LAW, ORDER AND DEFENCE EXPENDITURE

Two essential tasks of a government are to protect the state from external aggression and maintain law and public order within its frontiers. Over the period considered here, the collapse of the Soviet Union led to a reduction in defence expenditures in many OECD countries, while the terror attacks in the United States led to increases in government expenditures on internal security. The figures shown here reflect these opposing influences.

Definition

The table is taken from national accounts sources, and the data conform to the definitions of the 1993 System of National Accounts. The expenditures cover all expenditures whether current or capital.

Law and order covers the police forces, intelligence services, prisons and other correctional facilities, the judicial system, and ministries of internal affairs. Note that the figures shown here do not include the costs of governmentmandated security arrangements at airports, seaports and other border crossings. Nor, of course, do they include the provision of security in shopping-malls, football matches, concerts and other public gatherings, all of which have certainly increased in recent years.

Comparability

Data are taken from national accounts sources and have been compiled according to the Classification of the Functions of Government (COFOG). In general, the data are broadly comparable.

Long-term trends

Within the total, the shares of the two components – law and order and defence – vary considerably between countries with high shares for defence expenditures in the United States, Korea, Norway, Denmark, France and Sweden and high shares for law and order in Iceland, Luxembourg, Ireland, Spain and Belgium. On average, the share of expenditures on law and order has generally been growing faster than defence and now accounts for more than half of the total for the countries shown in the table.

In 2005 – the latest year for which most countries can supply data – expenditure was highest in the United States and the United Kingdom, and lowest in Luxembourg, Iceland and Ireland. In the majority of countries the shares of expenditures on defence, law and order in GDP have been falling since 1995 with particularly large falls in Norway, Sweden, Ireland and France.

Source

• OECD (2007), National Accounts of OECD Countries, OECD, Paris.

Further information

Analytical publications

- OECD (2004), The Security Economy, OECD, Paris.
- **Methodological publications**
- UN, OECD, IMF, Eurostat (eds.) (1993), System of National Accounts 1993, United Nations, Geneva, Paragraph XVIII.9, http://unstats.un.org/unsd/sna1993.

Online databases

National Accounts.

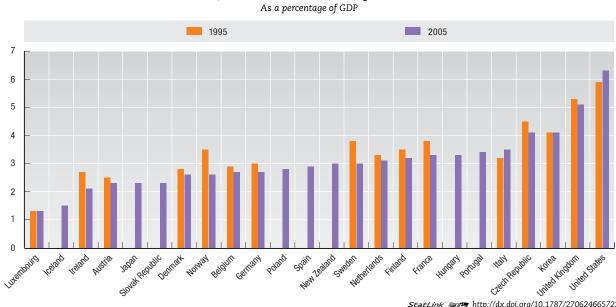
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LAW, ORDER AND DEFENCE EXPENDITURE

Law, order and defence expenditure

As a percentage of GDP														
	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Austria			2.5	2.5	2.5	2.4	2.4	2.4	2.3	2.3	2.3	2.3	2.3	2.3
Belgium	3.0	3.0	2.9	2.9	2.8	2.8	2.8	2.7	2.8	2.9	2.9	2.8	2.7	
Czech Republic			4.5	4.1	4.1	3.7	4.0	4.1	3.8	3.7	4.2	3.5	4.1	
Denmark	2.9	2.9	2.8	2.7	2.7	2.7	2.6	2.5	2.6	2.6	2.6	2.7	2.6	2.6
Finland	3.5	3.7	3.5	3.6	3.4	3.2	3.0	2.9	2.8	2.7	2.9	3.1	3.2	
France			3.8	3.8	3.7	3.5	3.4	3.2	3.3	3.4	3.3	3.3	3.3	
Germany	3.2	3.1	3.0	3.0	2.9	2.9	2.9	2.8	2.8	2.9	2.8	2.8	2.7	
Hungary									3.2	3.8	3.4	3.4	3.3	
Iceland					1.6	1.5	1.5	1.5	1.5	1.5	1.6	1.5	1.5	1.5
Ireland	3.1	3.0	2.7	2.6	2.5	2.5	2.2	2.1	2.1	2.0	1.9	2.1	2.1	
Italy	3.5	3.4	3.2	3.2	3.1	3.1	3.1	3.1	3.0	3.2	3.4	3.4	3.5	
Japan				2.3	2.3	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.3	
Korea			4.1	4.2	4.1	4.2	4.0	3.9	3.8	3.8	3.8	3.8	4.1	
Luxembourg	1.3	1.3	1.3	1.3	1.4	1.3	1.1	1.1	1.2	1.3	1.3	1.3	1.3	1.2
Netherlands			3.3	3.3	3.1	3.0	3.1	3.0	3.1	3.2	3.3	3.2	3.1	
New Zealand											2.9	2.7	3.0	
Norway	3.9	3.9	3.5	3.4	3.3	3.4	3.3	2.9	2.9	3.2	3.1	2.9	2.6	
Poland										2.8	2.9	2.6	2.8	
Portugal							3.2	3.3	3.2	3.3	3.4	3.4	3.4	
Slovak Republic											3.7	2.3		
Spain							3.0	2.9	3.0	3.0	2.9	2.9	2.9	
Sweden			3.8	3.9	3.7	3.7	3.8	3.6	3.5	3.5	3.4	3.2	3.0	
United Kingdom	6.0	5.7	5.3	4.9	4.9	4.7	4.6	4.8	4.7	4.8	5.1	5.0	5.1	
United States	6.5	6.1	5.9	5.7	5.4	5.3	5.2	5.2	5.4	5.8	6.1	6.3	6.3	6.4

StatLink and http://dx.doi.org/10.1787/275348465471



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