fifth of the total contributed by all the nations covered in this Report combined. Furthermore, the U.S. ranks first in all of the remaining responsibility sharing indicators including defense spending, NATO modernization spending, combat forces, and military mobility/logistic forces. U.S. contributions in both naval tonnage categories, combat aircraft capability, military transport aircraft capacity, and tanker aircraft fuel offload capacity are greater than all other allies combined.

CONCLUSION

As stated in previous years' Reports, the Department believes that our allies' and key security partners' efforts present a mixed, but generally positive picture in terms of shouldering responsibility for protecting shared security interests. As noted throughout this Report, there is no one set formula or strategy for increasing allied contributions to collective security that is appropriate for all allied nations. The United States will continue to encourage our allies and partners to assume a greater share of the burden of providing for the common defense using approaches tailored to the circumstances of particular nations or groups of nations.

The War on Terrorism, contingency operations arising from regional conflicts, ethnic strife, and humanitarian disasters will continue to challenge U.S. and allied budgets and armed forces. The Department believes that the nations addressed in this Report have developed a heightened awareness of these challenges, and thus recognize the importance of increasing their efforts to share the roles, risks, and responsibilities of defending shared security interests. The Department is committed to continuing its efforts to convince allied and partner nations to maintain and increase their responsibility sharing contributions.

ANNEX

DATA NOTES, COUNTRY SUMMARIES, AND ADDITIONAL STATISTICS

This Annex is organized into four sections, described below.

A. Data Notes. This section presents sources and notes pertaining to the data used in the Report and summarized in this Annex.

B. Country Summaries. This section provides summary information for responsibility sharing contributions on a country-by-country basis.

Military forces measures shown in these tables reflect a country's share of total contributions relative to its share of ability to contribute. Thus, a ratio between 0.8 and 1.19 indicates that a country's contribution is roughly in balance with its ability to contribute. Generally speaking, the Department gives a nation credit for "substantial contributions" relative to its ability to contribute when it achieves a ratio of 1.2 or greater. Ratios below 0.8 indicate very low effort relative to ability to contribute.

Note: With the exception of cost sharing estimates, all dollar figures shown in the country summary charts are in 2002 dollars, using 2002 exchange rates. Cost sharing figures reflect 2001 contributions, and are calculated using 2001 dollars and exchange rates.

C. Selected Indicators. Data upon which many of the Report's assessments are based involve a comparison of a country's contributions relative to the total contributions of all nations in the Report. A country's *contribution* is expressed as a share of the total contributions of all nations in the Report (e.g., share of total defense spending, share of personnel contributions to multinational peace operations). These data are presented in Tables C-1 through C-4.

D. Additional Statistics. This section provides data values upon which many of the Selected Indicators are based. Most of the tables in this section also provide information such as subtotals and shares. The subtotals and grand total in Tables D-2, and D-5 are actually weighted averages. For example, the raw data for defense spending is summed for each group of nations and then divided by the sum of GDP for the same group of nations. This provides a more accurate figure than calculating an average based on the percentages portrayed.

A. DATA NOTES

The assessments presented in this Report are only as good as the data upon which they are based. The Department has every confidence that the data used for the assessments in this Report are as complete, current, and comprehensive as they can be, given the deadlines established in the legislation.

Data Sources

War on Terrorism data have been obtained from a wide variety of Unclassified sources including U.S. embassies, the U.S. Defense and State Departments, allied armed forces and defense ministry web pages, and the open press.

Defense spending data have been obtained from a variety of sources. NATO's 20 December 2002 Press Release: *Financial and Economic Data Relating to NATO Defence* (available on NATO's website at <http://www.nato.int/docu/pr/2002/p02-139e.htm>) is the primary source for past and current defense spending data for the NATO nations, including the United States. Sources of defense spending data for Japan, the Republic of Korea, and the GCC nations include U.S. embassies in these nations, recent national defense white papers (where available), and the International Institute for Strategic Studies' (IISS) *The Military Balance 2002-2003*.

For purposes of standardization and comparability, this Report presents defense spending figures using the NATO definition wherever possible. According to this approach, defense expenditures are defined as outlays made by national governments specifically to meet the needs of the armed forces. In this context, the term "national government" limits "defense expenditures" to those of central or federal governments, to the exclusion of state, provincial, local, or municipal authorities. Regardless of when payments are charged against the budget, defense expenditures for any given period include all payments made during that period. In cases where actual 2002 defense outlays are not available, final defense budget figures are substituted. War damage compensation, veterans' pensions, payments out of retirement accounts, and civil defense and stockpiling costs for industrial raw materials or semi-furnished products are not included in this definition of defense spending. Defense spending figures depicted in this Report for the United States are based on the NATO definition and therefore may differ somewhat from other U.S. defense spending figures provided to Congress or used within the Department of Defense. NATO's definition of defense spending includes spending on programs funded outside of the Department of Defense, namely, the Department of State's International Security Assistance Programs, and the defense-related portions of the Coast Guard and the Department of Energy.

GDP data for NATO members, Australia, the Republic of Korea, and Japan are taken from the Organization for Economic Cooperation and Development (OECD). GDP data for the GCC countries (which are not reported by OECD) are drawn from The Economist Intelligence Unit (EIU).

Multinational peace operations data includes a) 2002 funding contributions to UN peacekeeping operations and b) contributions of personnel (troops, military observers, and international police) to both UN and major non-UN peace operations as of

November 2002. UN personnel contributions data have been obtained from the *December 2002 Monthly Troop Contributors List* prepared by the UN's Department of Peacekeeping Operations, while those for the NATO-led peace operations in Bosnia and Kosovo (i.e., SFOR and KFOR) are based upon classified sources provided by the Department of Defense's Balkans Task Force. Funding data for UN peace operations have been obtained from the *Status of Contributions as at 31 December 2002* produced by the United Nations' Secretariat.

Combat forces data (ground, naval, and air) are based on information provided by nations under the Conventional Forces Europe (CFE) data exchange (for those forces limited by CFE), supplemented with data from responses to NATO's *Defense Planning Questionnaire* (for those nations that participate in NATO's integrated defense planning process), open sources (such as *Jane's Defense* publications and magazines and IISS' *The Military Balance 2002-2003*), and DoD sources.

Ground combat capability data includes major combat systems, including tanks, artillery, and attack helicopters for army and marine units. Armored vehicles, anti-tank weapons, mortars, small arms, and transport and combat service support assets are not included in this assessment. The quantity and quality of nations' equipment holdings are assessed using widely accepted static measures.

Naval combat, and mine countermeasures tonnage data includes aircraft carriers, attack submarines (non-strategic), principal surface combatants (cruisers, destroyers, frigates, and larger corvettes), mine warfare ships and craft (including mine layers), and patrol combatant ships for the combat, strike and defense category.

Combat aircraft capability data includes fixed-wing combat aircraft (air force, naval, and marine assets) in the following categories: fighter/interceptor, fighter/bomber, conventional bomber, and tactical fighter reconnaissance aircraft (including combat-capable trainer and electronic warfare aircraft). Not included are maritime patrol aircraft (MPA), anti-submarine warfare (ASW) aircraft, transports, air-to-air refueling aircraft, or any support or special mission aircraft. The quantity and quality of nations' equipment holdings are assessed using widely accepted static measures.

Military Mobility and Logistics Forces data (naval, and air) are based on information provided by nations under the Conventional Forces Europe (CFE) data exchange (for those forces limited by CFE), supplemented with data from responses to NATO's *Defense Planning Questionnaire* (for those nations that participate in NATO's integrated defense planning process), open sources (such as *Jane's Defense* publications and IISS' *The Military Balance 2002-2003*), and DoD sources.

Naval supply, tender and transport tonnage includes amphibious warfare ships, various types of tenders, landing ships, tankers, transports, and other support ships.

Military transport aircraft capacity data includes military fixed wing transport aircraft (air force, army, marine, and naval assets) to include multi-role tanker/transports. Not included are transport aircraft with maximum payload capacity less than 12,000 lbs, aircraft identified as VIP transport, government-owned aircraft operated in civilian markings, and commercial aircraft available under contract or national legislation in a time of war or national emergency. Transport capacity is derived from number and model of aircraft multiplied by cargo capacity measured in

short tons (maximum payload in pounds (lbs) (as stated in *Jane's All the Worlds Aircraft*) divided by 2,000).

Tanker aircraft fuel offload capacity data includes fixed wing air-to-air refueling aircraft (air force, naval, and marine assets) to include multi-role tanker/ transports. Fuel offload capacity is derived from number and model of aircraft multiplied by maximum fuel offload capacity measured in pounds (lbs) at a mission radius of 1000 nautical miles.

Defense modernization spending data portrays the percentage of NATO members' 2002 defense budgets that were devoted to major equipment procurement and research-and-development. These are derived from information contained in NATO's annual *Defense Planning Questionnaire*.

Cost sharing data have been obtained from U.S. embassies and DoD components, including the military departments and commands. DoD components also provide estimates of U.S. stationing costs by country. Cost sharing data and stationing cost estimates for a given year are collected by the Department during the spring of the following year, and are then evaluated and published as budget exhibits. Due to the Congressional deadline for this Report, the Department provides estimates for 2001 instead of 2002. A cost offset percentage cannot be calculated for Hungary and the United Arab Emirates due to lack of information regarding U.S. stationing costs in those countries. Canada, the Czech Republic, France, the Netherlands, and Poland do not provide host nation support and are thus not included in this analysis.

Bilateral cost sharing is divided into two categories, according to whether the costs are borne by the host nation on-budget (direct cost sharing), or as imputed values of forgone revenues (indirect cost sharing). Direct cost sharing includes costs borne by host nations in support of stationed U.S. forces for rents on privately owned land and facilities, labor, utilities, and vicinity improvements. Indirect cost sharing includes forgone rents and revenues, including rents on government-owned land and facilities occupied or used by U.S. forces at no or reduced cost to the United States, and tax concessions or customs duties waived by the host nation.

Foreign assistance data have been obtained from the OECD. The OECD's Development Assistance Committee (DAC) encourages commitments of international aid, coordinated aid policies, and consistent aid reporting. The DAC's definition of official development assistance (ODA) is recognized as the international standard for reporting aid provided to developing countries and multilateral institutions. This is immensely useful, since "aid" is an extremely broad term, and encompasses many different types of assistance, which can make contributions from various nations very difficult to compare directly.

The OECD has a 29-nation membership including all NATO countries, Japan, and the Republic of Korea. The OECD establishes economic and political conditions that nations must meet before receiving assistance (e.g., demonstrated commitment to political reform, and free and fair elections). Subsidies are provided in the form of trade and investment credits, grants, and loan guarantees, and are directed into areas such as food aid, medical supplies, and technical assistance in management training, privatization, bank and regulatory reform, environmental projects, market access/trade,

nuclear reactor safety, and democratic institution building. The OECD is also coordinating nuclear safety assistance to the New Independent States of the former Soviet Union (NIS).

Aid to 12 of the 22 emerging economies of Central Europe (including the Czech Republic, Hungary, and Poland) and the NIS does not qualify as official development assistance for OECD purposes, but instead is categorized as official aid (OA). Both categories, ODA and OA, cover identical types of assistance, with the only difference being the recipient nations. Other OA recipient nations include more advanced developing countries (e.g., Kuwait, Qatar, and the United Arab Emirates). Recipient nations move from one aid category to the other depending on their development status. Total foreign assistance evaluated in this Report is the sum of all ODA and OA.

Foreign assistance data in this Report cover the period 1995 through 2001. At this time, complete and reliable foreign assistance data are available only through 2001 due to complexities and delays in the OECD collection and reporting process, and data are still not complete for some countries for 1995-1997. Assistance data are not available for the Czech Republic or Poland for years covered in this Report prior to 1998. This is to be expected since these nations, along with Hungary, are primarily recipients of foreign assistance. This is also the case with Bahrain, Oman, and Qatar, for which no foreign assistance contributions are reported.

B. COUNTRY SUMMARIES

BELGIUM

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$247.6	 12
Per Capita GDP.....	\$24,075	 10
Defense Spending (2002)		
Total (Billions).....	\$3.21	 18
Percentage of GDP.....	1.30%	 23
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$15.45	
Funding Share/GDP Share.....	0.73	 16
2002 Total Personnel.....	646	
Personnel Share/Labor Force Share.....	1.52	 10
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	0.51	 22
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	0.27	 23
Combat Aircraft Capability Share/GDP Share.....	1.01	 15
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.07	 21
Transport Aircraft Capacity Share/GDP Share.....	0.40	 11
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.00	 11 (tied for last)
Foreign Assistance		
2001 Total (Millions).....	\$1,011.01	 13
1999-2001 Average Percentage of GDP.....	0.38%	 7
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	\$0.17	
Indirect Support.....	\$54.35	
Total.....	\$54.53	
U.S. Stationing Cost Offset Percentage.....	40.1%	

CANADA

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$726.9	7
Per Capita GDP.....	\$23,171	12
Defense Spending (2002)		
Total (Billions).....	\$8.17	10
Percentage of GDP.....	1.12%	25
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$47.08	
Funding Share/GDP Share.....	0.76	13
2002 Total Personnel.....	1,457	
Personnel Share/Labor Force Share.....	0.93	18
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	0.15	26
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	0.80	16
Combat Aircraft Capability Share/GDP Share.....	0.45	24
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.24	15
Transport Aircraft Capacity Share/GDP Share.....	0.40	10
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.11	10
Foreign Assistance		
2001 Total (Millions).....	\$1,774.26	10
1999-2001 Average Percentage of GDP.....	0.28%	11
Host Nation Support/ Defense Cost Sharing (2001) (Millions)		
Direct Support.....	}	<u>Not Applicable</u>
Indirect Support.....		
Total.....		
U.S. Stationing Cost Offset Percentage.....		

CZECH REPUBLIC

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$69.2	20
Per Capita GDP.....	\$6,720	24
Defense Spending (2002)		
Total (Billions).....	\$1.48	24
Percentage of GDP.....	2.14%	14
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$1.04	
Funding Share/GDP Share.....	0.18	24
2002 Total Personnel.....	604	
Personnel Share/Labor Force Share.....	1.25	14
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	6.77	5
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	0.00	26 (tied for last)
Combat Aircraft Capability Share/GDP Share.....	1.19	12
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.00	24 (tied for last)
Transport Aircraft Capacity Share/GDP Share.....	0.37	13
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.00	11 (tied for last)
Foreign Assistance		
2001 Total (Millions).....	\$35.73	23
1999-2001 Average Percentage of GDP.....	0.04%	22
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	}	<u>Not Applicable</u>
Indirect Support.....		
Total.....		
U.S. Stationing Cost Offset Percentage.....		

DENMARK

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$175.3	17
Per Capita GDP.....	\$32,586	4
Defense Spending (2002)		
Total (Billions).....	\$2.71	21
Percentage of GDP.....	1.55%	21
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$14.00	
Funding Share/GDP Share.....	0.93	9
2002 Total Personnel.....	869	
Personnel Share/Labor Force Share.....	3.21	3
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	1.38	13
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	1.25	8
Combat Aircraft Capability Share/GDP Share.....	1.04	14
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.02	23
Transport Aircraft Capacity Share/GDP Share.....	0.12	23
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.00	11 (tied for last)
Foreign Assistance		
2001 Total (Millions).....	\$1,895.76	8
1999-2001 Average Percentage of GDP.....	1.09%	1
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	\$0.02	
Indirect Support.....	\$0.05	
Total.....	\$0.07	
U.S. Stationing Cost Offset Percentage.....	0.1%	

FRANCE

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$1,417.6	5
Per Capita GDP.....	\$23,863	11
Defense Spending (2002)		
Total (Billions).....	\$35.53	4
Percentage of GDP.....	2.51%	11
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$251.56	
Funding Share/GDP Share.....	2.08	2
2002 Total Personnel.....	6,624	
Personnel Share/Labor Force Share.....	2.60	5
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	0.57	20
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	0.79	17
Combat Aircraft Capability Share/GDP Share.....	0.91	17
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.36	13
Transport Aircraft Capacity Share/GDP Share.....	0.37	12
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.38	6
Foreign Assistance		
2001 Total (Millions).....	\$5,798.21	4
1999-2001 Average Percentage of GDP.....	0.43%	5
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	}	<u>Not Applicable</u>
Indirect Support.....		
Total.....		
U.S. Stationing Cost Offset Percentage.....		

GERMANY

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$1,987.0	3
Per Capita GDP.....	\$24,116	9
Defense Spending (2002)		
Total (Billions).....	\$29.42	5
Percentage of GDP.....	1.48%	22
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$186.06	
Funding Share/GDP Share.....	1.10	6
2002 Total Personnel.....	6,841	
Personnel Share/Labor Force Share.....	1.72	9
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	0.98	15
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	0.26	24
Combat Aircraft Capability Share/GDP Share.....	0.60	22
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.20	16
Transport Aircraft Capacity Share/GDP Share.....	0.25	15
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.00	11 (tied for last)
Foreign Assistance		
2001 Total (Millions).....	\$5,936.26	3
1999-2001 Average Percentage of GDP.....	0.30%	10
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	\$8.21	
Indirect Support.....	\$853.45	
Total.....	\$861.66	
U.S. Stationing Cost Offset Percentage.....	21.1%	

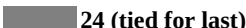
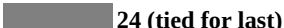
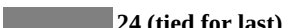
GREECE

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$131.9	18
Per Capita GDP.....	\$12,383	18
Defense Spending (2002)		
Total (Billions).....	\$5.75	14
Percentage of GDP.....	4.36%	7
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$13.72	
Funding Share/GDP Share.....	1.22	5
2002 Total Personnel.....	1,382	
Personnel Share/Labor Force Share.....	3.34	2
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	8.42	4
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	4.11	2
Combat Aircraft Capability Share/GDP Share.....	5.81	2
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	1.86	3
Transport Aircraft Capacity Share/GDP Share.....	0.84	6
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.00	11 (tied for last)
Foreign Assistance		
2001 Total (Millions).....	\$226.55	17
1999-2001 Average Percentage of GDP.....	0.18%	16
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	\$0.47	
Indirect Support.....	\$17.27	
Total.....	\$17.74	
U.S. Stationing Cost Offset Percentage.....	42.1%	

HUNGARY

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$64.3	 22
Per Capita GDP.....	\$6,316	 25
Defense Spending (2002)		
Total (Billions).....	\$1.14	 25
Percentage of GDP.....	1.77%	 19
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$0.91	
Funding Share/GDP Share.....	0.17	 25
2002 Total Personnel.....	668	
Personnel Share/Labor Force Share.....	1.77	 8
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	3.46	 10
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	0.02	 25 (tied for last)
Combat Aircraft Capability Share/GDP Share.....	1.12	 13
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.00	 24 (tied for last)
Transport Aircraft Capacity Share/GDP Share.....	0.12	 22
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.00	 11 (tied for last)
Foreign Assistance		
2001 Total (Millions).....	\$0.00	 24 (tied for last)
1999-2001 Average Percentage of GDP.....	0.00%	 24 (tied for last)
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	\$0.00	
Indirect Support.....	\$2.40	
Total.....	\$2.40	
U.S. Stationing Cost Offset Percentage.....	Not available	

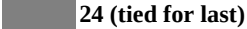
ITALY

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$1,174.7	 6
Per Capita GDP.....	\$20,448	 13
Defense Spending (2002)		
Total (Billions).....	\$22.64	 7
Percentage of GDP.....	1.93%	 17
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$83.64	
Funding Share/GDP Share.....	0.83	 11
2002 Total Personnel.....	6,295	
Personnel Share/Labor Force Share.....	2.79	 4
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	0.34	 24
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	0.61	 20
Combat Aircraft Capability Share/GDP Share.....	0.53	 23
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.20	 17
Transport Aircraft Capacity Share/GDP Share.....	0.22	 17
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.27	 9
Foreign Assistance		
2001 Total (Millions).....	\$2,010.56	 7
1999-2001 Average Percentage of GDP.....	0.16%	 18
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	\$2.90	
Indirect Support.....	\$321.13	
Total.....	\$324.03	
U.S. Stationing Cost Offset Percentage.....	34.0%	

LUXEMBOURG

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$20.4	 24
Per Capita GDP.....	\$45,683	 1
Defense Spending (2002)		
Total (Billions).....	\$0.18	 27
Percentage of GDP.....	0.89%	 27
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$1.44	
Funding Share/GDP Share.....	0.82	 12
2002 Total Personnel.....	25	
Personnel Share/Labor Force Share.....	1.34	 11
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	0.00	 27
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	0.00	 26 (tied for last)
Combat Aircraft Capability Share/GDP Share.....	0.00	 27
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.00	 24 (tied for last)
Transport Aircraft Capacity Share/GDP Share.....	0.00	 25 (tied for last)
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.00	 11 (tied for last)
Foreign Assistance		
2001 Total (Millions).....	\$153.95	 19
1999-2001 Average Percentage of GDP.....	0.68%	 4
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	\$1.11	
Indirect Support.....	\$18.72	
Total.....	\$19.83	
U.S. Stationing Cost Offset Percentage.....	76.8%	

NETHERLANDS

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$419.5	10
Per Capita GDP.....	\$26,079	7
Defense Spending (2002)		
Total (Billions).....	\$6.85	13
Percentage of GDP.....	1.63%	20
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$36.71	
Funding Share/GDP Share.....	1.02	7
2002 Total Personnel.....	1,348	
Personnel Share/Labor Force Share.....	1.95	7
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	0.96	16
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	0.86	15
Combat Aircraft Capability Share/GDP Share.....	1.19	11
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.42	11
Transport Aircraft Capacity Share/GDP Share.....	0.20	19
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.32	7
Foreign Assistance		
2001 Total (Millions).....	\$3,616.90	6
1999-2001 Average Percentage of GDP.....	0.85%	2
Host Nation Support/ Defense Cost Sharing (2001) (Millions)		
Direct Support.....	}	Not Applicable
Indirect Support.....		
Total.....		
U.S. Stationing Cost Offset Percentage.....		

NORWAY

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$192.3	 13
Per Capita GDP.....	\$42,345	 2
Defense Spending (2002)		
Total (Billions).....	\$3.62	 16
Percentage of GDP.....	1.88%	 18
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$12.09	
Funding Share/GDP Share.....	0.74	 15
2002 Total Personnel.....	994	
Personnel Share/Labor Force Share.....	4.41	 1
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	1.16	 14
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	0.63	 19
Combat Aircraft Capability Share/GDP Share.....	1.01	 16
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.14	 18
Transport Aircraft Capacity Share/GDP Share.....	0.21	 18
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.00	 11 (tied for last)
Foreign Assistance		
2001 Total (Millions).....	\$1,408.48	 11
1999-2001 Average Percentage of GDP.....	0.75%	 3
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	\$10.31	
Indirect Support.....	\$0.00	
Total.....	\$10.31	
U.S. Stationing Cost Offset Percentage.....	94.5%	

POLAND

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$182.0	16
Per Capita GDP.....	\$4,709	26
Defense Spending (2002)		
Total (Billions).....	\$3.59	17
Percentage of GDP.....	1.97%	15
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$0.00	
Funding Share/GDP Share.....	0.00	27
2002 Total Personnel.....	1,575	
Personnel Share/Labor Force Share.....	0.97	17
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	4.91	9
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	0.97	12
Combat Aircraft Capability Share/GDP Share.....	1.28	9
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.37	12
Transport Aircraft Capacity Share/GDP Share.....	0.19	20
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.00	11 (tied for last)
Foreign Assistance		
2001 Total (Millions).....	\$42.16	22
1999-2001 Average Percentage of GDP.....	0.02%	23
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	}	
Indirect Support.....		
Total.....		
U.S. Stationing Cost Offset Percentage.....		<u>Not Applicable</u>

PORTUGAL

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$120.7	 19
Per Capita GDP.....	\$11,951	 20
Defense Spending (2002)		
Total (Billions).....	\$2.76	 20
Percentage of GDP.....	2.29%	 13
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$21.63	
Funding Share/GDP Share.....	2.10	 1
2002 Total Personnel.....	1,048	
Personnel Share/Labor Force Share.....	2.11	 6
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	0.78	 18
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	1.75	 5
Combat Aircraft Capability Share/GDP Share.....	0.42	 25
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.35	 14
Transport Aircraft Capacity Share/GDP Share.....	0.33	 14
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.00	 11 (tied for last)
Foreign Assistance		
2001 Total (Millions).....	\$316.15	 15
1999-2001 Average Percentage of GDP.....	0.26%	 13
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	\$1.71	
Indirect Support.....	\$2.39	
Total.....	\$4.11	
U.S. Stationing Cost Offset Percentage.....	5.4%	

SPAIN

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$643.3	 8
Per Capita GDP.....	\$15,917	 16
Defense Spending (2002)		
Total (Billions).....	\$7.72	 12
Percentage of GDP.....	1.20%	 24
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$78.86	
Funding Share/GDP Share.....	1.43	 4
2002 Total Personnel.....	2,180	
Personnel Share/Labor Force Share.....	1.26	 13
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	0.67	 19
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	0.92	 13
Combat Aircraft Capability Share/GDP Share.....	0.71	 20
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.48	 9
Transport Aircraft Capacity Share/GDP Share.....	0.23	 16
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.32	 8
Foreign Assistance		
2001 Total (Millions).....	\$1,857.61	 9
1999-2001 Average Percentage of GDP.....	0.24%	 14
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	\$0.00	
Indirect Support.....	\$119.58	
Total.....	\$119.58	
U.S. Stationing Cost Offset Percentage.....	54.7%	

TURKEY

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$185.9	 14
Per Capita GDP.....	\$2,663	 27
Defense Spending (2002)		
Total (Billions).....	\$9.04	 9
Percentage of GDP.....	4.86%	 5
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$3.04	
Funding Share/GDP Share.....	0.19	 22
2002 Total Personnel.....	2,731	
Personnel Share/Labor Force Share.....	1.28	 12
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	8.52	 3
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	3.82	 3
Combat Aircraft Capability Share/GDP Share.....	5.41	 3
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	2.00	 1
Transport Aircraft Capacity Share/GDP Share.....	2.14	 1
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	1.30	 3
Foreign Assistance		
2001 Total (Millions).....	\$198.96	 18
1999-2001 Average Percentage of GDP.....	0.13%	 20
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	\$0.00	
Indirect Support.....	\$13.55	
Total.....	\$13.55	
U.S. Stationing Cost Offset Percentage.....	10.8%	

UNITED KINGDOM

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$1,548.9	 4
Per Capita GDP.....	\$25,709	 8
Defense Spending (2002)		
Total (Billions).....	\$36.83	 3
Percentage of GDP.....	2.38%	 12
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$127.26	
Funding Share/GDP Share.....	0.96	 8
2002 Total Personnel.....	3,554	
Personnel Share/Labor Force Share.....	1.25	 15
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	0.55	 21
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	1.06	 9
Combat Aircraft Capability Share/GDP Share.....	0.80	 19
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.94	 4
Transport Aircraft Capacity Share/GDP Share.....	0.44	 9
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.44	 4
Foreign Assistance		
2001 Total (Millions).....	\$5,465.75	 5
1999-2001 Average Percentage of GDP.....	0.32%	 9
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	\$20.06	
Indirect Support.....	\$113.84	
Total.....	\$133.90	
U.S. Stationing Cost Offset Percentage.....	15.4%	

UNITED STATES

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$10,430.4	1
Per Capita GDP.....	\$36,197	3
Defense Spending (2002)		
Total (Billions).....	\$350.86	1
Percentage of GDP.....	3.36%	9
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$669.51	
Funding Share/GDP Share.....	0.75	14
2002 Total Personnel.....	5,312	
Personnel Share/Labor Force Share.....	0.39	19
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	0.95	17
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	1.35	6
Combat Aircraft Capability Share/GDP Share.....	1.22	10
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	1.90	2
Transport Aircraft Capacity Share/GDP Share.....	1.98	2
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	2.12	2
Foreign Assistance		
2001 Total (Millions).....	\$13,115.39	1
1999-2001 Average Percentage of GDP.....	0.13%	19
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	}	<u>Not Applicable</u>
Indirect Support.....		
Total.....		
U.S. Stationing Cost Offset Percentage.....		

AUSTRALIA

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$401.2	11
Per Capita GDP.....	\$20,330	14
Defense Spending (2002)		
Total (Billions).....	\$7.76	11
Percentage of GDP.....	1.94%	16
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$30.42	
Funding Share/GDP Share.....	0.89	10
2002 Total Personnel.....	950	
Personnel Share/Labor Force Share.....	1.01	16
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	0.35	23
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	0.99	11
Combat Aircraft Capability Share/GDP Share.....	0.84	18
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.78	6
Transport Aircraft Capacity Share/GDP Share.....	0.51	8
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.43	5
Foreign Assistance		
2001 Total (Millions).....	\$1,012.44	12
1999-2001 Average Percentage of GDP.....	0.27%	12
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	}	
Indirect Support.....		
Total.....		
<u>Not Applicable</u>		
U.S. Stationing Cost Offset Percentage.....		

JAPAN

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$3,967.1	 2
Per Capita GDP.....	\$31,121	 5
Defense Spending (2002)		
Total (Billions).....	\$39.40	 2
Percentage of GDP.....	0.99%	 26
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$519.54	
Funding Share/GDP Share.....	1.53	 3
2002 Total Personnel.....	680	
Personnel Share/Labor Force Share.....	0.11	 21
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	0.23	 25
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	0.47	 22
Combat Aircraft Capability Share/GDP Share.....	0.26	 26
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.09	 20
Transport Aircraft Capacity Share/GDP Share.....	0.06	 24
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.00	 11 (tied for last)
Foreign Assistance		
2001 Total (Millions).....	\$11,074.66	 2
1999-2001 Average Percentage of GDP.....	0.33%	 8
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	\$3,456.63	
Indirect Support.....	\$1,158.22	
Total.....	\$4,614.85	
U.S. Stationing Cost Offset Percentage.....	75.3%	

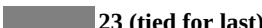
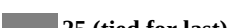
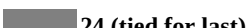
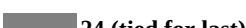
REPUBLIC OF KOREA

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$471.4	 9
Per Capita GDP.....	\$9,858	 21
Defense Spending (2002)		
Total (Billions).....	\$13.17	 8
Percentage of GDP.....	2.79%	 10
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$9.50	
Funding Share/GDP Share.....	0.24	 19
2002 Total Personnel.....	473	
Personnel Share/Labor Force Share.....	0.22	 20
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	5.14	 8
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	1.32	 7
Combat Aircraft Capability Share/GDP Share.....	2.09	 7
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.52	 8
Transport Aircraft Capacity Share/GDP Share.....	0.17	 21
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.00	 11 (tied for last)
Foreign Assistance		
2001 Total (Millions).....	\$314.78	 16
1999-2001 Average Percentage of GDP.....	0.07%	 21
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	\$420.33	
Indirect Support.....	\$384.65	
Total.....	\$804.98	
U.S. Stationing Cost Offset Percentage.....	38.9%	

BAHRAIN

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$8.9	 27
Per Capita GDP.....	\$12,018	 19
Defense Spending (2002)		
Total (Billions).....	\$0.37	 26
Percentage of GDP.....	4.19%	 8
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$0.17	
Funding Share/GDP Share.....	0.23	 20
2002 Total Personnel.....	0	
Personnel Share/Labor Force Share.....	0.00	 23 (tied for last)
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	9.99	 2
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	4.20	 1
Combat Aircraft Capability Share/GDP Share.....	9.91	 1
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.58	 7
Transport Aircraft Capacity Share/GDP Share.....	0.00	 25 (tied for last)
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.00	 11 (tied for last)
Foreign Assistance		
2001 Total (Millions).....	\$0.00	 24 (tied for last)
1999-2001 Average Percentage of GDP.....	0.00%	 24 (tied for last)
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	\$2.00	
Indirect Support.....	\$20.18	
Total.....	\$22.18	
U.S. Stationing Cost Offset Percentage.....	33.2%	

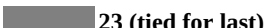
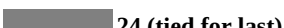
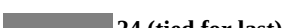
KUWAIT

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$34.1	23
Per Capita GDP.....	\$14,281	17
Defense Spending (2002)		
Total (Billions).....	\$4.93	15
Percentage of GDP.....	14.46%	1
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$1.72	
Funding Share/GDP Share.....	0.59	17
2002 Total Personnel.....	0	
Personnel Share/Labor Force Share.....	0.00	23 (tied for last)
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	10.14	1
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	0.60	21
Combat Aircraft Capability Share/GDP Share.....	4.13	5
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.04	22
Transport Aircraft Capacity Share/GDP Share.....	0.60	7
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.00	11 (tied for last)
Foreign Assistance		
2001 Total (Millions).....	\$73.19	21
1999-2001 Average Percentage of GDP.....	0.38%	6
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	\$239.08	
Indirect Support.....	\$8.55	
Total.....	\$247.63	
U.S. Stationing Cost Offset Percentage.....	51.4%	

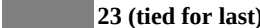
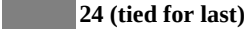
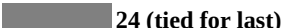
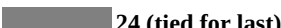
OMAN

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$20.4	 25
Per Capita GDP.....	\$7,990	 23
Defense Spending (2002)		
Total (Billions).....	\$2.23	 22
Percentage of GDP.....	10.96%	 3
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$0.38	
Funding Share/GDP Share.....	0.22	 21
2002 Total Personnel.....	0	
Personnel Share/Labor Force Share.....	0.00	 23 (tied for last)
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	5.27	 7
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	2.03	 4
Combat Aircraft Capability Share/GDP Share.....	1.38	 8
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.86	 5
Transport Aircraft Capacity Share/GDP Share.....	1.52	 4
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.00	 11 (tied for last)
Foreign Assistance		
2001 Total (Millions).....	\$0.00	 24 (tied for last)
1999-2001 Average Percentage of GDP.....	0.00%	 24 (tied for last)
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	\$0.00	
Indirect Support.....	\$29.74	
Total.....	\$29.74	
U.S. Stationing Cost Offset Percentage.....	78.8%	

QATAR

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$17.6	 26
Per Capita GDP.....	\$29,277	 6
Defense Spending (2002)		
Total (Billions).....	\$1.65	 23
Percentage of GDP.....	9.38%	 4
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$0.38	
Funding Share/GDP Share.....	0.25	 18
2002 Total Personnel.....	0	
Personnel Share/Labor Force Share.....	0.00	 23 (tied for last)
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	1.56	 12
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	0.89	 14
Combat Aircraft Capability Share/GDP Share.....	2.40	 6
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.00	 24 (tied for last)
Transport Aircraft Capacity Share/GDP Share.....	0.00	 25 (tied for last)
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.00	 11 (tied for last)
Foreign Assistance		
2001 Total (Millions).....	\$0.00	 24 (tied for last)
1999-2001 Average Percentage of GDP.....	0.00%	 24 (tied for last)
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	\$0.00	
Indirect Support.....	\$17.59	
Total.....	\$17.59	
U.S. Stationing Cost Offset Percentage.....	40.7%	

SAUDI ARABIA

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$185.6	15
Per Capita GDP.....	\$8,554	22
Defense Spending (2002)		
Total (Billions).....	\$24.75	6
Percentage of GDP.....	13.33%	2
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$2.94	
Funding Share/GDP Share.....	0.19	23
2002 Total Personnel.....	0	
Personnel Share/Labor Force Share.....	0.00	23 (tied for last)
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	3.40	11
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	0.76	18
Combat Aircraft Capability Share/GDP Share.....	5.36	4
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.45	10
Transport Aircraft Capacity Share/GDP Share.....	1.80	3
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	2.53	1
Foreign Assistance		
2001 Total (Millions).....	\$485.99	14
1999-2001 Average Percentage of GDP.....	0.18%	17
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	\$4.76	
Indirect Support.....	\$68.90	
Total.....	\$73.66	
U.S. Stationing Cost Offset Percentage.....	54.3%	

UNITED ARAB EMIRATES

Selected Country Responsibility Sharing Indicators and Contributions

Statistics	Value	Rank Among 27 Nations Addressed in this Report
Gross Domestic Product (2002)		
Total (Billions).....	\$67.4	 21
Per Capita GDP.....	\$19,475	 15
Defense Spending (2002)		
Total (Billions).....	\$3.13	 19
Percentage of GDP.....	4.65%	 6
Multinational Peace Support Operations (2001-2002)		
2002 Total Funding (Millions).....	\$0.81	
Funding Share/GDP Share.....	0.14	 26
2002 Total Personnel.....	5	
Personnel Share/Labor Force Share.....	0.03	 22
Combat Forces Measures (2002)		
Ground Combat Capability Share/GDP Share.....	5.78	 6
Naval Combat/Mine Countermeasures Tonnage Share/GDP Share.....	1.01	 10
Combat Aircraft Capability Share/GDP Share.....	0.69	 21
Mobility/Lift Forces Measures (2002)		
Naval Supply, Tender, and Transport Tonnage / GDP Share.....	0.10	 19
Transport Aircraft Capacity Share/GDP Share.....	0.92	 5
Tanker Aircraft Fuel Offload Capacity Share/GDP Share.....	0.00	 11 (tied for last)
Foreign Assistance		
2001 Total (Millions).....	\$124.36	 20
1999-2001 Average Percentage of GDP.....	0.19%	 15
Host Nation Support/ Defense Cost Sharing (2001)		
(Millions)		
Direct Support.....	\$0.08	
Indirect Support.....	\$74.01	
Total.....	\$74.09	
U.S. Stationing Cost Offset Percentage.....	Not available	

C. SELECTED INDICATORS

Table C-1
Selected Indicators of Contributions

Rank	Defense Spending Share 2002	UN Peace Operations Funding Share 2002	Multinational Peace Operations Personnel Share 2002
1	United States 55.79%	United States 31.43%	Germany 14.79%
2	Japan 6.26%	Japan 24.39%	France 14.32%
3	United Kingdom 5.86%	France 11.81%	Italy 13.61%
4	France 5.65%	Germany 8.74%	United States 11.48%
5	Germany 4.68%	United Kingdom 5.97%	United Kingdom 7.68%
6	Saudi Arabia 3.94%	Italy 3.93%	Turkey 5.90%
7	Italy 3.60%	Spain 3.70%	Spain 4.71%
8	Republic of Korea 2.09%	Canada 2.21%	Poland 3.40%
9	Turkey 1.44%	Netherlands 1.72%	Canada 3.15%
10	Canada 1.30%	Australia 1.43%	Greece 2.99%
11	Australia 1.23%	Portugal 1.02%	Netherlands 2.91%
12	Spain 1.23%	Belgium 0.73%	Portugal 2.27%
13	Netherlands 1.09%	Denmark 0.66%	Norway 2.15%
14	Greece 0.91%	Greece 0.64%	Australia 2.05%
15	Kuwait 0.78%	Norway 0.57%	Denmark 1.88%
16	Norway 0.57%	Republic of Korea 0.45%	Japan 1.47%
17	Poland 0.57%	Turkey 0.14%	Hungary 1.44%
18	Belgium 0.51%	Saudi Arabia 0.14%	Belgium 1.40%
19	United Arab Emirates 0.50%	Kuwait 0.08%	Czech Republic 1.31%
20	Portugal 0.44%	Luxembourg 0.07%	Republic of Korea 1.02%
21	Denmark 0.43%	Czech Republic 0.05%	Luxembourg 0.05%
22	Oman 0.36%	Hungary 0.04%	United Arab Emirates 0.01%
23	Qatar 0.26%	United Arab Emirates 0.04%	Bahrain 0.00%
24	Czech Republic 0.24%	Oman 0.02%	Kuwait 0.00%
25	Hungary 0.18%	Qatar 0.02%	Oman 0.00%
26	Bahrain 0.06%	Bahrain 0.01%	Qatar 0.00%
27	Luxembourg 0.03%	Poland 0.00%	Saudi Arabia 0.00%
Non-U.S. NATO	28.72%	42.00%	83.96%
NATO	84.51%	73.43%	95.44%
Pacific Allies	9.59%	26.27%	4.55%
GCC	5.89%	0.30%	0.01%
Total Allies	44.21%	68.57%	88.52%
Grand Total	100.00%	100.00%	100.00%

Table C-2
Selected Indicators of Contributions

Rank		Ground Combat Capability Share 2002		Naval Combat, and Mine Countermeasures Tonnage 2002		Combat Aircraft Capability Share 2002
1	United States	39.93%	United States	56.60%	United States	51.23%
2	Republic of Korea	9.72%	Japan	7.56%	France	5.17%
3	Germany	7.84%	United Kingdom	6.59%	United Kingdom	5.00%
4	Turkey	6.36%	France	4.50%	Germany	4.75%
5	Greece	4.46%	Italy	2.86%	Japan	4.14%
6	Japan	3.59%	Turkey	2.85%	Turkey	4.04%
7	Poland	3.58%	Republic of Korea	2.50%	Saudi Arabia	4.00%
8	United Kingdom	3.43%	Spain	2.39%	Republic of Korea	3.95%
9	France	3.23%	Canada	2.33%	Greece	3.08%
10	Saudi Arabia	2.53%	Greece	2.18%	Italy	2.50%
11	Czech Republic	1.88%	Germany	2.09%	Netherlands	2.01%
12	Spain	1.73%	Australia	1.59%	Spain	1.83%
13	Netherlands	1.62%	Netherlands	1.45%	Australia	1.36%
14	Italy	1.62%	Denmark	0.88%	Canada	1.30%
15	United Arab Emirates	1.56%	Portugal	0.85%	Belgium	1.01%
16	Kuwait	1.39%	Poland	0.71%	Poland	0.93%
17	Denmark	0.97%	Saudi Arabia	0.56%	Norway	0.78%
18	Hungary	0.89%	Norway	0.49%	Denmark	0.73%
19	Norway	0.89%	United Arab Emirates	0.27%	Kuwait	0.57%
20	Australia	0.56%	Belgium	0.27%	Bahrain	0.35%
21	Belgium	0.51%	Oman	0.17%	Czech Republic	0.33%
22	Canada	0.44%	Bahrain	0.15%	Hungary	0.29%
23	Oman	0.43%	Kuwait	0.08%	Portugal	0.20%
24	Portugal	0.38%	Qatar	0.06%	United Arab Emirates	0.19%
25	Bahrain	0.36%	Hungary	0.01%	Qatar	0.17%
26	Qatar	0.11%	Czech Republic	0.00%	Oman	0.11%
27	Luxembourg	0.00%	Luxembourg	0.00%	Luxembourg	0.00%
Non-U.S. NATO		39.82%		30.44%		33.93%
NATO		79.76%		87.05%		85.17%
Pacific Allies		13.86%		11.65%		9.45%
GCC		6.38%		1.30%		5.38%
Total Allies		60.07%		43.40%		48.77%
Grand Total		100.00%		100.00%		100.00%

Table C-3
Selected Indicators of Contributions

Rank	Naval		Military		Military	
	Supply, Tender and Transport Tonnage Share 2002		Transport Aircraft Capacity Share 2002		Tanker Aircraft Fuel Offload Capacity Share 2002	
1	United States	79.64%	United States	83.01%	United States	88.56%
2	United Kingdom	5.82%	United Kingdom	2.73%	United Kingdom	2.73%
3	France	2.06%	France	2.13%	France	2.19%
4	Germany	1.61%	Germany	1.98%	Saudi Arabia	1.89%
5	Turkey	1.49%	Turkey	1.60%	Italy	1.27%
6	Japan	1.47%	Saudi Arabia	1.34%	Turkey	0.97%
7	Australia	1.26%	Canada	1.18%	Spain	0.83%
8	Spain	1.24%	Italy	1.02%	Australia	0.69%
9	Greece	0.99%	Japan	0.95%	Netherlands	0.54%
10	Republic of Korea	0.99%	Australia	0.83%	Canada	0.33%
11	Italy	0.95%	Spain	0.60%	Bahrain	0.00%
12	Netherlands	0.71%	Greece	0.45%	Belgium	0.00%
13	Canada	0.69%	Belgium	0.40%	Czech Republic	0.00%
14	Saudi Arabia	0.33%	Netherlands	0.33%	Denmark	0.00%
15	Poland	0.27%	Republic of Korea	0.32%	Germany	0.00%
16	Portugal	0.17%	United Arab Emirates	0.25%	Greece	0.00%
17	Norway	0.11%	Norway	0.17%	Hungary	0.00%
18	Belgium	0.07%	Portugal	0.16%	Japan	0.00%
19	Oman	0.07%	Poland	0.14%	Kuwait	0.00%
20	United Arab Emirates	0.03%	Oman	0.12%	Luxembourg	0.00%
21	Bahrain	0.02%	Czech Republic	0.10%	Norway	0.00%
22	Denmark	0.01%	Denmark	0.08%	Oman	0.00%
23	Kuwait	0.01%	Kuwait	0.08%	Poland	0.00%
24	Czech Republic	0.00%	Hungary	0.03%	Portugal	0.00%
25	Hungary	0.00%	Bahrain	0.00%	Qatar	0.00%
26	Luxembourg	0.00%	Luxembourg	0.00%	Republic of Korea	0.00%
27	Qatar	0.00%	Qatar	0.00%	United Arab Emirates	0.00%
Non-U.S. NATO		16.19%		13.09%		8.87%
NATO		95.82%		96.10%		97.43%
Pacific Allies		3.72%		2.10%		0.69%
GCC		0.46%		1.80%		1.89%
Total Allies		20.36%		16.99%		11.44%
Grand Total		100.00%		100.00%		100.00%

Table C-4
Selected Indicators of Contributions

Rank	Defense Spending For Modernization		Foreign Assistance Funding	
	Share 2002		Share 1999 - 2001*	
1	United States	74.16%	Japan	22.62%
2	United Kingdom	7.95%	United States	22.40%
3	France	5.25%	France	9.94%
4	Germany	2.80%	Germany	9.86%
5	Italy	2.27%	United Kingdom	8.25%
6	Turkey	2.25%	Netherlands	5.96%
7	Netherlands	0.90%	Canada	3.24%
8	Canada	0.90%	Italy	3.21%
9	Spain	0.82%	Denmark	3.16%
10	Norway	0.66%	Spain	2.54%
11	Greece	0.62%	Norway	2.38%
12	Denmark	0.36%	Australia	1.73%
13	Belgium	0.34%	Belgium	1.55%
14	Poland	0.28%	Saudi Arabia	0.55%
15	Czech Republic	0.20%	Portugal	0.53%
16	Portugal	0.12%	Republic of Korea	0.51%
17	Hungary	0.10%	Turkey	0.40%
18	Luxembourg	0.03%	Greece	0.38%
19			Luxembourg	0.23%
20			Kuwait	0.22%
21			United Arab Emirates	0.21%
22			Poland	0.07%
23			Czech Republic	0.04%
24			Bahrain	0.00%
25			Hungary	0.00%
26			Oman	0.00%
27			Qatar	0.00%
Non-U.S. NATO		25.84%		51.75%
NATO		100.00%		74.15%
Pacific Allies		N/A		24.87%
GCC		N/A		0.98%
Total Allies		25.84%		77.60%
Grand Total		100.00%		100.00%

* Foreign Assistance Funding Share does not include data from Hungary, Bahrain, Oman, and Qatar.

D. ADDITIONAL STATISTICS

Table D-1
Gross Domestic Product (GDP)
(2002 Dollars in Billions - 2002 Exchange Rates)

	1995	1997	1998	1999	2000	2001	2002	% Change 01-02	% Change 95-02
United States	8,346.0	9,026.9	9,413.4	9,800.6	10,168.3	10,194.0	10,430.4	2.3	25.0
<i>NATO Allies</i>									
Belgium	213.2	223.4	228.0	235.3	243.9	245.9	247.6	0.7	16.1
Canada	570.6	604.3	629.1	663.0	693.0	703.4	726.9	3.3	27.4
Czech Republic*	N/A	N/A	N/A	63.3	65.4	67.5	69.2	2.5	N/A
Denmark	150.1	158.4	162.3	166.1	171.1	172.7	175.3	1.5	16.8
France	1,202.9	1,238.4	1,282.2	1,323.1	1,378.2	1,403.0	1,417.6	1.0	17.8
Germany	1,800.5	1,839.6	1,875.6	1,913.9	1,968.6	1,979.9	1,987.0	0.4	10.4
Greece	103.4	109.7	113.4	117.4	122.4	127.4	131.9	3.6	27.6
Hungary*	N/A	N/A	N/A	57.1	60.1	62.4	64.3	3.1	N/A
Italy	1,049.2	1,082.2	1,101.6	1,119.1	1,151.2	1,171.7	1,174.7	0.3	12.0
Luxembourg	14.5	16.1	17.4	18.4	20.0	20.3	20.4	0.8	41.3
Netherlands	344.9	369.1	385.1	400.5	413.8	419.0	419.5	0.1	21.6
Norway	159.7	175.3	179.6	181.5	185.9	188.6	192.3	2.0	20.4
Poland*	N/A	N/A	N/A	171.3	178.2	179.9	182.0	1.2	N/A
Portugal	97.6	105.1	109.9	114.1	118.3	120.2	120.7	0.4	23.6
Spain	509.8	543.2	566.8	590.6	615.3	631.8	643.3	1.8	26.2
Turkey	159.6	183.6	189.3	180.4	193.6	179.3	185.9	3.7	16.5
United Kingdom	1,297.4	1,377.3	1,417.5	1,451.7	1,496.4	1,525.8	1,548.9	1.5	19.4
Subtotal (non-U.S. NATO)	7,673.3	8,025.7	8,257.7	8,766.8	9,075.5	9,198.8	9,307.6	1.2	21.3
Subtotal (NATO)	16,019.3	17,052.6	17,671.1	18,567.4	19,243.8	19,392.8	19,738.0	1.8	23.2
<i>Pacific Allies</i>									
Australia	308.0	331.7	350.0	365.2	376.9	387.5	401.2	3.5	30.3
Japan	3,726.4	3,925.2	3,882.0	3,908.0	4,008.0	3,996.2	3,967.1	-0.7	6.5
Republic of Korea	340.2	381.3	355.8	394.6	431.4	444.4	471.4	6.1	38.6
Subtotal	4,374.6	4,638.2	4,587.8	4,667.8	4,816.2	4,828.1	4,839.7	0.2	10.6
<i>Gulf Cooperation Council</i>									
Bahrain	6.6	7.1	7.4	7.8	8.2	8.6	8.9	3.8	34.5
Kuwait	33.9	33.4	34.4	33.9	35.2	34.8	34.1	-2.0	0.6
Oman	16.0	17.5	17.9	17.9	18.8	19.9	20.4	2.4	27.5
Qatar	11.4	14.8	15.1	15.1	16.2	17.0	17.6	3.2	54.5
Saudi Arabia	164.1	170.8	175.6	174.2	182.6	184.8	185.6	0.4	13.1
United Arab Emirates	51.1	58.5	59.1	61.3	65.5	66.4	67.4	1.5	31.9
Subtotal	283.1	302.0	309.6	310.1	326.5	331.5	334.0	0.7	18.0
Grand Total	20,677.0	21,992.8	22,568.5	23,545.3	24,386.5	24,552.4	24,911.6	1.5	20.5

Yearly data rounded. Percent change calculated using non-rounded figures.

*Data not provided for Czech Republic, Hungary, and Poland prior to their admission to NATO in 1999.

Table D-2
GDP Per Capita
(2002 Dollars - 2002 Exchange Rates)

	1995	1997	1998	1999	2000	2001	2002	% Change 01-02	% Change 95-02
United States	31,724	33,676	34,799	35,907	36,926	35,765	36,197	1.2	14.1
<i>NATO Allies</i>									
Belgium	20,995	21,942	22,350	23,012	23,795	23,957	24,075	0.5	14.7
Canada	19,438	20,152	20,797	21,738	22,523	22,631	23,171	2.4	19.2
Czech Republic*	N/A	N/A	N/A	6,159	6,367	6,564	6,720	2.4	N/A
Denmark	28,676	29,976	30,604	31,208	32,044	32,233	32,586	1.1	13.6
France	20,796	21,276	21,956	22,569	23,401	23,704	23,863	0.7	14.7
Germany	22,048	22,420	22,865	23,316	23,948	24,054	24,116	0.3	9.4
Greece	9,890	10,447	10,780	11,141	11,544	11,991	12,383	3.3	25.2
Hungary*	N/A	N/A	N/A	5,571	5,878	6,115	6,316	3.3	N/A
Italy	18,490	19,005	19,312	19,607	20,130	20,431	20,448	0.1	10.6
Luxembourg	35,011	38,351	40,713	42,542	45,713	45,893	45,683	-0.5	30.5
Netherlands	22,312	23,648	24,519	25,330	25,982	26,210	26,079	-0.5	16.9
Norway	36,629	39,805	40,527	40,681	41,388	41,772	42,345	1.4	15.6
Poland*	N/A	N/A	N/A	4,431	4,610	4,656	4,709	1.1	N/A
Portugal	9,915	10,639	11,026	11,422	11,819	11,951	11,951	0.0	20.5
Spain	12,996	13,805	14,367	14,905	15,411	15,690	15,917	1.4	22.5
Turkey	2,588	2,880	2,921	2,740	2,870	2,614	2,663	1.9	2.9
United Kingdom	22,135	23,338	23,930	24,398	25,042	25,425	25,709	1.1	16.1
Subtotal (non-U.S. NATO)	17,399	18,012	18,443	17,217	17,712	17,855	17,978	0.7	3.3
Subtotal (NATO)	22,752	23,896	24,603	23,739	24,428	24,234	24,493	1.1	7.7
<i>Pacific Allies</i>									
Australia	17,042	17,894	18,656	19,238	19,604	19,887	20,330	2.2	19.3
Japan	29,676	31,111	30,691	30,848	31,577	31,414	31,121	-0.9	4.9
Republic of Korea	7,544	8,298	7,687	8,464	9,177	9,388	9,858	5.0	30.7
Subtotal	23,179	24,327	23,953	24,275	24,934	24,882	24,816	-0.3	7.1
<i>Gulf Cooperation Council</i>									
Bahrain	11,404	11,451	11,624	11,583	11,845	12,062	12,018	-0.4	5.4
Kuwait	18,842	16,865	15,175	14,998	15,856	15,082	14,281	-5.3	-24.2
Oman	7,501	7,723	7,828	7,676	7,826	8,031	7,990	-0.5	6.5
Qatar	22,286	27,864	27,888	26,955	28,377	29,338	29,277	-0.2	31.4
Saudi Arabia	9,604	9,363	9,277	8,753	8,975	8,788	8,554	-2.7	-10.9
United Arab Emirates	22,112	22,318	21,265	20,852	21,072	20,240	19,475	-3.8	-11.9
Subtotal	11,593	11,504	11,279	10,821	11,128	10,910	10,623	-2.6	-8.4
Grand Total	22,542	23,635	24,080	23,473	24,139	23,962	24,131	0.7	7.0

Yearly data rounded. Percent change calculated using non-rounded figures.

*Data not provided for Czech Republic, Hungary, and Poland prior to their admission to NATO in 1999.

Subtotals are weighted averages. These are calculated by summing GDP for the group and dividing by the sum of population for the group.

Table D-3
Labor Force
(Millions)

	1995	1997	1998	1999	2000	2001	2002	% Change 01-02	% Change 95-02
United States	132.3	136.3	137.7	139.4	140.9	141.8	142.6	0.5	7.7
<i>NATO Allies</i>									
Belgium	4.3	4.3	4.4	4.4	4.4	4.5	4.5	0.2	4.4
Canada	14.8	15.2	15.4	15.7	16.0	16.2	16.6	2.4	12.8
Czech Republic*	N/A	N/A	N/A	5.2	5.1	5.1	5.1	-0.5	N/A
Denmark	2.8	2.8	2.8	2.8	2.8	2.9	2.9	0.2	2.4
France	25.4	25.8	26.1	26.4	26.6	26.8	26.9	0.3	6.0
Germany	40.5	41.0	41.2	41.4	41.8	42.0	42.0	0.0	3.7
Greece	4.2	4.2	4.4	4.5	4.4	4.4	4.4	-0.1	3.0
Hungary*	N/A	N/A	N/A	4.0	4.0	4.0	4.0	-1.0	N/A
Italy	22.5	22.7	23.0	23.2	23.4	23.6	23.8	1.2	6.0
Luxembourg	0.2	0.2	0.2	0.2	0.2	0.2	0.2	2.0	14.5
Netherlands	6.5	6.8	6.9	7.0	7.1	7.2	7.3	1.1	11.7
Norway	2.2	2.3	2.3	2.3	2.4	2.4	2.4	0.9	8.9
Poland*	N/A	N/A	N/A	17.1	17.3	17.4	17.2	-1.0	N/A
Portugal	4.8	4.9	5.0	5.0	5.1	5.2	5.2	1.3	8.4
Spain	15.3	15.9	16.2	16.7	17.3	17.8	18.3	2.7	19.8
Turkey	22.0	22.3	22.9	23.7	22.0	22.3	22.6	1.4	2.6
United Kingdom	28.6	28.9	29.1	29.5	29.7	29.9	30.1	0.7	5.0
Subtotal (non-U.S. NATO)	194.1	197.3	200.0	229.3	229.8	231.8	233.4	0.7	20.3
Subtotal (NATO)	326.4	333.6	337.6	368.6	370.7	373.6	376.0	0.6	15.2
<i>Pacific Allies</i>									
Australia	9.0	9.3	9.4	9.5	9.7	9.9	10.0	1.2	10.3
Japan	66.7	67.9	67.9	67.8	67.7	67.5	66.9	-0.9	0.3
Republic of Korea	20.9	21.7	21.5	21.6	22.0	22.2	22.6	1.7	8.2
Subtotal	96.6	98.8	98.7	98.9	99.3	99.6	99.4	-0.1	3.0
<i>Gulf Cooperation Council</i>									
Bahrain	0.3	0.3	0.3	0.3	0.3	0.3	0.3	3.0	31.3
Kuwait	1.1	1.2	1.3	1.2	1.2	1.3	1.3	1.6	23.6
Oman	0.6	0.6	0.6	0.6	0.6	0.6	0.7	1.7	13.7
Qatar	0.1	0.1	0.1	0.1	0.1	0.1	0.1	7.7	16.7
Saudi Arabia	6.7	7.3	7.8	8.2	8.5	8.8	9.1	3.3	36.5
United Arab Emirates	1.1	1.4	1.4	1.5	1.5	1.6	1.6	3.2	49.0
Subtotal	9.8	10.8	11.5	11.9	12.3	12.8	13.2	3.1	34.7
Grand Total	432.7	443.2	447.9	479.5	482.3	485.9	488.6	0.6	12.9

Yearly data rounded. Percent change calculated using non-rounded figures.

*Data not provided for Czech Republic, Hungary, and Poland prior to their admission to NATO in 1999.

Table D-4
Defense Spending
(2002 Dollars in Billions - 2002 Exchange Rates)

	1995	1997	1998	1999	2000	2001	2002	% Change 01-02	% Change 95-02
United States	331.7	313.8	305.1	306.7	320.7	322.7	350.9	8.7	5.8
NATO Allies									
Belgium	3.4	3.3	3.3	3.4	3.4	3.2	3.2	-0.8	-6.6
Canada	8.7	7.3	8.0	8.3	8.0	8.5	8.2	-3.3	-6.0
Czech Republic*	N/A	N/A	N/A	1.4	1.5	1.4	1.5	2.1	N/A
Denmark	2.7	2.7	2.7	2.7	2.6	2.7	2.7	-0.6	1.8
France	37.1	36.5	35.4	35.7	35.6	35.6	35.5	-0.1	-4.1
Germany	30.0	28.8	28.8	29.5	29.5	29.2	29.4	0.6	-1.9
Greece	4.4	5.0	5.4	5.6	5.9	5.8	5.8	-1.0	30.0
Hungary*	N/A	N/A	N/A	0.9	1.0	1.1	1.1	5.3	N/A
Italy	21.6	21.5	22.0	22.5	23.7	23.3	22.6	-3.0	4.9
Luxembourg	0.1	0.1	0.1	0.1	0.1	0.2	0.2	5.8	63.3
Netherlands	6.6	6.7	6.6	6.9	6.6	6.8	6.9	0.7	3.1
Norway	3.2	3.2	3.4	3.4	3.3	3.4	3.6	6.7	11.8
Poland*	N/A	N/A	N/A	3.5	3.5	3.6	3.6	-1.1	N/A
Portugal	2.4	2.4	2.3	2.4	2.5	2.5	2.8	8.2	15.6
Spain	7.5	7.4	7.2	7.4	7.7	7.7	7.7	-0.1	2.4
Turkey	7.9	8.9	9.2	9.7	9.8	8.8	9.0	3.3	14.6
United Kingdom	38.6	36.5	36.8	36.0	36.8	37.5	36.8	-1.9	-4.6
Subtotal (non-U.S. NATO)	174.2	170.3	171.4	179.4	181.5	181.4	180.6	-0.4	3.7
Subtotal (NATO)	505.9	484.1	476.5	486.1	502.2	504.1	531.5	5.4	5.0
Pacific Allies									
Australia	7.2	7.1	7.3	7.2	7.3	7.4	7.8	4.5	8.5
Japan	35.4	37.2	37.1	37.6	38.4	39.4	39.4	0.0	11.4
Republic of Korea	10.0	11.8	11.5	11.7	11.9	12.0	13.2	9.9	32.0
Subtotal	52.5	56.0	55.8	56.4	57.6	58.8	60.3	2.6	14.9
Gulf Cooperation Council									
Bahrain	0.3	0.4	0.5	0.5	0.3	0.4	0.4	-0.6	20.2
Kuwait	4.3	4.1	4.9	3.8	3.5	5.2	4.9	-5.0	15.3
Oman	2.3	2.2	2.2	1.9	2.0	2.9	2.2	-22.5	-4.4
Qatar	1.0	1.8	2.0	1.7	1.2	1.3	1.6	23.9	71.8
Saudi Arabia	22.1	18.8	25.1	23.4	21.3	24.5	24.8	0.9	12.1
United Arab Emirates	2.5	2.9	3.8	3.3	2.8	3.1	3.1	1.8	25.1
Subtotal	32.5	30.1	38.5	34.5	31.1	37.4	37.1	-0.8	14.2
Grand Total	590.9	570.1	570.8	577.0	591.0	600.3	628.9	4.8	6.4

Yearly data rounded. Percent change calculated using non-rounded figures.

Figures for all NATO members (including the United States) are based on the NATO definition of defense expenditures. See Section A of the Annex, Data Notes, for more details.

*Data not provided for Czech Republic, Hungary, and Poland prior to their admission to NATO in 1999.

Table D-5
Defense Spending as a Percentage of GDP

	1995	1997	1998	1999	2000	2001	2002	% Change 01-02	% Change 95-02
United States	4.0	3.5	3.2	3.1	3.2	3.2	3.4	6.3	-15.4
<i>NATO Allies</i>									
Belgium	1.6	1.5	1.5	1.4	1.4	1.3	1.3	-1.5	-19.5
Canada	1.5	1.2	1.3	1.3	1.2	1.2	1.1	-6.5	-26.2
Czech Republic*	N/A	N/A	N/A	2.2	2.3	2.1	2.1	-0.4	N/A
Denmark	1.8	1.7	1.7	1.6	1.5	1.6	1.5	-2.0	-12.9
France	3.1	2.9	2.8	2.7	2.6	2.5	2.5	-1.1	-18.6
Germany	1.7	1.6	1.5	1.5	1.5	1.5	1.5	0.2	-11.1
Greece	4.3	4.5	4.8	4.8	4.8	4.6	4.4	-4.4	1.9
Hungary*	N/A	N/A	N/A	1.6	1.7	1.7	1.8	2.2	N/A
Italy	2.1	2.0	2.0	2.0	2.1	2.0	1.9	-3.2	-6.3
Luxembourg	0.8	0.8	0.8	0.7	0.7	0.8	0.9	4.9	15.6
Netherlands	1.9	1.8	1.7	1.7	1.6	1.6	1.6	0.6	-15.2
Norway	2.0	1.8	1.9	1.9	1.8	1.8	1.9	4.7	-7.1
Poland*	N/A	N/A	N/A	2.1	2.0	2.0	2.0	-2.2	N/A
Portugal	2.4	2.3	2.1	2.1	2.1	2.1	2.3	7.8	-6.5
Spain	1.5	1.4	1.3	1.3	1.2	1.2	1.2	-1.9	-18.8
Turkey	4.9	4.8	4.9	5.4	5.0	4.9	4.9	-0.4	-1.7
United Kingdom	3.0	2.6	2.6	2.5	2.5	2.5	2.4	-3.3	-20.1
Subtotal (non-U.S. NATO)	2.3	2.1	2.1	2.0	2.0	2.0	1.9	-1.6	-14.5
Subtotal (NATO)	3.2	2.8	2.7	2.6	2.6	2.6	2.7	3.6	-14.7
<i>Pacific Allies</i>									
Australia	2.3	2.1	2.1	2.0	1.9	1.9	1.9	0.9	-16.7
Japan	0.9	0.9	1.0	1.0	1.0	1.0	1.0	0.7	4.6
Republic of Korea	2.9	3.1	3.2	3.0	2.8	2.7	2.8	3.6	-4.7
Subtotal	1.2	1.2	1.2	1.2	1.2	1.2	1.2	2.3	3.9
<i>Gulf Cooperation Council</i>									
Bahrain	4.7	5.7	6.5	6.7	4.0	4.4	4.2	-4.2	-10.6
Kuwait	12.6	12.1	14.4	11.3	10.0	14.9	14.5	-3.1	14.6
Oman	14.6	12.5	12.5	10.4	10.6	14.5	11.0	-24.3	-25.0
Qatar	8.4	11.9	13.1	11.3	7.2	7.8	9.4	20.0	11.2
Saudi Arabia	13.5	11.0	14.3	13.4	11.7	13.3	13.3	0.5	-0.9
United Arab Emirates	4.9	4.9	6.4	5.3	4.3	4.6	4.6	0.3	-5.1
Subtotal	11.5	10.0	12.4	11.1	9.5	11.3	11.1	-1.6	-3.2
Grand Total	2.9	2.6	2.5	2.5	2.4	2.4	2.5	3.2	-11.7

Yearly data rounded. Percent change calculated using non-rounded figures.

*Data not provided for Czech Republic, Hungary, and Poland prior to their admission to NATO in 1999.

Subtotals are weighted averages. These are calculated by summing defense spending for the group and dividing by the sum of GDP for the group.

Table D-6
Funding Contributions to UN Peace Operations
(2002 Dollars in Millions - 2002 Exchange Rates)

	1995	1997	1998	1999	2000	2001	2002	% Change 01-02	% Change 95-01
United States	459.4	323.7	221.4	227.9	520.5	1,356.5	669.5	-50.6	45.7
NATO Allies									
Belgium	15.5	10.5	8.0	7.4	19.1	32.6	15.5	-52.7	-0.6
Canada	94.9	29.2	23.7	21.4	56.3	73.4	47.1	-35.8	-50.4
Czech Republic*	N/A	N/A	N/A	0.92	2.1	3.9	1.0	-73.3	N/A
Denmark	17.5	6.4	5.0	4.8	14.5	22.7	14.0	-38.4	-20.0
France	230.5	59.2	57.8	35.9	111.0	186.7	251.6	34.7	9.1
Germany	195.5	74.5	66.1	59.0	209.3	298.9	186.1	-37.8	-4.8
Greece	1.9	1.7	1.8	2.4	3.5	12.0	13.7	14.0	618.2
Hungary*	N/A	N/A	N/A	0.18	0.4	1.1	0.9	-18.1	N/A
Italy	129.3	52.1	40.5	39.2	105.8	147.9	83.6	-43.5	-35.3
Luxembourg	1.6	0.5	0.5	0.4	1.4	2.5	1.4	-43.1	-11.5
Netherlands	38.3	13.9	12.4	11.8	31.6	51.3	36.7	-28.4	-4.1
Norway	16.9	5.8	5.4	4.8	13.2	20.6	12.1	-41.3	-28.3
Poland*	N/A	N/A	N/A	5.50	3.4	0.8	0.0	-100.0	N/A
Portugal	1.6	1.5	0.5	2.4	0.7	12.4	21.6	74.0	1261.7
Spain	56.3	21.0	17.4	20.3	21.8	52.5	78.9	50.3	40.0
Turkey	0.6	0.0	0.8	1.3	1.8	1.1	3.0	164.5	375.8
United Kingdom	221.1	63.1	47.3	43.9	126.4	212.1	127.3	-40.0	-42.4
Subtotal (non-U.S. NATO)	1,021.6	339.5	287.2	261.7	722.2	1,132.6	894.5	-21.0	-12.4
Subtotal (NATO)	1,481.0	663.3	508.5	489.5	1,242.8	2,489.1	1,564.0	-37.2	5.6
Pacific Allies									
Australia						49.8	30.4	-39.0	
Japan	339.9	130.3	139.8	210.6	113.5	390.9	519.5	32.9	52.9
Republic of Korea	3.7	1.5	2.0	1.4	4.0	11.8	9.5	-19.6	155.2
Subtotal	343.6	131.7	141.8	212.0	117.5	452.6	559.5	23.6	62.8
Gulf Cooperation Council									
Bahrain	0.1	0.04	0.03	0.02	0.1	0.05	0.2	249.5	142.3
Kuwait	1.7	0.4	0.2	0.3	0.6	1.5	1.7	14.2	0.1
Oman	0.3	0.1	0.1	0.05	0.2	0.4	0.4	-12.7	41.1
Qatar	0.0	0.1	0.4	0.6	0.1	0.3	0.4	22.1	9103.3
Saudi Arabia	12.5	1.7	0.03	1.62	3.0	3.2	2.9	-8.4	-76.6
United Arab Emirates	1.4	0.5	2.2	0.1	0.7	0.4	0.8	99.8	-42.0
Subtotal	16.0	3.0	2.9	2.7	4.7	5.9	6.4	8.2	-60.0
Grand Total	1,840.6	797.9	653.2	704.2	1,364.9	2,947.6	2,129.9	-27.7	15.7

Yearly data rounded. Percent change calculated using non-rounded figures.

*Data not provided for Czech Republic, Hungary, and Poland prior to their admission to NATO in 1999.

Table D-7
Personnel Contributions to Major Multinational Peace Operations

	1995 *	1997 *	1998 *	1999	2000	2001	2002	% Change 01-02	% Change 95-02
United States	2,449	637	583	11,948	11,138	9,567	5,312	-44.5	116.9
<i>NATO Allies</i>									
Belgium	682	146	11	331	1,011	1,039	646	-37.8	-5.3
Canada	956	889	297	3,394	2,006	1,784	1,457	-18.3	52.4
Czech Republic**	N/A	N/A	N/A	519	831	231	604	161.5	N/A
Denmark	273	126	116	551	1,288	969	869	-10.3	218.3
France	494	474	664	8,218	8,577	8,546	6,624	-22.5	1240.9
Germany	29	190	190	7,636	8,124	7,494	6,841	-8.7	23489.7
Greece	12	13	12	1,436	2,043	2,175	1,382	-36.5	11416.7
Hungary**	N/A	N/A	N/A	386	641	632	668	5.7	N/A
Italy	78	97	194	8,547	8,504	7,954	6,295	-20.9	7970.5
Luxembourg	0	0	0	0	26	23	25	8.7	N/A
Netherlands	230	93	169	2,639	1,569	1,478	1,348	-8.8	486.1
Norway	995	708	153	1,338	1,244	1,236	994	-19.6	-0.1
Poland**	N/A	N/A	N/A	1,268	2,168	1,884	1,575	-16.4	N/A
Portugal	274	474	155	1,357	1,674	1,528	1,048	-31.4	282.5
Spain	22	56	71	2,454	2,725	2,716	2,180	-19.7	9809.1
Turkey	17	42	42	1,671	2,361	2,144	2,731	27.4	15964.7
United Kingdom	437	459	416	7,390	5,430	5,317	3,554	-33.2	713.3
Subtotal (non-U.S. NATO)	4,499	3,767	2,490	49,135	50,222	47,150	38,841	-17.6	763.3
Subtotal (NATO)	6,948	4,404	3,073	61,083	61,360	56,717	44,153	-22.2	535.5
<i>Pacific Allies</i>									
Australia							950	N/A	N/A
Japan	0	45	44	30	30	30	680	2166.7	N/A
Republic of Korea	255	27	32	451	476	473	473	0.0	85.5
Subtotal	255	72	76	481	506	503	2,103	318.1	724.7
<i>Gulf Cooperation Council</i>									
Bahrain	0	0	0	0	0	0	0	0.0	0.0
Kuwait	0	0	0	0	0	0	0	0.0	0.0
Oman	0	0	0	0	0	0	0	0.0	0.0
Qatar	0	0	0	0	0	0	0	0.0	0.0
Saudi Arabia	0	0	0	0	0	0	0	0.0	0.0
United Arab Emirates	0	0	0	0	1,200	47	5	-96.1	N/A
Subtotal	0	0	0	0	1,200	47	5	-89.4	N/A
Grand Total	7,203	4,476	3,149	61,564	63,066	57,267	46,261	0.0	542.2

* 1995 - 1998 data reflects forces contributed only to UN operations. 1999 - 2001 data also includes forces committed to operations not under UN auspices.

**Data not provided for Czech Republic, Hungary, and Poland prior to their admission to NATO in 1999. Yearly data rounded. Percent change calculated using non-rounded figures.

Table D-8
Percentage of Defense Expenditures
Dedicated to Modernization

	1995	1997	1998	1999	2000	2001	2002	% Change 01-02	% Change 95-02
United States	30.8	29.3	29.0	28.2	25.0	28.9	28.1	-2.8	-8.8
<i>NATO Allies</i>									
Belgium	5.4	6.2	5.9	6.5	5.8	14.6	14.1	-3.5	163.3
Canada	20.9	14.9	10.7	9.6	13.8	12.6	14.6	16.3	-30.0
Czech Republic*	N/A	N/A	N/A	18.9	23.9	21.2	18.1	-14.7	N/A
Denmark	12.5	13.7	14.4	11.4	14.8	16.8	17.5	4.5	40.4
France	23.7	22.0	19.4	19.4	18.9	19.4	19.6	1.2	-17.2
Germany	11.9	11.3	13.2	13.6	14.0	14.5	12.6	-12.7	6.2
Greece	20.0	19.4	20.7	19.5	17.9	15.2	14.2	-6.4	-28.8
Hungary*	N/A	N/A	N/A	21.1	12.4	10.5	11.2	6.4	N/A
Italy	15.0	11.4	12.4	11.7	14.3	10.3	13.3	29.4	-11.0
Luxembourg	2.4	3.5	6.5	5.0	4.6	12.1	19.7	62.6	731.5
Netherlands	17.2	17.7	16.1	17.7	17.7	17.3	17.5	1.3	2.3
Norway	25.4	24.6	25.0	22.6	20.1	21.8	24.4	11.9	-3.9
Poland*	N/A	N/A	N/A	11.1	9.0	9.0	10.3	13.9	N/A
Portugal	5.9	8.2	3.9	4.5	6.4	5.2	5.6	7.1	-4.5
Spain	14.4	14.2	12.6	12.1	13.7	13.2	14.2	7.7	-1.2
Turkey	29.7	27.1	20.8	25.6	28.3	33.0	33.1	0.5	11.5
United Kingdom	24.0	26.9	28.5	28.9	27.6	28.4	28.7	1.0	19.6
Subtotal (non-U.S. NATO)	19.3	18.7	18.2	18.2	18.6	18.6	19.0	2.1	-1.4
Total (NATO)	26.8	25.6	25.1	24.5	22.7	25.2	25.0	-0.8	-6.8

*Data not provided for Czech Republic, Hungary, and Poland prior to their admission to NATO in 1999.

NOTE: Complete and comparable data is not readily available for the Pacific and GCC nations.

Yearly data rounded. Percent change calculated using non-rounded figures.

Table D-9
Foreign Assistance
(2002 Dollars in Millions - 2002 Exchange Rates)

	1995	1996	1997	1998	1999	2000	2001	% Change 00-01	% Change 95-01
United States	9,752	12,248	10,194	12,340	13,385	12,897	13,115	1.7	34.5
<i>NATO Allies</i>									
Belgium	848	770	735	849	772	936	1,011	8.0	19.2
Canada	2,364	1,972	2,204	2,007	1,984	1,948	1,774	-8.9	-24.9
Czech Republic	^c	^c	^c	17	16	21	36	68.3	^b
Denmark	1,459	1,554	1,621	1,676	1,737	1,933	1,896	-1.9	30.0
France	6,986	6,254	5,940	5,679	5,735	5,953	5,798	-2.6	-17.0
Germany	8,638	6,660	5,565	5,342	5,555	5,853	5,936	1.4	-31.3
Greece	133	157	163	179	190	255	227	-11.1	70.7
Hungary	^a	^a	^a	^a	^a	^a	^a	^a	^a
Italy	1,789	2,284	1,369	2,274	1,761	1,873	2,011	7.4	12.4
Luxembourg	58	68	88	103	110	133	154	16.1	163.8
Netherlands	2,877	2,757	2,834	3,040	3,107	3,760	3,617	-3.8	25.7
Norway	1,258	1,281	1,363	1,477	1,461	1,312	1,408	7.4	11.9
Poland	^c	^c	^c	28	39	43	42	-2.9	^b
Portugal	247	208	259	269	294	323	316	-2.0	28.2
Spain	1,255	1,132	1,172	1,304	1,322	1,296	1,858	43.4	48.0
Turkey	276	208	183	176	302	206	199	-3.3	-27.8
United Kingdom	4,171	4,031	3,952	4,327	3,854	5,195	5,466	5.2	31.0
Subtotal (non-U.S. NATO)	32,358	29,336	27,446	28,702	28,241	31,040	31,748	2.3	-1.9
Subtotal (NATO)	42,109	41,584	37,640	41,042	41,626	43,937	44,864	2.1	6.5
<i>Pacific Allies</i>									
Australia	1,093	914	928	992	979	1,057	1,012	-4.2	-7.4
Japan	12,070	9,190	9,991	12,339	15,561	13,154	11,075	-15.8	-8.2
Republic of Korea	112	132	192	204	359	227	315	38.4	180.0
Subtotal	13,275	10,236	11,111	13,534	16,899	14,439	12,402	-14.1	-6.6
<i>Gulf Cooperation Council</i>									
Bahrain	^a	^a	^a	^a	^a	^a	^a	^a	^a
Kuwait	486	434	418	390	165	157	73	-53.3	-84.9
Oman	^a	^a	^a	^a	^a	^a	^a	^a	^a
Qatar	^a	^a	^a	^a	^a	^a	^a	^a	^a
Saudi Arabia	247	345	260	347	201	286	486	70.1	97.1
United Arab Emirates	83	38	137	81	97	140	124	-11.1	50.0
Subtotal	815	818	814	817	462	582	684	17.4	-16.1
Grand Total	56,199	52,638	49,566	55,394	58,987	58,959	57,949	-1.7	3.1

NOTE: Total Foreign Assistance includes net disbursements of Official Development Assistance (ODA) and Official Aid (OA) to developing countries and territories and those in transition (e.g., Central and Eastern European Countries and the New Independent States of the former Soviet Union).

^a These nations are net aid recipients

^b Incomplete data

^c Data not Available