

Trump's New NATO Spending Target

Editoriale

Amid his musings about potentially annexing Greenland and invading Panama, President-elect Trump also seemed to float a major policy change on defense spending at his rollicking Tuesday press conference. Now U.S. allies have to ask: Was that part of the trolling, or was he serious?

“It should be 5%, not 2%,” Mr. Trump said, with regard to the North Atlantic Treaty Organization’s spending target for its members. NATO expects countries to allocate 2% of gross domestic product to defense, with 20% of that for equipment. The chronic failure of most European countries—and Canada—to hit that threshold was long a sore point for the U.S., and it prompted Mr. Trump’s threats in his first term to pull out of the alliance.

Raising the spending goal during Mr. Trump’s second term would be a declaration of victory on the current 2% figure. Twenty-three of 32 NATO members now [exceed that spending level](#), and all but two—Canada and Belgium—meet the 20% equipment rule. (For the benefit of anyone planning an invasion, Denmark, which owns Greenland, is at nearly 2.4%.)

This is a big change from 2017, Mr. Trump’s first year in office, when only four allies (Estonia, Greece, the United Kingdom and the U.S.) hit the target. Credit partly Mr. Trump’s fulminations during his first term, which prompted nervous allies to increase expenditure. Credit mostly [Vladimir Putin](#), whose 2022 invasion of Ukraine reminded politicians and voters they still inhabit a dangerous world. The biggest increases in defense expenditure have happened the past two years.

If Mr. Trump wants a 5% goal, godspeed. He can start at home: The U.S. was on track last year to spend about 3.4% of GDP on defense, according to NATO’s data, roughly the average of Mr. Trump’s first four years in office. It isn’t enough for these dangerous

times. Doing better would be easier if the U.S. could free up cash by cutting wasteful spending and, dare to say it, reforming entitlements.

There's also the problem of withering defense-industrial capacity. Europe has struggled to produce the ammunition it has committed to Ukraine, and the U.S. faces manufacturing backlogs and bottlenecks replenishing its own arsenals. If Mr. Trump is serious on a higher spending target for NATO, the U.S. should lead the way.