



By: TA | AP Insight

Japan gets a record defense budget that aims to deter China



Japan's Cabinet approved a record defense budget plan exceeding 9 trillion yen (\$58 billion) for the coming year, aiming to fortify its strike-back capability and coastal defense with cruise missiles and unmanned arsenals as tensions rise in the region.

The draft budget for fiscal 2026, beginning April, is up 9.4% from 2025 and marks the fourth year of Japan's ongoing five-year program to double annual arms spending to 2% of gross domestic product.

"It is the minimum needed as Japan faces the severest and most complex security environment in the postwar era," Defense Minister Shinjiro Koizumi said, stressing his country's determination to pursue military buildup and protect its people.

"It does not change our path as a peace-loving nation," he said.

The increase comes as Japan faces elevated **tension** from China.

Japanese Prime Minister **Sanae Takaichi** said in November that her country's military could get involved if China were to take action against Taiwan, the self-governing island that Beijing says must come under its rule.

Takaichi's government, under U.S. pressure for a military increase, pledged to achieve the 2% target by March, two years earlier than planned.

Japan also plans to revise its ongoing **security and defense policy** by December 2026 to further strengthen its military.

Missiles and drones will add to southwestern island defense

Japan has been bolstering its offensive capability with long-range missiles to attack enemy targets from a distance, a major break from its post-World War II principle limiting the use of force to its own self-defense.

The current security strategy, adopted in 2022, names China as the country's biggest strategic challenge and calls for a more offensive role for Japan's Self-Defense Force under its security alliance with the U.S.

The new budget plan allocates more than 970 billion yen (\$6.2 billion) to bolster Japan's "standoff" missile capability.

In part due to Japan's aging and declining population and its struggles with an understaffed military, the government believes unmanned weapons are essential

It includes a 177 billion-yen (\$1.13 billion) purchase of domestically developed and upgraded Type-12 surface-to-ship missiles with a range of about 1,000 kilometers (620 miles).

The first batch of the Type-12 missiles will be deployed in Japan's southwestern Kumamoto prefecture by March, a year earlier than planned, as Japan accelerates its missile buildup in the region.

In part due to Japan's aging and declining population and its struggles with an understaffed military, the government believes unmanned weapons are essential.

To defend the coasts, Japan will spend 100 billion yen (\$640 million) to deploy "massive" unmanned air, sea-surface and underwater drones for surveillance and defense under a system called "SHIELD" planned for March 2028, defense ministry officials said.

For speedier deployment, Japan initially plans to rely mainly on imports, possibly from Turkey or Israel.

Tension with China grows

The budget announcement comes as Japan's row with China escalates following Takaichi's remark in November about Taiwan.

The disagreement escalated this month when Chinese aircraft carrier drills near southwestern Japan prompted Tokyo to protest when **Chinese aircraft** locked their radar on Japanese aircraft, which is considered possible preparation for firing missiles.

The Defense Ministry, already alarmed by China's rapid expansion of operations in the Pacific, will open a new office dedicated to studying operations, equipment and other necessities for Japan to deal with China's Pacific activity.

Two **Chinese aircraft carriers** were spotted in June almost simultaneously operating near the southern Japanese island of Iwo Jima for the first time, fueling Tokyo's concern about Beijing's rapidly expanding military activity far beyond its borders and areas around the disputed East China Sea islands.

Japan is deviating from the path of peaceful development it has long claimed to uphold - China's Foreign Ministry

In Beijing, China's Foreign Ministry spokesperson Lin Jian said the Takaichi government has "noticeably accelerated its pace of military buildup and expansion" since taking office.

"Japan is deviating from the path of peaceful development it has long claimed to uphold and is moving further and further in a dangerous direction," Lin said.

Japan plans joint development of frigates and jets

Japan is pushing to strengthen its largely domestic defense industry by participating in joint development with friendly nations and promoting foreign sales after drastically easing arms export restrictions in recent years.

For 2026, Japan plans to spend more than 160 billion yen (\$1 billion) to jointly develop a **next-**

generation fighter jet with Britain and Italy for deployment in 2035.



Australia selected Mitsubishi Heavy Industries to upgrade the Mogami-class frigate to replace its fleet of 11 ANZAC-class ships

There are also plans for research and development of Artificial Intelligence-operated drones designed to fly with the jet.

In a major boost to the country's defense industry, Australia selected Mitsubishi Heavy Industries in August to upgrade the Mogami-class frigate to replace its fleet of 11 ANZAC-class ships.

Japan's budget allocates nearly 10 billion yen (\$64 million) to support industry base and arms sales.

The budget plan requires parliamentary approval by March to be implemented as part of a 122.3 trillion yen (\$784 billion) national budget bill.

The five-year defense buildup program would bring Japan's annual spending to around 10 trillion yen (\$64 billion), making it the world's third-largest spender after the U.S. and China. Japan will clear the 2% target by March as promised, the Finance Ministry said.

Takaichi's government plans to fund its growing military spending by raising corporate and tobacco taxes and recently adopted a plan for an income tax increase beginning 2027. Prospects for future growth at a higher percentage of GDP remain unclear.