

MILITARY SPENDING IN THE CONTEXT OF NATIONAL AND GLOBAL SECURITY

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ABSTRACT

Military spending plays an essential role in maintaining national security and global stability, being an important indicator of a state's strategic priorities. While some countries increase their defense budgets to deal with external threats, others choose to invest in international cooperation and joint security measures. This dynamic creates both opportunities and risks. On the one hand, adequate financing of the military sector can prevent conflicts through effective deterrence; on the other hand, an arms race can heighten international tensions. This article examines the implications of military spending from a dual perspective: its impact on national security and its influence on global security. We will examine two aspects: how defense budgets reflect the domestic security priorities of states and how they contribute to the balance of power at the international level, with an emphasis on the challenges and risks associated with the uncontrolled growth of military spending.

KEYWORDS:

National security, defense spending, risks associated with defense spending

1. Introduction

Military spending is a fundamental aspect of national and international security policies, reflecting both the internal priorities of states and the dynamics of international relations. In a world characterized by regional instability, protracted conflicts and emerging risks such as terrorism, cyber attacks or climate change, states must adjust their defense strategies to ensure their security. The allocation of defense funds depends on several factors, including perceived threats, international commitments, domestic political pressures, and global economic relations.

In recent years, we have witnessed a significant increase in military spending globally in response to multiple challenges. From rising tensions between major powers such as the United States, China and Russia, to regional conflicts and non-state threats, states have been forced to review their strategic priorities and invest in the

development and modernization of their armed forces. According to the Stockholm International Peace Research Institute's (SIPRI) annual report, global military spending in 2023 reached the highest value in decades, underscoring an intensification of geopolitical competition and an increase in security concerns.

As military spending rises, so does the question of balancing the need for security with other national priorities, such as economic development, social welfare, and political stability. Investments in the military sector can help prevent conflict and deter adversaries, but they can also heighten international tensions and trigger dangerous arms races. In this context, the key question is how states can defend their national interests and at the same time contribute to a stable and sustainable global order.

This paper explores how military spending influences national security and the global balance of power. We will

analyze two essential aspects: first, the impact of defense spending on the internal security of states, with an emphasis on the modernization of the armed forces and the management of emerging threats; secondly, the role of military spending in maintaining or destabilizing the international balance of power, taking into account the tensions between the great powers and the risks associated with an arms race. Through this analysis, we will try to understand how to find a balance between national security needs and the global responsibilities of states in the context of an increasingly complex and interdependent world.

2. Definition of the concept of national security

National security is essentially about protecting a state's sovereignty, territorial integrity and interests against internal and external threats. At its core, national security aims to prevent and combat risks that can affect the stability and existence of the state. The concept emerged in the post-war period, specifically after the Second World War, when it became a central concern for governments around the world, being initially associated with military aspects and protection against external aggression.

National security is a multidimensional concept, which refers to the set of measures and strategies that a state adopts to protect its sovereignty, territorial integrity and national interests against internal and external threats. At its core, national security focuses on maintaining stability and protecting citizens from risks and dangers that may affect the overall well-being of the nation. Thus, the concept of national security took shape mainly in the modern period and expanded significantly, along with the diversification of forms of threat, moving from a strictly military approach to a complex vision, which includes economic, social, political and environmental security (Sava, 2005). So the concept of national security has gone

through a remarkable evolution, from a narrow definition focused on military defense to a complex approach that includes economic, ecological, cyber and societal security. In the face of new challenges, national security remains a dynamic field, adaptable to contemporary risks and able to integrate interdisciplinary perspectives to respond more effectively to emerging challenges.

Conflicts, threats and especially international relations have considerably influenced the configuration of the security environment, so three levels of the security environment are identified, namely global, regional and national, which make possible an approach and a better understanding of the problems encountered.

The evolution of national security and its adaptation to concrete realities demonstrate that this concept has not remained a static concept, but has evolved under the influence of historical changes and new types of threats. An important stage in the evolution of this concept is the one during the Cold War (1947-1991) when national security had a militaristic and bipolar character, being viewed especially through the prism of the conflict between the power blocs (the USA and the Soviet Union), and the main threats they were military and nuclear. During this period the main priority was to ensure military superiority and deter attacks through balance of power doctrine and nuclear deterrence.

Another distinct period in the evolution of security is between the collapse of the Soviet Union and the year 2001. With the disappearance of the communist military bloc, the attention of nation states was directed to regional conflicts, terrorism and non-state threats, and national security began to include economic dimensions, emphasizing the importance of globalization and economic interdependencies between states.

Since 2001, the most common problem has been caused by international terrorism, which has had a devastating

impact on economies and societies worldwide. Thus, after the terrorist attacks of September 11, 2001, the concept of national security focused both on the fight against international terrorism and on the prevention of unconventional attacks, cyber security, environmental security and public health. The development of digital technology has brought new challenges in cyber security and data protection, recognizing the vulnerability of critical digital infrastructures. Also, in the context of ecological crises and the COVID-19 pandemic, national security began to be approached from the perspective of protecting public health and

natural resources, emphasizing the role of climate change and environmental protection in maintaining national stability.

Thus, we can affirm that our approach made possible a reinterpretation of the term security, being seen from an overall perspective as “*a state of equilibrium and social, political, economic, cultural, and other kind of stability, necessary both for existence and development state actors, as well as the presentation of own values and interests*” (Comănescu, Nae, & Simileanu, 2016).

The main security dimensions are presented in the following diagram:

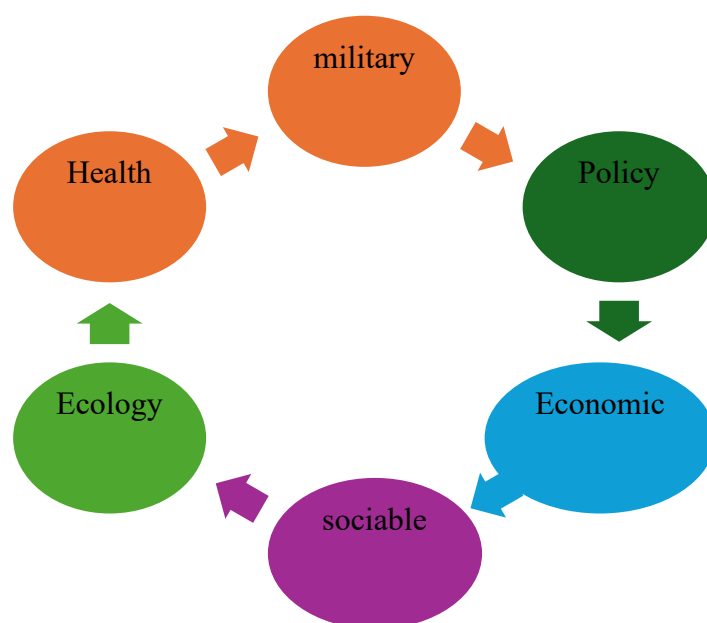


Figure no. 1: *Dimensions of security*
(Source: Buzan, 2014)

The military dimension involves the interaction of states through offensive and defensive capabilities, while also taking into account the tracking and analysis of the intentions of the other state. Despite the fact that researchers have also paid special attention to other security sectors due to the numerous threats arising from them due to the evolution of society and the changes that have occurred at the global level, the possible problems arising at the military level cannot be neglected. The development of nuclear weapons, armed conflicts in the

Middle East and Ukraine, organized crime and terrorism are just a few of the biggest global threats.

The importance of the economic resource in the deployment and organization of military security outlines the economic dimension of security. Starting at the national level, it is important to assess the government's ability to manage economic issues such as inflation, unemployment rate, gross domestic product, standard of living, lack of opportunity, and many other factors that can provide insight into economic

health and potential national security vulnerabilities.

The political dimension of security captures threats to state sovereignty. Barry Buzan argues that *“Political threats are directed against the national stability of the state. Their purpose can vary from putting pressure on the government to adopt a certain policy, to overthrowing it, inciting secessionism and disorganizing the state’s political system, so that it is weakened before a military attack”* (Sava, 2005).

The social dimension is given by the level of security that must be ensured by the state, for the well-being of the population, it must not only take into account military problems, but also those of a political, social, economic, cultural and ecological nature (Diaconu, 2015).

The ecological dimension began to be of interest to society once the first environmental problems were identified through the UN Conference on the Human Environment, held in 1972. Since then, problems such as the depletion of natural resources have been reported, but threats to national security address. The ecological field faces many problems such as ecosystem disruption, civil unrest and also crises with a considerable impact on the entire globe such as energy, demographic, food, economic crises.

In the current context, global security is a crucial concept, as society is subject to various threats and risks. The field of global security involves good collaboration, but also the initiation of actions at the international level to generate safety and stability at the global level, by establishing alliances in order to promote national security interests (Grigoraş, 2018). Evidence of awareness of the importance of alliances is evidenced by the proliferation of international organizations after the end of World War II.

In conclusion, we can state that *“the security environment is a relational concept that implies a permanent adaptation and adjustment of a set of internal parameters*

(economic-social, political, military, legal, cultural and moral) to the conditions of the international security environment, a process with a fluid dynamic, oriented towards preserving space, common ideals and values and, at the same time, putting these elements in a stable balance, unaffected by risk factors or threats” (Petrescu, 2005).

3. Military expenses

Military spending plays a crucial role in ensuring the security and stability of a state, contributing to national defense capacity, deterrence and the effective management of internal and external threats. Investments in the military sector not only support the modernization of the armed forces, but also contribute to technological research and the development of defense industries, with extensive economic impact. This presentation will analyze the importance of military spending for national defense, exploring its effects on a state’s security, economy and international status.

Military spending is used by each state to develop its military capability, more precisely it is intended for renewal, expansion and of course replacement of military capability. These investments can vary from one country to another, the causes being represented by the organization of the forces, the geographical position of the state, the political situation in which the state is, its opponents, but also the position of the state at the international level, all these factors are extremely important for a state in investing and building military capability (Kumar, 2017).

An important role in the research and analysis of issues related to security, as well as the level of military spending at the international level, is occupied by the Stockholm International Peace Research Institute (SIPRI), which managed to capture a representative definition of military spending including both the perspective of NATO, the UN and that of the IMF.

The definition of military expenditure under SIPRI is intended to include all costs associated with military forces and ongoing military actions. These costs cover various aspects of military activities, including expenditures related to military and civilian personnel, operations, maintenance, procurement of military equipment, military construction, military research and development, and other activities directly related to a country's military capabilities.

3.1. Defining military spending and its main components

Military expenditure represents the total funds that a state allocates to develop, maintain and support its armed forces and

defense structures. These expenditures are essential to maintain an adequate defense capability, ensuring both modern equipment and trained human resources, as well as the ability to respond to diverse threats, from armed conflict to cyber attacks.

Traditionally, military spending is structured into several components, each with its specific role in ensuring a complete and functional defense force. These components are allocated according to the priorities and strategic needs of each state, and their distribution can vary considerably depending on the geopolitical context, threat level and national objectives. The main components of military spending are presented in the following figure:

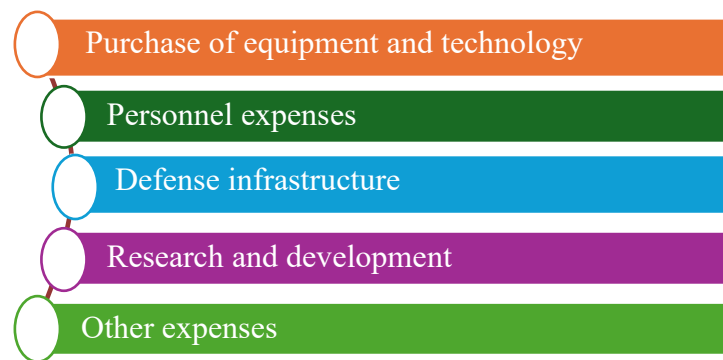


Figure no. 2: *Distribution of defense spending by main categories*
(Source: Author's contribution)

One of the main reasons why states invest in the military sector is to prevent and deter external threats. By maintaining a high level of military training and equipping the army with modern equipment, a state can demonstrate to potential adversaries that it is capable of defending itself effectively. This is known as the theory of deterrence and is a fundamental element in the security policy of many nations, especially those located in regions of high tension or directly exposed to strategic threats.

For example, in Eastern Europe, after Russia's annexation of Crimea in 2014, many NATO member countries decided to significantly increase their defense budgets.

Poland and the Baltic countries have invested in modernizing their armed forces and strengthening their military infrastructure to meet potential challenges from Russia. At the same time, these states also requested an increased presence of NATO troops on their territory, which led to an increase in military cooperation within the alliance.

Also, military spending is used to develop and maintain an armed force capable of responding quickly in an emergency. States facing domestic threats such as terrorism or insurgencies must allocate significant funds to respond to these challenges. For example, in countries such as France and the United Kingdom,

which have experienced major terrorist attacks in recent decades, a significant portion of the defense budget has been directed toward internal security, counterterrorism operations, and cyber surveillance.

Another important aspect of military spending is related to the modernization and maintenance of military equipment. Military technology is evolving rapidly, and states are forced to keep up with these changes to maintain their competitiveness and security. In many cases, defense budgets are dedicated to the purchase of new equipment, such as fifth-generation fighter jets, drones, nuclear submarines, modern tanks or anti-missile defense systems.

For example, the United States annually invests billions of dollars in the development and deployment of advanced military technologies, such as the F-35 program, a fifth-generation fighter jet capable of providing clear air superiority, and cyber defense systems. Russia and China are also strengthening their military capabilities by developing new technologies, such as hypersonic missiles and electronic warfare platforms, in an attempt to counterbalance Western technological supremacy.

Modernizing military equipment is not only a requirement to maintain a strategic advantage, but also a necessity for survival in the face of new types of threats. Modern wars are no longer fought exclusively by conventional methods, but also include asymmetric, cyber and hybrid wars. To meet these new challenges, states are investing in advanced surveillance technologies, cyber defense systems and electronic warfare solutions. This trend only increases the competition between nations for control of the most advanced military technologies.

Although high military spending can bring significant national security benefits, it also comes with risks. First, too large a military budget can affect other essential areas such as education, health or infrastructure. Allocating a disproportionate percentage of the national budget to defense can create economic imbalances, reducing

the state's ability to respond to domestic needs and thus affecting social cohesion (Mintz & Stevenson, 1990).

Second, a significant increase in military spending can escalate international tensions, especially in the case of states that are in direct competition for regional or global supremacy. This is one of the main reasons why many states try to balance defense investment with diplomacy and international cooperation measures to prevent an arms race that could destabilize global security.

A historical example is the arms race between the United States and the Soviet Union during the Cold War. Both superpowers invested immense resources in developing their nuclear and conventional arsenals, thus creating a balance of terror that prevented direct conflict but consumed enormous economic resources and maintained constant global tension.

High military spending can also have major implications for domestic politics. In many countries, the defense budget is a subject of intense debate between different political parties and segments of society. On the one hand, there is pressure to invest in national security, especially in the context of increasing threats, but on the other hand, resources are limited and governments have to make difficult decisions about priorities.

In addition, the allocation of funds to the military sector can also influence the state's relationship with the private sector, especially in the area of the defense industry. Companies producing military equipment benefit from large contracts, which can generate an economic dependence of some regions on the defense industry. In the United States, for example, the influence of the military-industrial complex is well known, and its lobbying plays an important role in defense budget decisions.

Major global powers such as the United States, China, and Russia rely on their expansive military budgets to secure global influence and protect their strategic

interests. The military spending of these states is reflected not only in the development of advanced technologies and the maintenance of modern armed forces, but also in their ability to project military power beyond their own borders.

The United States, for example, has the largest military budget in the world, accounting for about 39% of global defense spending. This massive investment allows the US to maintain a military presence around the globe through military bases in strategic regions and the ability to rapidly deploy troops in a crisis. The American presence in regions such as the Middle East, Asia-Pacific and Europe has the role of maintaining the balance of power, but also of protecting allies and economic interests. The US policy of “extended deterrence” provides security guarantees to its allies through NATO and other strategic partnerships, thereby contributing to global stability.

China, on the other hand, has significantly increased its military spending over the past two decades, reflecting its ambition to become a global superpower. China’s defense strategy is aimed not only at protecting its sovereignty and national interests, but also at expanding its influence in regions such as the South China Sea and Africa. The Belt and Road initiative is complemented by an increased military presence, including the construction of foreign military bases such as the one in Djibouti, which demonstrates China’s interest in projecting power beyond its borders.

Russia, although with a smaller military budget compared to the US and China, relies on a military spending model focused on modernizing its conventional and nuclear forces. Russia is investing in advanced military technology, including hypersonic missile systems and electronic warfare, to secure a strategic position in Eastern Europe and the Middle East. Its intervention in Ukraine and Syria reflects a desire to maintain its status as a major player on the global stage and to influence the international order.

States’ military spending cannot be understood in isolation, but must be analyzed in the context of international alliances that influence the global balance of power. Military alliances, such as NATO, contribute to collective security and international stability by distributing responsibilities among member states and coordinating defense investments.

NATO is one of the most important examples of how military cooperation between states can influence the balance of power. Although the US is the main financial and military driver within NATO, many European countries, including Germany, France and the UK, have increased their defense spending in the wake of tensions in Ukraine and heightened threat perceptions by Russia. NATO member states have set a goal of allocating 2% of GDP to defense as part of their commitment to strengthening collective defense capabilities. This military and financial coordination is intended to deter any external aggression, strengthening regional and global stability.

In Asia, military alliances also play a crucial role in the balance of power. US partnerships with Japan, South Korea and Australia are aimed at deterring China’s growing influence in the region. Asia-Pacific states have increased their military budgets in recent years, reflecting tensions with China in the South China Sea and attempts to insure against potential aggression. Japan’s military spending, for example, has been geared toward modernizing its self-defense forces, in the context of a constitution that imposes limitations on the military’s role in international conflicts.

On the other hand, there are also military alliances that are not formal, but operate on the basis of common interests and ad hoc cooperation. For example, in the Middle East, cooperation between countries such as Israel, Saudi Arabia, and the United Arab Emirates against the threat posed by Iran has led to massive defense investment and the acquisition of advanced military technology from the United States.

3.2. The risks of increased military spending and the arms race

Although high military spending can strengthen national security and contribute to regional stability through alliances, it can also generate significant risks. The arms race is one of the side effects of the uncontrolled growth of defense budgets. When a state increases its military spending to gain a strategic advantage, its rivals tend to react by increasing their own defense investments. This cycle can lead to increased tensions and destabilization of the region or even armed conflict.

A notable example is the competition between India and Pakistan. Both states are steadily increasing their military budgets, investing in nuclear weapons and conventional armed forces, due to historical rivalry and territorial disputes. This precarious balance of power, based on the threat of nuclear confrontation, brings a high level of instability to the region, and any escalation of tensions can have devastating consequences.

Also, in the current global context, an increase in military spending among major powers could lead to a new type of arms race based on emerging technologies such as cyber weapons, hypersonic missiles and artificial intelligence. These new forms of warfare represent a challenge not only for individual states, but also for international security, as international norms are not yet well established to regulate the use of these technologies. In this sense, the competition for technological supremacy among states such as the US, China and Russia can create new types of geopolitical conflicts and tensions.

However, in recent years, these efforts have encountered major challenges.

The withdrawal of the United States and Russia from the Intermediate-Range Nuclear Forces (INF) Treaty in 2019 raised concerns about a new nuclear arms race, particularly in Europe. At the same time, attempts to control the development of cyber weapons and other new forms of weaponry remain limited, as states are reluctant to disclose or impose restrictions on their cyber capabilities.

In conclusion, military spending is a vital component for ensuring national defense, contributing to deterrence capacity, economic stability and geopolitical competitiveness. Although there are certain limitations and risks associated with defense budgets, the balance between military and other investments remains essential to maintaining sustainable national security and promoting international peace.

3.3. Analysis of the structure of military expenditures in Romania in the period 2019-2023

Romania's geostrategic situation, located on NATO's Eastern border, gives it a strategic role within the alliance, thus highlighting the importance of a thorough understanding of how the state allocates defense resources. Thus, in the period 2014-2023, Romania managed to fulfill only once the requirement imposed by NATO, namely to allocate 2% of the Gross Domestic Product to Defense,

The evolution of the defense budget in Romania in the period 2019-2020 on the main expenditure categories, namely personnel, equipment, infrastructure and, of course, operational expenditure is presented in the following figure.

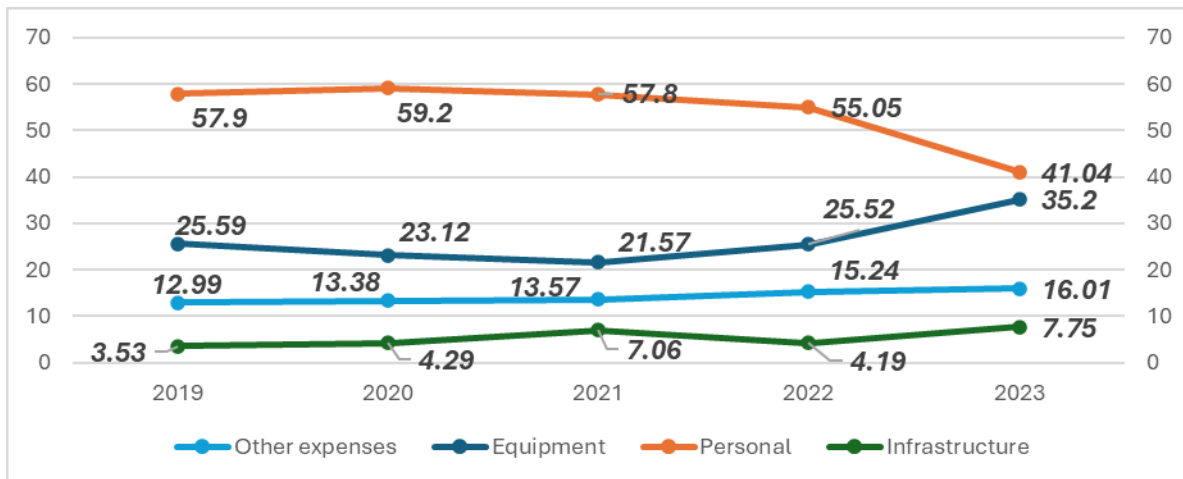


Figure no. 3: *Structure of military expenditures in Romania in the period 2019-2023*
(Source: Author's contribution, based on NATO, 2023)

Addressing the structure of military spending is essential to understand how Romania's defense priorities have adjusted in response to NATO requirements, as well as in the face of emerging challenges. At the same time, this analysis is essential to highlight how defense investments contributed to economic growth in the period 2014-2023.

In 2021, Romania's military spending reflected a series of strategic changes and specific budget reallocations. The decrease in military equipment spending by 4.02 percentage points compared to 2019 and a marginal decrease in personnel spending by 0.1 percentage points suggest a reassessment of funding priorities in the context of a dynamic security and economic environment. At the same time, the increase in infrastructure investments by 3.53 percentage points and in operational expenses by 0.58 percentage points indicate new directions of development. Romania, strategically located on NATO's eastern border, is deeply influenced by regional security dynamics. Decline in equipment investment may suggest a period of consolidation after significant purchases in previous years or a reassessment of material needs in the context of an analysis of current and future threats. This may also reflect an optimization of resources allocated to equipment, while resources are

redirected to other areas such as infrastructure.

According to the data presented, in 2020 Romania managed to exceed the percentage of 2% of the Gross Domestic Product allocated to defense, at the same time managing to allocate at least 20% of the defense budget to investment in equipment. Romania's increased operational expenditure suggests an adaptation to changed operational needs, perhaps in response to multinational operations or intensified training missions. This may also include funding extensive military exercises to improve troop training and ensure a rapid response to potential threats. These changes in budget allocation may also reflect a strategic realignment within Romania's defense policy. The focus on infrastructure and operational spending can signal a long-term vision of strengthening defense capabilities to support both national needs and international commitments.

The year 2023 brought significant changes in the structure of Romania's military expenditures, marking visible strategic adjustments in defense priorities and resource allocation. These adjustments are characterized by a substantial increase in spending on military equipment and infrastructure, a drastic decrease in personnel funds, and a moderate increase in

operational spending. The increase of 10.63 percentage points in the year 2023 compared to the year 2021, in the expenses for the military equipment can be interpreted as a response to the increased needs for the modernization of the army.

The significant drop of 16.76 percentage points in personnel expenses is one of the most notable adjustments. This can be attributed to several factors, including increased efficiency through automation and technology, which reduces the need for large staff. It could also be an indicator of a budget optimization strategy or internal economic pressures that require spending cuts. Additionally, changes in the structure of the armed forces, such as unit downsizing or organizational restructuring, could contribute to this drastic decline.

In conclusion, in the analyzed period, personnel expenses had the greatest weight, despite the fluctuations during this period, followed by equipment expenses, then by maintenance expenses and ending with infrastructure expenses. Thus we can say that Romania should allocate a higher percentage to the military infrastructure, precisely to invest in the sustainability and resilience of the military environment in the current geopolitical context.

4. Conclusions

Military spending is an essential component of a state's national security strategy, ensuring defense capability, regional stability and geo-political position. Analysis of the importance and components of military spending highlights the complexity of this investment and the profound impact on multiple dimensions of national and international security.

Military spending contributes to strengthening a state's defensive capacity, giving it the ability to respond effectively to any type of aggression. By ensuring a high level of military training and equipment, defense spending becomes a deterrent, deterring possible attacks or hostile actions. Furthermore, in the context of modern

threats – such as international terrorism, hybrid warfare and cyber attacks – states need flexible and modern military capabilities. This aspect underlines the importance of spending not only for territorial defense, but also for the multidimensional security of society.

Military spending generates an economic multiplier effect, stimulating domestic defense industries and related sectors. By creating direct and indirect jobs, these investments contribute to economic development and social stability. The defense sector also supports technology development and transfer, with many military innovations having civilian applications such as communications systems and navigation technologies. However, it is essential that these expenditures are balanced with other needs of society, to avoid disproportionate allocations that can affect critical areas such as education, health and civil infrastructure.

Although necessary, military spending can also create challenges. A disproportionate increase in these expenditures can lead to an arms race in certain regions, generating tension and instability. In addition, massive investments in the military sector can increase vulnerabilities to cyber attacks, given that much of the defense equipment and infrastructure is digitally interconnected. It is therefore essential that governments balance defense spending with other essential societal needs and adopt rigorous cyber security policies.

In conclusion, military spending remains a fundamental investment in maintaining a state's sovereignty and security. Their importance has grown in the face of contemporary challenges, prompting states to rethink their priorities and adapt their budgets to face emerging risks. In today's context, where technology, geopolitics and climate change influence all aspects of life, a well-funded and balanced military strategy is essential to ensure sustainable peace and protect national and international interests.

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