

Russia to Boost Military Spending to 40% of State Budget in 2025 – Bloomberg

September 24, 2024



Maxim Shipenkov / EPA / TASS

Russia plans to boost defense spending to 13.2 trillion rubles (\$14.2 billion) in 2025 from 10.4 trillion rubles projected for this year, Bloomberg [reported](#) Monday, citing draft budget proposals it had seen.

That increase would represent 6.2% of Russia's projected GDP, a historically high figure as the war in Ukraine shows little sign of ending anytime soon. Likewise, defense and national security spending would account for 40% of total government expenditures in 2025, surpassing the combined allocations for education, healthcare, social policies and the national economy, according to Bloomberg.

At the same time, Bloomberg reported that 30% of the 2025 budget — 12.9 trillion rubles — is allocated for classified or unspecified items, an increase from 11.1 trillion rubles in 2024.

In 2026 and 2027, Russia plans to decrease defense spending slightly, to 5.6% and 5.1% of

GDP, respectively. However, spending on national defense would still be higher than current levels, and several times higher than pre-war levels.

Related article: [Russia Extends Limits on Overseas Money Transfers for Another 6 Months](#)

Despite the war-driven surge in spending, the 2025 budget is expected to have a deficit of 0.5% of GDP, down from 1.7% in 2024, thanks to projected tax hikes, a progressive wealth tax, and increased non-oil and gas revenues, according to Bloomberg.

The draft budget for 2025-2027 is set to be [submitted](#) to lawmakers on Monday.

Last week, President Vladimir Putin [listed](#) defense spending and the integration of occupied Ukrainian territories among the government's top priorities for the upcoming draft budget.

Analysts have [said](#) that even after the war in Ukraine ends, Russia would need to maintain higher-than-average levels of defense spending for several years to rebuild its armed forces, with some military experts [estimating](#) the country may need 8 years to rebuild its military fully.

Original url:

<https://www.themoscowtimes.com/2024/09/24/russia-to-boost-military-spending-to-40-of-state-budget-in-2025-bloomberg-a86450>