



Embassy of the Bolivarian Republic of Venezuela to the UK and Ireland

## *Fact Sheet:*

# MILITARY SPENDING AND INTEGRATED DEFENCE POLICY IN VENEZUELA AND LATIN AMERICA

### **Military Spending**

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When it comes to military spending, Venezuela is frequently misrepresented by other states and the media. Recently, the U.S. assistant secretary of state for the Western Hemisphere, Arturo Valenzuela, said that his country – the biggest buyer and seller of weapons – “is worried about the aggressive discourse and the arms race on the part of the government of Venezuela.”

The facts, however, paint an entirely different picture. According to the annual report released by the Stockholm International Peace Research Institute (SIPRI), Venezuela is the Latin American country that reduced its military spending the most in 2009, down 25% on the previous year. Spending dropped from \$4.3 billion in 2008 to \$3.2 billion in 2009.<sup>1</sup>

#### Venezuela’s military spending is among the lowest in South America

Despite claims to the contrary, Venezuela’s military spending is not unusually high. In fact, it remains below that of U.S. allies in the region. About 1.4% of Venezuela’s GDP goes to military spending, below the South American regional average of 1.7 percent and significantly less than Colombia (3.7%) and Chile (3.5%). Despite having the region’s second-largest GDP, Venezuela is fifth in total defence spending.

#### Colombia significantly increases military spending

The SIPRI report also found that Colombia has increased military spending by 11% in the last

year from taking the total expenditure to more than \$10 billion.

#### Venezuela purchases weapons for defensive purposes

Venezuela is committed both to regional peace and to building the necessary capacity to defend and protect its territorial integrity. As such, recent purchases of weapons and equipment. As such, recent purchases of weapons and equipment have been aimed at updating stockpiles needed for national defense and to fight transnational threats like drug traffickers and criminal syndicates.

On a 2009 trip to Russia, President Chavez agreed to purchase 92 T-72 tanks along with several types of short-range missiles, including the Buk-M2 and S-300 surface-to-air missile systems to build a powerful air defence system. President Chavez emphasized that these purchases only have defensive purposes. “Let me be clear, Venezuela has no plans to invade anybody, or to be aggressive towards anybody.”<sup>2</sup>

#### Why does Venezuela need a strong defence?

Venezuela is one of the world’s leading oil suppliers, and incidents in recent years have demonstrated the needs for a strong defence. With a 2008 attack on Ecuadorian territory, Colombian President Alvaro Uribe indicated that he was adopting a policy of pre-emptive war.

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<sup>1</sup>Stockholm International Peace Research Institute (SIPRI), Annual report 2010  
<http://milexdata.sipri.org/result.php4>

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<sup>2</sup> “Russia lends Venezuela \$2.2 bln to buy weapons”, Reuters, Sep 13, 2009,  
<http://www.reuters.com/article/marketsNews/idUSN1345976720090914>



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Additionally, in June 2009 the U.S. and Colombia signed an agreement that would allow U.S. soldiers to use seven Colombian bases for alleged ant-narcotics and anti-terror operations. This agreement provoked concern and condemnation throughout the region, especially in the midst of the U.S. Navy's deployment its Fourth Fleet to the region, which has already caused one airspace-violation incident.

**Updating Aging Stockpiles:** The purchase of Russian fighter jets in recent years corresponded to the number of F-16s sold to Venezuela by the U.S. in 1980. Since the U.S. has refused to supply key parts necessary for these planes, Venezuela was been forced to look elsewhere to rebuild its air force. Therefore, the new planes come as a replacement, and not as an expansion, of its fleet.

The purchase of equipment such as helicopters, planes and long range 3D surveillance radars are needed to help Venezuela patrol the border with Colombia. This equipment is to fight drug trafficking and other illegal activities in the area. Paradoxically, Venezuela is being criticised for taking a direct step towards securing its borders from drug traffickers, guerillas and paramilitary forces.

### Comparison of military spending in Latin American with the rest of the world

Latin America accounts for about 3% of global military spending while having around 9% of the world's population. Europe has about 11% of the world's population and is responsible for 25% of global military spending. The United States has less than 5% of the world's population yet is responsible for 48% of global military spending.

### **Integrated defence policy in Latin America**

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There have been significant developments in Latin American regional defence cooperation. In March 2009, the South American Defence Council was created in the aftermath of Colombia's attack on guerrilla rebels in Ecuadoran territory.<sup>3</sup>

Main provisions of the council:

- Diplomatic forum to diffuse regional conflicts, increase transparency in military expenditures, and to promote military cooperation for the fulfilment of regional security needs.
- Promote respect for the territorial sovereignty of other member nations, and protection of democratic systems of government.
- Encourage bi-lateral and multi-lateral investment in the region's defence industries.
- Council does not propose a common army or any military operations against third parties, and should not be viewed as a southern equivalent of the North Atlantic Treaty Organization (NATO)

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<sup>3</sup> South American Nations Form Regional Defense Council, March 12th 2009

<http://venezuelanalysis.com/news/4290>