



The Real Reasons For Taiwan’s Arms Backlog — And How To Help Fill It

Jennifer Kavanagh And Jordan Cohen

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In a recent letter to Secretary of State Antony Blinken, Sen. Josh Hawley argued that the Biden administration’s military aid to Ukraine has compromised more important efforts to strengthen Taiwan’s defenses. As evidence, he pointed to Taiwan’s nearly \$19 billion weapons backlog. Hawley is not the first to link military support to Ukraine and Taiwan’s delayed arms deliveries. A November 2022 *Wall Street Journal* article argued that weapons transfers to Ukraine were “aggravating” Taiwan’s weapons shortfall. The U.S.-China Economic and Security Review Commission similarly blamed the “diversion of existing stocks of weapons and munitions” to Ukraine for delays in delivery of promised systems to Taiwan.

Underlying these concerns is the assumption that Taiwan and Ukraine are competing for the same systems and the same weapons production lines. From this perspective, each anti-aircraft missile sent to support Ukraine is one that could have supported Taiwan’s “porcupine strategy.” Hawley and others are right that the United States will increasingly need to prioritize when it comes to allocating constrained resources across threats from Russia and China, especially as the war in Ukraine wears on and the situation in the Taiwan Strait becomes more precarious.

But the narrative that Washington’s commitments to Ukraine are a primary driver of Taiwan’s weapons backlog or have interfered with U.S. efforts to arm Taiwan is misleading and harmful. First, it oversimplifies the different pathways through which Taiwan and Ukraine have received weapons up to this point and overstates the degree to which the capabilities required by each country overlap. More importantly, though, this narrative distracts from the most important sources of delivery delays: limitations in the U.S. defense industrial base and inefficiencies in the arms sales process.

In the absence of meaningful investments to close gaps in defense industrial base resiliency and address inefficiencies in the sale-to-delivery timeline, slowing arms transfers to Ukraine or more aggressively prioritizing Taiwan will not fix the latter’s existing weapons backlog. Understanding and addressing the root causes of delays is therefore essential to U.S. efforts to adequately arm Taiwan and deter Chinese aggression. To address Taiwan’s arms backlog and fill its remaining needs for high-priority asymmetric capabilities, Washington should accelerate investment in the U.S. defense industrial base to support modernization, expand capacity, protect supply chains, and address defense sector concentration. It should also streamline the arms sales

process and reduce procedural delays, while revising export controls to facilitate more joint production of systems with Taiwan.

Different Pathways

The argument that arming Ukraine has come at the cost of assisting Taiwan misunderstands the processes through which each country has received weapons. Weapons transfers to Taiwan have historically occurred primarily through foreign military sales. Under the terms of the Taiwan Relations Act, the United States sells Taiwan weapons to support its self-defense nearly every year through the foreign military sales process, which involves congressional review and approval by relevant agencies. Taiwan's recent major purchases have occurred through this channel, including its 2015 purchase of Javelin and Stinger missiles, its 2019 purchase of Stinger missiles, and its 2020 purchases of Harpoon missiles and High Mobility Artillery Rocket Systems.

In contrast, while Ukraine has recently purchased some new weapons, much of what Kyiv has received — including the Javelin and Stinger missiles and howitzers that critics claim should be going to Taiwan — come from excess defense stockpiles. Since 2018, the Defense and Security Cooperation Agency lists only four sales of weapons to Ukraine through the foreign military sales process, including most recently \$165 million in non-standard ammunition in April 2022. Per the State Department and Defense Security Cooperation Agency, foreign military sales have made up less than five percent of security aid sent to Ukraine since 2014.

The excess defense articles that have constituted the bulk of Ukraine's arms transfers typically include used weapons systems that the United States holds in reserve but that exceed its own demand. When these stocks run low, the United States may first work with partners to transfer systems to Ukraine while also building additional systems to refill stocks and for future delivery, as is being done with National Advanced Surface-to-Air Missile System. To date, Taiwan has not been a major recipient of weapons taken from U.S. stocks or excess defense articles.

Taiwan and Ukraine have not been directly competing for priority when it comes to either excess defense articles or getting their orders for new systems filled, but this may change. First, policy changes in the 2023 National Defense Authorization Act authorize presidential drawdown authority for Taiwan. Second, as existing stockpiles dry up, weapons transfers to Ukraine will increasingly rely on newly built weapons, potentially acquired through the foreign military sales process.

Thus, while it is misleading to blame Taiwan's existing weapons backlog on arms sent to Ukraine, efforts to close this backlog and fill new commitments may increasingly come into direct conflict with demands emerging from Ukraine. This will make future choices about prioritization and tradeoffs between the two countries and across systems more consequential.

The Overstated Overlap

In addition to coming through different processes, much of Taiwan's weapons backlog, and many of the capabilities that it might need going forward, are not systems in high demand in Ukraine. There are similarities between Ukraine's territorial defense strategy and the asymmetric strategy that many defense analysts advocate for Taiwan. But the two approaches differ in key ways due in part to geography. Taiwan's primary concern is deterring and repelling an invasion by sea, making anti-ship missiles, naval mines, and longer-range anti-air systems among its

highest priority needs. Ukraine, which faces a ground war of attrition with an extended front line and close contact with Russian forces, benefits most from shorter-range systems. For example, Stinger missiles will be considerably more useful in Ukraine, where Russian forces lack air superiority and are in close proximity to Ukrainian positions. They will be less useful in Taiwan, which faces a potential barrage of Chinese ballistic and cruise missiles, though they could still play a role as part of a layered air defense.

A closer look at arms received by Ukraine and ordered by Taiwan confirms that while there is overlap between the two, it is considerably smaller than often assumed. Capabilities where overlap exists include Javelin and Stinger missiles, Tube-launched, Optically tracked, and Wire-guided anti-tank missiles, High Mobility Artillery Rocket Systems, Army Tactical Missile Systems, Harpoon missiles, howitzers, and high-speed anti-radiation missiles. Orders of these weapons make up only about one-third of Taiwan's \$21 billion in arms purchases since 2015, albeit partly because of Taiwan's desire to buy large conventional weapons platforms instead of embracing asymmetric strategies. The other \$14 billion in purchases include capabilities not in demand in Ukraine and systems that Washington has refused to send to Kyiv such as Abrams tanks and Reaper drones.

Drivers of Delays

Arguments that identify U.S. aid to Ukraine as a cause of Taiwan's arms backlog also divert attention from the greatest sources of existing delays: limitations of the U.S. defense industrial base and inefficiencies in the sales-to-delivery process.

Taiwan's backlog in arms deliveries did not originate with Russia's 2022 invasion. Instead, by the end of 2021, the balance of overdue arms transfers from the United States to Taiwan stood at about \$14 billion, already over three quarters of the \$19 billion shortfall that existed in December 2022. The majority of delayed systems were purchased between 2015 and 2019, including F-16 aircraft, Javelin and Stinger missiles, High Mobility Artillery Rocket Systems, Army Tactical Missile Systems, and anti-ship missiles. That most of the backlog pre-dates the war in Ukraine suggests a long-running problem with deeper roots.

Stockholm International Peace Research Institute trade register data reveal that delays of anywhere from two to five years between sale and delivery are the norm for transfers of U.S. weapons systems. Across U.S. arms deliveries to all clients completed between 2012 and 2021, the average time between sale and delivery was about four years for air defense systems, 3.5 years for aircraft, and 2.5 years for missiles. Sometimes these delays stretch up to almost 10 years. Taiwan's delays are in line with these figures. Notably, while clients of major U.S. adversaries like Russia and China often receive faster arms deliveries in general, they face similarly lengthy backlogs when it comes to more high-end systems.

These delays in weapons transfers have many causes. One major constraint is the capacity of the U.S. defense industrial base to meet increasing demands from U.S. partners and the Defense Department itself. In addition, consolidation across the defense sector has left fewer suppliers and production lines to meet this growing demand. Efforts to expand the number of suppliers have only just begun. A second driver of delay results from complex production processes and long supply chains that are themselves subject to disruption due to weather and economic or geopolitical shocks. Third, an uncertain budget environment and frequent continuing resolutions that delay contract authorizations have resulted in a "just-in-time" approach while

discouraging long-term investment by defense contractors. Finally, the COVID-19 pandemic worsened existing problems by triggering work stoppages and additional supply chain disruptions that take time to reverse.

Inefficiencies in the sale-to-delivery part of the foreign military sales process are another source of delay. The sheer volume of U.S. global arms sales each year slows down the arms delivery process by creating more work for the State and Defense Departments and more strain on an already stretched defense industrial base. In such an environment, large clients like Saudi Arabia and big ticket items like aircraft may take priority over smaller buyers and systems, affecting the asymmetric capabilities that countries like Taiwan need most. The Department of Defense's antiquated Programming, Planning, Budgeting, and Execution process, which is responsible for allocating funds to support the management of the foreign military sales program, creates a further drag on weapons delivery timelines when there are administrative delays or issues with resource execution. Many of these process-related delays affect not only new sales but also transfers under the presidential drawdown authority.

Finally, export controls can add more obstacles even after an arms sale agreement has been signed and approved. First, complicated legal requirements can cause technical delays. Second, in the event of any concerns from congressional committees, an informal hold period that lasts indefinitely until the administration has resolved the relevant issues can further slow the process, though this has yet to be the case for Taiwan.

Filling the Backlog

Taiwan's arms backlog is undesirable, but not unexpected. It would almost certainly exist even without the war in Ukraine. Now, however, new authorities that allow Taiwan to compete for excess defense articles, increased funding for Taiwan's arms transfers, and Ukraine's extensive short- and long-term needs will gradually intensify the direct competition between these two U.S. partners and force greater prioritization across the two theaters. But prioritization alone is only a part of the puzzle, and slowing military aid to Ukraine will not solve Taiwan's weapons backlog.

Arming Taiwan to support its self-defense will require investments in the U.S. defense industrial base, improvements in the foreign military sales process — including revisions to export controls on relevant technology to facilitate greater co-production — and careful prioritization of the capabilities that Taiwan needs most.

The Biden administration and Congress are both taking steps to address existing defense industrial base constraints. These include large investments to increase capacity and restart supply lines made over the course of 2022 and continued outlays included in the 2023 National Defense Authorization Act to support supply chain resilience, workforce development, and modernization of defense industrial base infrastructure. Other provisions included in the bill, like the ability to sign multi-year contracts for a larger set of capabilities, can facilitate longer term investments across the defense industry, but need to be carefully managed to avoid overcharging. Any benefits from these changes will take time to emerge, however. In some cases, private sector off-the-shelf technologies could be used to temporarily fill capability gaps. More engagement with small private sector firms could also build longer-term relationships that begin to address defense sector concentration.

Changes to the arms transfer process can also help Taiwan to reduce its current backlog. Some are already underway. The Department of Defense has established a “Tiger Team” focused on addressing procedural issues, including long review processes and restrictive rules on technology sharing that complicate sales. Modifications to existing export controls on relevant systems would be valuable in facilitating joint production between the United States and Taiwan or other partners in the region. Such joint production of systems could reduce strain on the U.S. defense industrial base while building the capacity of regional partners for indigenous weapons production.

These updates, along with a clear prioritization of Taiwan over partners with questionable human rights records, would signal that Washington and Taipei are serious about ensuring that Taiwan has the capabilities it needs on a reasonable timeline. The invasion of Ukraine has demonstrated the importance of being able to rapidly deliver weapons when necessary. If Washington seizes the opportunity to make far-reaching reforms today, it can ensure that Taiwan benefits from Ukraine’s experience rather than competing with Kyiv.

Jennifer Kavanagh is a senior fellow in the American Statecraft Program at the Carnegie Endowment for International Peace and an adjunct professor at Georgetown University.

Jordan Cohen is a policy analyst at the Cato Institute, an expert at the Forum on the Arms Trade, and a Ph.D. candidate in political science at George Mason University