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Rhetoric Aside, America's Asian Partners Are Giving Up on Their Own Defense

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This summer, the release of Japan's 2021 defense report had Washington observers abuzz. Not only did the document for the first time mention the defense of Taiwan as a Japanese security interest, but the cover image featured a menacing warrior on horseback, in sharp contrast to the dreary, abstract cover art on previous reports.

Similarly, Taiwan continues to point at the threat posed by China. In an interview with Newsweek in July, Taiwan's foreign ministry spokeswoman argued that "faced with the security challenge posed by China and its constant advances on our country, our government must strengthen Taiwan's self-defense capabilities."

Since Japan and Taiwan would be on the front lines of any effort to defend the Asian status quo against Chinese aggression, their defense policies impact the United States. Unfortunately, their defense spending shows that they are not as serious about the China threat as their rhetoric suggests. Their anemic defense spending shows that they are happy to pass the buck to the United States.

In the 10 years since the Obama administration announced a "pivot to Asia," Chinese defense spending has roughly doubled in real terms, according to the International Institute for Strategic Studies. China's defense budget approaches \$200 billion using conservative math, with nearly all its defense exertions focused on scenarios and in and around China.

In the face of this proximate and growing threat, Japan and Taiwan have shrugged, spending roughly 1 percent and 2 percent of GDP on defense, respectively. Given their size relative to China and sluggish economic growth, every year the gap between Chinese power and America's partners' defense against it grows wider.

Taiwan and Japan not only need to spend more on defense, they need to spend better. They need procurement decisions and operational concepts that provide maximum bang for their bucks. But in Taiwan's case especially, procurement decisions have been awful. Enabled by Washington, Taiwan has spent billions on weapons like tanks and advanced fighters that would be useless in a conflict with the PRC. Instead, Taiwanese officials refer to the symbolic value of these systems, as they assure Taiwanese that the United States is committed to its defense.

U.S. complaints about allied burden-sharing are nothing new, of course. In their seminal study of alliance dynamics, Mancur Olson, Jr. and Richard Zeckhauser showed that when “the membership of an organization is relatively small, the individual members... will tend to provide only suboptimal amounts of this good. There will also be a tendency for the ‘larger’ members... to bear a disproportionate share of the burden.”

Although the intervening decades have refined this theory somewhat, the basic insight has stood the test of time. Given the insight of Olson and Zeckhauser, a certain amount of shirking is baked into any Japan-U.S. or Taiwan-U.S. defense cooperation.

But the U.S. policy of constantly reassuring Taiwan and Japan of Washington’s commitment encourages this learned helplessness. Policymakers generally view reassurance of its allies and partners as an unalloyed good, but there is a downside: Allies that are too comfortable in the United States’ embrace are less likely to take care of themselves.

In her study of Japanese defense exertions, Dartmouth’s Jennifer Lind put things bluntly: “Historically, Tokyo has not significantly expanded its defense commitments as a result of American urgings, but rather when the U.S. commitment to the region appeared to wane.”

Put differently, when it comes to burden-sharing, banging the table doesn’t work — doubt about the U.S. commitment does. When President Joe Biden refers to the Japan-U.S. alliance as “indelible” and “unwavering,” as he did in April, his intention is positive: to assure Japan about the strength of the American commitment. But when Japan doesn’t worry about the strength of America’s commitment, it is less likely to take steps to provide more robustly for its own defense.

The tradeoff between reassurance and burden-sharing is real, and zero sum. Also, it is difficult to sow doubt in the minds of our allies and partners without sowing doubt in China as well. But with defense spending fixed at 1 or 2 percent of GDP, Japan and Taiwan are growing less relevant to their own defense. This problem is likely to get worse over time, not better.

If U.S. leaders care about equitably sharing the burden of dealing with China, they need to demonstrate to U.S. partners in the region that now is the time to put up, and that the United States does not intend to carry the burden of protecting Asia from China by itself. If present trends continue, Americans will be on the hook for defending states who have chosen not to defend themselves.

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