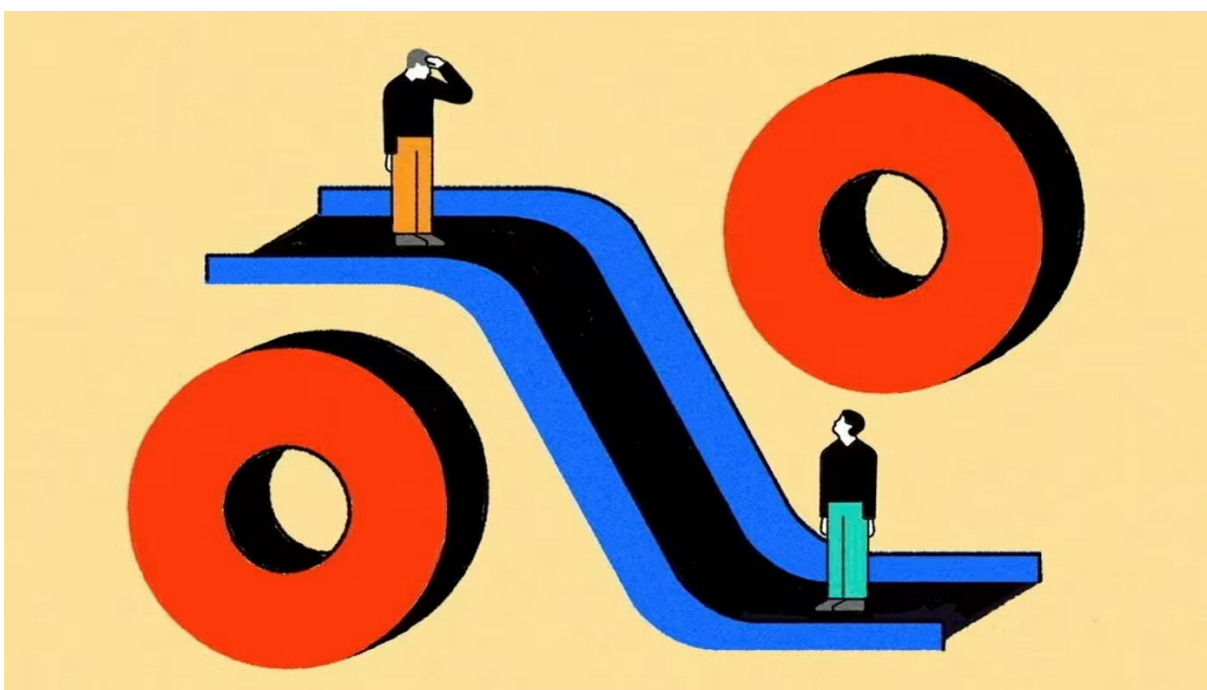


Opinion **Nato**

## Forget 2 per cent – there is a better way to measure global security contributions

Hammering countries about Nato's target has not made the world a safer place

**KING MALLORY**



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#### **King Mallory** YESTERDAY

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It's become a common refrain in the US: our allies don't contribute enough to the costs of global security. But that claim doesn't stand up to scrutiny. Look closely at what each ally actually provides, and the reality is different to what many might think.

The sense that our allies aren't doing enough comes from one number: 2 per cent. That's how much every Nato country has pledged to spend on defence as a percentage of its GDP. Twenty-three of the 32 members hit that target last year, up from three a decade ago.

But that goal has never been a great way to measure how much allies really contribute to global security. To understand why, imagine two countries. One spends 2.1 per cent of its GDP on defence, mostly to maintain ageing equipment and pay pensions to military retirees. The other spends just 1.9 per cent, but it has a well-trained army, modern equipment and a top-of-the-line military drone industry. The first country satisfies the two percenters, but no commander in the world would prefer it as an ally over the second country.

Can we identify what each country contributes to our shared defence with more precision than just lifting a number from government budgets? In a [report for the Office of the Secretary of Defense](#), Rand calculated the security-oriented contributions and capabilities of our global alliances, from submarines to satellites. We counted every tank, tanker and tactical aircraft. We included total defence spending, but also contributions to peacekeeping missions and the costs of enforcing economic sanctions.

When we recently updated and re-ran the numbers from our original 2017 report, we found that the US share has been decreasing since the end of the cold war, when it stood at 53 per cent. By 2023, it was around 39 per cent. That's not a small number — but it's also not a flashing red sign that we're being taken to the cleaners.

The other Nato countries accounted for an almost equal share, 38 per cent. Asian countries provided another 13 per cent, and allies in the Middle East and South America provided the remaining 10 per cent. That answers the big question: "What can each ally bring to the table in time of war?"

There's a related question, of course: how much *should* each ally provide, given the size of its economy? To get there, we divided each country's share of the collective defence burden by its share of total allied GDP. Anything over 1 meant that a country was bearing its fair share, measured in capabilities, not just spending.

Nineteen countries met that mark in 2023. The US at 1.07 trailed Nato, whose ratio stood at 1.10, and was just ahead of France and the UK. Eastern European nations were among the top performers — no surprise, as they watch neighbouring Russia brutalise Ukraine. But Greece, Italy, Poland and the Netherlands were up there, too. South Korea also stood out, despite US claims a few years ago that it was shirking its defence obligations.

This ratio is one way to identify countries that could be doing more. Canada needs to [double its defence spending](#) to reach Nato's target. Slovakia is far behind its neighbours in central Europe. Australia and Brazil should be able to afford more of the collective defence burden.

A surprise appearance among top contributors was Spain. It has one of the lowest defence spending rates in Europe, well below Nato's target. But according to UN Comtrade data it has suffered in enforcing economic sanctions against Russia, losing more than \$10bn in exports since 2018.

We included UN-approved sanctions in our index because they provide a crucial non-

violent way to deter bad actors like Russia or Iran. When we took this data out of the equation, the US share of the total burden rose from 39 to 47 per cent. The rest of Nato slipped from 38 to 29 per cent.

Hammering countries about abstract targets hasn't been effective. Our index provides a starting point to make more focused requests of allies instead. If Nato needs more high-end drones, for example, it can identify which country on the list of low performers has the best tech industry to provide them. More tanker aircraft? Look for the low performers with a heavy manufacturing base.

Nato itself describes the 2 per cent spending goal as an “important indicator of the political resolve of individual allies”. That's fair enough. But the way it's been used in American politics is misleading at best, and more often just flat wrong. The world will not suddenly become a safer place if every ally hits that magic number. Asking them “How much do you spend?” is a poor substitute for asking “How much are you doing?”

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