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# Money motivation of military personnel in NATO countries, Russia, China and CIS countries

Abstract. A comparative analysis of various money motivation systems for the NATO, Russian, Chinese and CIS military personnel was conducted based on official statistics and scientific publications. Guided by the scientific principle «from general to specific», we used B. Skinner's, L. Porter's, E. Lawler's, F. Haider's, G. Kaufman's, R. Prestas' and T. Stewart's theories and concepts as a theoretical and methodological basis for the research since their studies clearly reveal money motivation approaches in the armies of various countries of the world. The methods of historicism, comparison and analogy used in the work have made it possible to identify what is common and essential for all types of money motivation in the armies of different countries, which reflects their national identity. Social and economic policies regarding military personnel in different countries are based on a system of financial benefits and social protection, which implies good and incentive payments, extra pay, compensations and pension maintenance. As a result, it has been concluded that money motivation in the army originates from geopolitics, economic opportunities and economic conditions within a particular country. Beside economic factors, money motivation for the military personnel is built in accordance with the national identity, mentality and sociocultural codes. Both the national economy and the army economy, the component element of which is the system of money motivation, have their own socio-cultural dimensions.

Keywords: Money Motivation; Army; Military Personnel; NATO; Russia; China; CIS

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Грошова мотивація військовослужбовців країн НАТО, Росії, Китаю та СНД

Анотація. Спираючись на дані офіційної статистики та матеріали наукових публікацій, проведено компаративний аналіз різних систем грошової мотивації військовослужбовців країн НАТО, Росії, Китаю та СНД. Керуючись науковим принципом від загального до конкретного, з усього різноманіття існуючих в системі наукового знання теорій мотивації в якості теоретико-методологічної основи дослідження було використано теорії та концепції Б. Скіннера, Л. Портера, Е. Лоулера, Ф. Хайдера, Р. Кауфмана, Р. Престаса, Т. Стюарта, які найбільш повно розкривають сучасні системи грошових стимулів в арміях різних країн світу. Використані в роботі методи історизму, порівняння та аналогій дозволили виявити спільні риси та необхідні умови для всіх видів грошової мотивації в арміях різних країн, а також те, у чому проявляється їхня національна специфіка. Соціально-економічна політика різних країн світу щодо військових вибудовується через систему грошових преференцій і соціальних гарантій, яка передбачає гідну грошову винагороду, стимулюючі виплати, доплати й компенсації, пенсійне забезпечення. У результаті проведеного дослідження було зроблено висновок, що в основу грошової мотивації в армії покладено геополітику, економічні можливості, мита, умови господарювання в окремо взятій державі. Крім суто економічних факторів, система грошової мотивації для військових вибудовується у відповідності з національною специфікою, ментальністю народу та його соціокультурними кодами. Подібно до національної економіки, економіка армії, складовою якої є система грошової мотивації, також має свій соціокультурний вимір.

Ключові слова: грошова мотивація; армія; військовослужбовці; НАТО; Росія; Китай; СНД.

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Аннотация. Опираясь на данные официальной статистики, а также материалы научных публикаций, проведен компаративный анализ различных систем денежной мотивации военнослужащих НАТО, России, Китая и СНГ. Руководствуясь научным принципом от общего к частному, из всего многообразия существующих в системе научного знания теорий мотивации в качестве теоретико-методологической основы исследования использованы теории и концепции Б. Скиннера, Л. Портера, Э. Лоулера, Ф. Хайдера, Г. Кауфмана, Р. Престаса, Т. Стюарта, которые наиболее полно раскрывают современные системы денежных стимулов в армиях различных стран мира. Использованные в работе методы историзма, сравнения и аналогий позволили выявить то, что является общим и необходимым для всех видов денежной мотивации в армиях разных стран, а также то, в чем отражается их национальная специфика. Социально-экономическая политика разных стран мира в отношении военнослужащих выстраивается через систему денежных преференций и социальных гарантий, которая предполагает достойное денежное вознаграждение, стимулирующие выплаты, доплаты и компенсации, пенсионное обеспечение. В результате проведенного исследования был сделан вывод, что в основу денежной мотивации в армии положены геополитика, экономические возможности и условия хозяйствования в том или ином государстве. Кроме чисто экономических факторов, система денежной мотивации для военных выстраивается в соответствии с национальной спецификой, ментальностью народа и его социокультурными кодами. Подобно национальной экономике мира, экономика армии, составным элементом которой является система денежной мотивации, имеет свое социокультурное измерение.

Ключевые слова: денежная мотивация; армия; военнослужащие; НАТО; Россия; Китай; СНГ.

#### 1. Introduction

The transition from the concept of social welfare to an effective state doctrine in Western Europe, as well as the establishment of a market economy in the US, Russia and the CIS countries have led to the optimisation military costs. The state

policy of a certain country is built in accordance with a specific motivation strategy for the military personnel. The existing doctrines determine the purpose of the army, its tasks, role and place in modern society. At the same time, despite the existence of the normative framework, there has always been

a problem of how to motivate the military personnel and how much they should be paid so that they are able to adequately protect their country risking their lives and health.

Recently, politicians, economists, managers and scientists have been speculating on issues related to funding the army and providing money motivation of professional military personnel. At the same time, funding the armed forces is opposed to economic calculations. And the issue of how to strike a balance between these two elements is a priority for any state. Therefore, there is an objective need to study money motivation in NATO, as well as the relevant practices in the Russian, Chinese and CIS armies whose military arsenals are opposed to each other. Moreover, the existing models of military motivation have become significant both theoretically and practically, as material incentives significantly affect the combat readiness of the armies and become, to some extent, a reliable guarantee of peace and stability.

#### 2. Brief Literature Review

Both in foreign and Russian science, there is a great number of materials related to the issues of motivation of various communities and professional groups, including the military personnel. G. Spencer, one of the founders of sociology, precisely defines war as a key factor of society development. Therefore, in modern systems of management, the army's economy becomes one of the main discourses, which is reflected in normative and reference documents, particularly in the USA [1].

The studies by foreign scientists of the late 20th and the second decade of the 21st centuries actualise not only moral and ethical upbringing challenges but also motivation of professional military personnel [2; 3]. According to C. Meskos its model is built into the general technological structure of the country (the new postmodern, postmodern, transitional type) [4]. Military economists is focus their attention on issues related to the assessment of economic returns associated with military service, [5] defence planning [6] and the distribution of financial burdens among NATO countries [7]. An important role is given to civil-military relations [8] and the structuring of society based on the main stratification features, which, according to McDonald and Wenton, significantly affect the army's economy [9].

Russian scholars, disclose the role of professional, material and nonmaterial motivation of personnel in their publications [10]. V. Khorev and O. Goreva [11] focus on the issues of financial and economic support to the army and navy.

S. Zakutnev conducts an analysis of foreign and Russian practices of financing troops [12]. A lot of studies are devoted to the welfare of the Russian army and the origin of the administrative echelon [13; 14]. The author's research also reveals various aspects of the army's functioning, including the issues of monetary allowance and money motivation of various categories of the military personnel during the years of the First and Second World Wars [15; 16].

At the same time, an analysis of scientific literature allows us to conclude that the coverage of issues related to the money motivation of professional military personnel in the armies of different countries is fragmentary. Hence, they require further research.

- **3.** The purpose of the article is to conduct a comparative analysis of various systems of money motivation of military personnel in NATO, Russia, China and the CIS countries, which is specified in the following objectives:
- to summarise and compare financing strategies for various armies through their budgeting system;
- to determine similarities and differences in the motivation of professional military personnel, based on the conditions and factors of the formation of motivation;

• to define the sociocultural matrix of modal characteristics of the military personnel of different countries of the world.

The research is based on information obtained from public sources, as well as on Russian and foreign publications related to the army's economy. The results of qualitative and quantitative research on the Russian army reform conducted by the author during the period of 2013-2016, as well as the polls by the All-Russian Public Opinion Research Centre: «The most popular professions» (n = 1600, 2013); the Public Opinion Foundation: «The combat capability of Russian army in the context of military construction» (n = 1500, 2013), «Readiness of the population to fight for their Motherland» (n = 1500, 2013); the Scientific Research Sociological Center of the Armed Forces of the Russian Federation: «Officers of the Russian Army on the choice of their profession» (n = 411, 2013) and the polls on what the officers think of reforms, the reasons for choosing a military profession, its values, significance and prestige in society were used as an empirical basis.

General scientific methods of research, among which are systematisation, comparison, comparison and generalisation, have made it possible to study contemporary practices of money motivation of the military personnel with sufficient certainty.

#### 4. Results

Strategies for financing armies of different countries.

In 2016, only 5 out of 27 NATO countries, namely, Great Britain, Greece, Poland, USA and Estonia, established military budgets which exceeded 2% of their GDP (see Figure 1) [17]. The highest share of the world military expenditures belongs to the US, which is 3.61% of GDP. For Russia, the dynamics of this indicator is as follows: 4.7% of the country's GDP in 2016, 3.3% of the country's GDP in 2017, 3% of the country's GDP in 2018 and 2.8% of the country's GDP in 2019 [18]. Therefore, the NATO military authorities has put forward a recommendation for the member countries to determine military spending at a level of 2% at least. Thus, the total expenditure of NATO countries on defence in 2016 exceeded USD 918 billion. The US military budget for 2017 is USD 602 billion, while the aggregate annual military expenditures of the NATO European countries have reached USD 350 billion, which exceeds the costs for the same period of time for the Russian army (USD 47.5 billion) [19].

The largest percentage increase in the military budget (42%) was in Latvia, reaching USD 400 million [20].

The US holds the leading position in defence spending (see Table 1).

Half of these technologically advanced countries are NATO member states (the United States, the United Kingdom, Germany, France and Turkey). Their total budget is USD 684.385 billion. On the one hand, the United States and its army, holding a dominating position in the NATO bloc, act as a «safety umbrella» which can prevent military aggression; on the other

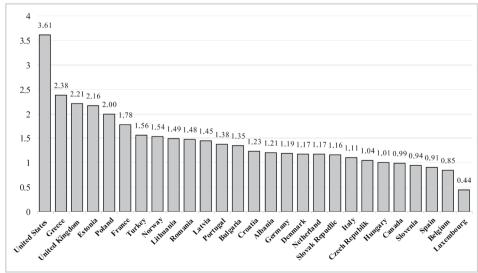


Fig. 1: The share of military budgets of NATO countries in GDP in 2016 Source: [20]

Tab. 1: 10 largest armies of the world's leading countries in terms of the level of technological development and the share of military expenditures in 2016

Country	Overall ranking	Available manpower (USD million)	Tanks	Aircraft	Nuclear Warheads	Aircraft carriers	Submarines	Budget (USD billion)
United States	1	145.2	8,325	13,683	7,506	10	72	612.5
China	3	749.6	9,150	2,788	250	1	69	126
Russia	2	69.1	15,000	3,082	8,484	1	63	76.6
United Kingdom	5	29.1	407	908	225	1	11	53.6
Japan	10	53.6	767	1,595	0	1	16	46.4
India	4	615.2	3,569	1,785	80-100	2	17	46
Germany	7	36.4	408	710	0	0	4	45
France	6	28.8	423	1,203	300	1	10	43
South Korea	9	25.6	2,346	1,393	0	0	14	33.7
Turkey	8	41.6	3,657	989	0	0	14	18.185

Source: [17-20]

hand, the countries covered by the so called «umbrella» are forced to play by the rules of their overseas partners, losing their sovereign right to deal with global political, economical and sociocultural issues.

Thus, the economic potential of a selected country, the technological stage, the geopolitics, the geographical location, the length of sea and land borders, the demographic indicators, the proximity to logistics centres are the factors and conditions which determine the budget strategy for financing the armies. In recent years, the researchers have focused their attention on the transformation processes of the socioeconomic sphere and searched for answers to new civilization challenges and the understanding of the methodological foundations for the study of modern armies.

There exist a number of theories and concepts among which it is necessary to note those that reflect the specificity of money motivation of the military personnel and become a theoretical background for carrying out a comparative analysis of various practices and their application.

B. Skinner argues that the system of motivation changes the behaviour of the management entity. Accordingly, skilfully manipulating the monetary measures relevant to encouragement and punishment, the subject of management (the commander) not only adjusts all the subordinate actions, but also changes them [21].

The concepts and approaches developed by L. Porter and E. Lawler [22, 65-67], are based on the idea that money motivation for the military personnel can be presented as a fair incentive system, depending on the applied effort and obtained results, both individually by a military man and the military unit.

F. Haider's attributive theory with regard to the military personnel can be used while describing various models of money motivation, depending on the external environment (national circumstances, people's culture and mentality), the individual's personality (psychological, social aspects) observed in a single continuum [23].

G. Kaufman assumes that a desire to meet the goals of their community becomes the main motivating factor for the military personnel within a military organisation regardless the nationality [24]. Therefore, the system of money motivation depends on the professionalism of each serviceman.

R. Prestas emphasises the value dimension in his theory. In his opinion, this aspect is the main motive for adapting to any type of organisation [25]. Unlike other professional groups, the military personnel is required to accept all the values of a military organisation. If they do not share these values, they do not meet the requirements.

The approaches developed by T. Stewart [26] can be used as a basic concept in the study and development of various programs of material and nonmaterial incentives related to military organisations. In the motivation system developed by T. Stewart, it is emphasised that the access to power and promotion, which are essential for military professionals, are vital along with money reward.

Similar and different features in the systems of motivation of professional military personnel.

In all armies, military personnel payments include a permanent part (the pay itself in accordance with the military rank) and a variable part (various bonuses depending on the complexity of the work and the stress involved, seniority, professional skills etc.).

Let us consider how it all looks like in different armies. In the majority of the CIS countries, there is compulsory military service. In this case, the allowance of a serviceman in terms of the national currency is from USD 2 in Uzbekistan to USD 5 in Azerbaijan and Belarus per month. It remind you of the Soviet past when a Soviet soldier received 3 Soviet rubles, and now he also has the same money, however the currency is different. The lowest payment is in the army of Tajikistan.

It is USD 1.5 per month. The highest salary for the conscripts is in Kazakhstan - USD 24, and in Russia it is more than USD 30 in the national currency per month. It is more prestigious to become a military man where the payment and motivation to get a military profession are higher, as evidenced by the latest opinion polls. Most of the Russian young people do not reject military service, as they used to do in the early years of market reforms. A scholarship in provincial universities in Russia (about USD 22) is lower than the allowance of a rank-and-file soldier. The data on the money allowance of the main categories of professional military personnel is presented in Table 2. The calculations are based on the exchange rate of one Russian rouble to the United States dollar as of 01 December 2016.

On the basis of the obtained data, it can be concluded that the most highly paid armies in the world are in the USA, the United Kingdom and Germany. These are the most warring and most economically advanced countries of the world. The armies of the former Soviet republics look very modest in comparison. Perhaps for many decades, the Russian army and the armies of the CIS countries were united by a common sociocultural code, and money in the armies was not the main motivation. The USSR proved it in the Second World War.

Matrix of modal characteristics of servicemen from different countries

Currently, the motivational strategies for the military personnel are taking place against the background of the ongoing sociocultural changes, both in a single country and all over the world. In the course of transformations, not only the world's and, as a consequence, the people's needs are changing, but also the modal structures of the personality

Tab. 2: Money allowance of military personnel in CIS countries, NATO and PRC as of 1 December 2016

Alliance		Money allowance					
	Country	of the military personnel under contract (USD)					
	Country	Soldiers and	Junior officers	Senior officers			
		sergeants	Lieutenant-captain	Major - colonel			
CIS	Azerbaijan	40-50	600-1,000				
	Armenia	250-230	400-700				
	Belarus	200-230	280-380	400-550			
	Kazakhstan	300-400	470-700				
	Kyrgyzstan	65-70	150-300				
	Moldova	40-50	75-140				
	Russia	270-920	875-1,300	1,400-1,800			
	Tajikistan	40-56	60-70	80-130			
	Turkmenistan	150-190	250-300	450-650			
	Ukraine	200-250	300-350	400-500			
	Uzbekistan	65-75	120-130	200-400			
NATO (Selectively)	Latvia	603-705	from 781				
	Lithuania	300-590	660-880	1,030-1,100			
	Estonia	730-980	1,000-1,250	1,300-2,200			
	United Kingdom	1,625-5,000	3,500-3,800	9,500-10,600			
	Hungary	800-1000	1,300-1,500	1,500-2,730			
	Germany	1,668-3,559	2,313-3,999	6,008-8,413			
	France	1,400-2,600	2,300-2,900	5,000-5,500			
	USA	832-3214	2,828-3,559	5,963-10,557			
China		450-720	700-780	810-1,380			

Source: Worked out by the author using data available

of military professionals. In terms of the analytical analyses related to the study of military education around the world, the author has revealed a sociocultural matrix of modal characteristics of the military personnel from different countries (see Figure 2).

Using this matrix we consider the strengths and weaknesses of the military personnel when determining money motivation. Hence, there are different strategies influencing not only the constant part of payments, but also bonuses and compensations. For example, surrender is a disgrace for Russian and former Soviet army military men. In the case of Western military men, they are provided with impressive compensation for commendable conduct in captivity.

#### 5. Conclusion

The comparative analysis conducted on the basis of generalisation and systematisation of financial strategies for different armies allows us to formulate conceptual conclusions:

1) Theories and concepts by B. Skinner, L. Porter, E. Lawler, F. Haider, G. Kaufman R. Prestas and T. Ste-

wart can be used as the theoretical and methodological basis while studying money motivation of the military personnel; their researches most fully reveal the current system of monetary incentives for professional military personnel.

2) Money motivation in the army is provided in accordance with the geopolitics, economic opportunities and

#### USA, United Kingdom, Germany

## Strengths

- high professionalism;
- respect for history, traditions, the army, a military educational institution:
- confidence in their technological superiority;
- belief in the superiority of their lifestyle;
- leadership, independence;
- religiosity
- military practicality, resourcefulness, ingenuity of technological culture;
- independence, responsibility, corporatisation;
- skills in physical exercise;
- abilities that help not to be taken captive;
- religiosity

# Russia, China, CIS

### - loyalty to the leadership and the dominant ideology;

- readiness for self-sacrifice;
- excellent skills in physical exercises;
- endurance, vitality, readiness to work hard in all circumstances;
- excellent self training:
- focus on obtaining new knowledge;
- diligence;
- discipline

### Weaknesses

- excessive ideology:
  - lack of professionalism;
  - insufficient technological awareness

- pragmatism, excessive focus on money motivation;
- careerism and individualism;
- alienation and tension in the relationship;
- disdain for potential adversaries;
- low morale

Fig. 2: Matrix of strengths and weaknesses of the modal personality of a professional military personnel

Source: Own research of the author

economic conditions within a particular state. Money motivation for the military personnel is in accordance with the national circumstances, mentality and sociocultural codes. Both the national economy and the army economy, the component element of which is the system of money motivation, have their own sociocultural dimensions.

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