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EU military spending is 'elephant in the room' and key factor in European debt crisis, argues new report



High levels of military spending played a key role in the unfolding European economic crisis and continues to undermine efforts to resolve it, alleges a new report by Transnational Institute and the Dutch Campaign against the Arms Trade.

The report, *[Guns, Debt and Corruption: Military spending and the EU crisis](#)*, demonstrates how military budgets across Europe have been largely protected, at a time of severe social cuts. EU's military expenditure totalled €194 billion in 2010, equivalent to the combined annual deficits of Greece, Italy and Spain. The latest data released today by the Stockholm International Peace Institute suggests little change in these overall trends.

The report unveils how high levels of military spending in countries such as Greece, Cyprus and Spain at the epicentre of the euro crisis played a significant role in their debt crises. Much of the military spending was tied to arms sales by creditor countries like Germany and France.

In Portugal and Greece, several major arms deals are being investigated for serious irregularities. Yet creditor countries continue to hawk new arms deals to debtor countries whilst demanding ever more stringent cuts in social services.

The report argues that resolving the economic crisis will require cancellation of the debt tied to corrupt arms deals and a redirection of military spending towards social needs. It highlights research that spending on education and public transport creates double the number of jobs as investments in defence.

Report author Frank Slijper said: "Global military spending was still at a record €1.3 trillion in 2011 despite the global economic crisis. Even in Europe most countries still spend more than ten years ago. The only austerity that Europe really needs is one imposed on the military and the arms industry."

"It is time for Brussels and EU member states to publicly acknowledge the 'elephant in the room' of the current EU economic crisis and that is the role of military spending. At a time of harsh cuts in social services, it is morally unjustifiable to spend money on weapons that should be invested in creating jobs and tackling poverty."

The report *[Guns, Debt and Corruption](#)* has been released in the EU as campaigners in around 30 countries held over 100 events worldwide to protest record levels of military spending and to call for resources to be reallocated to anti-poverty and environmental sustainability programmes. For details of the Global Day of Action on Military Spending, see: <http://www.gdams.org>

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1. The report can be downloaded at <http://www.tni.org/briefing/guns-debt-corruption> from April 15th. If you want an embargoed copy, please email frank@stopwapenhandel.org or nick@tni.org
2. Transnational Institute (TNI) was established in 1974 as an international network of activist researchers committed to provide intellectual support to movements struggling for a more democratic, equitable and environmentally sustainable world. <http://www.tni.org>
3. The Dutch campaign against the Arms Trade - Campagne tegen Wapenhandel - is a small grass roots organisation founded in 1998 to fight one of the root causes of war: arms production and arms trade. <http://stopwapenhandel.org>
4. The Global Day of Action on Military Spending - <http://www.gdams.org> - brings together organisations worldwide to raise public awareness of the human costs of high military spending. It coincides with the annual release of the Stockholm International Peace Research Institute's (SIPRI) new annual figures on world military expenditures (<http://www.sipri.org/>)