The USA is subsidizing the defense of Europe, but Germany and the United Kingdom aren't.

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Abstract

In this paper, I describe how the USA is subsidizing the defense of Europe, but Germany and the United Kingdom aren't.

The paper ends with "The End"

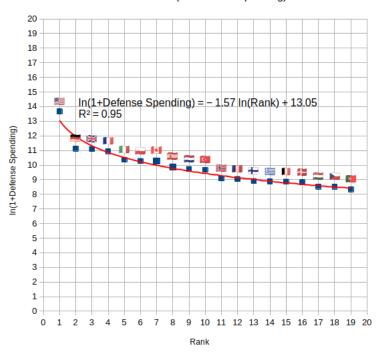
Introduction

The fact that the USA is contributing ever larger amounts of USD to NATO defense funds is well-known. But few know that, as of this writing, the USA is subsidizing the defense of Europe, but Germany and the United Kingdom aren't. In this paper, I describe how the USA is subsidizing the defense of Europe, but Germany and the United Kingdom aren't.

The pattern in NATO defense spending

Using data from visualcapitalist.com,

Rank vs In(1+Defense Spending)



the figure above shows the pattern in NATO defense spending.

Note that the log-linearized defense spending by USA is significantly higher than the trend line. Similarly, note that the log-linearized defense spending by Germany and the United Kingdom are significantly lower than the trend line.

Conclusion

Therefore, we conclude that the USA is subsidizing the defense of Europe, but Germany and the United Kingdom aren't.

The End