Taiwan to increase its military spending to 5 percent of GDP by 2030

Shih-Yu Chou 4 December 2025

On 25 November, the *Washington Post* published an op-ed by President of the Republic of China (Taiwan) Lai Ching-te, announcing the island's defense spending, would rise to 3.3 percent of the island's GDP by 2026 and then to five percent of GDP by 2030.

As part of this attempt, Lai stated, his government would create "a historic \$40 billion supplementary defence budget" that would be used to "fund significant new arms acquisitions from the United States" and "enhance Taiwan's asymmetrical capabilities."

Raymond Greene, Director of the American Institute in Taiwan, de facto US ambassador to Taiwan, immediately issued a statement describing Lai's manoeuvres as "investments necessary to deter unprecedented challenges to global peace and prosperity," despite Lai's denial that the decision was dictated by President Donald Trump, who had previously demanded Taiwan's military expenditure equal ten percent of its GDP, or eighty percent of the government's annual spending.

Bound to deter

The "necessary investments" do not and will not stop at five percent of the national GDP. As *Nikkei Asia* revealed on 20 November 2025, the U.S.-China Economic and Security Review Commission (USCC), an organ under the US Congress, requested Taiwan to fund upgrades to numerous Philippine military bases run by the US as they had previously served to "deter" China.

By this reasoning, Taiwan must also pay for not only every military installation along the first island chain, which stretches from the Japanese archipelago to the Ryukyu Islands, Taiwan, the Philippines and Borneo, but also US war drives against China around the globe, as the world's second largest economy must be "deterred" anywhere and everywhere by imperialism.

Lai's government will grovel at Trump's feet to demonstrate "Taiwan's determination to defend itself," as a code phrase for the Taiwanese ruling elite's supporting the ongoing genocide in Gaza, fascist dictatorship and world war.

Increased military spending to serve US imperialist interests will have a devastating impact on funding for public services including education, healthcare, disability payments as well as government actions on critical infrastructure and climate change. This demands an intensifying assault on the living standards of Taiwanese workers and masses

One example illustrates this. Substitute teachers at public elementary

schools are paid 336 Taiwan dollars per hour for teaching (about US\$ 10.6). This poverty wage has stagnated for three decades. They are not paid for marking assignments and exams, preparing instructions, contacting with parents and students and so on. Those who teach 20 hours a week could not even earn a minimum wage of \$902. Moreover, their incomes are well below the threshold for paying tax.

According to International Monetary Fund estimates, Taiwan's GDP per capita is \$37,827 in 2025. This figure conceals the brutal reality that nearly half of workers in Taiwan have earnings below the tax threshold, as indicated by Taiwan's Ministry of Finance.

The real implications of supporting US hegemony extend far beyond bearing financial burdens, however. It requires Taiwanese working people to pay the price in blood.

Weapons to everyone

In September 2021, Robert C. O'Brien, former National Security Advisor to the first Trump administration, wrote in the *Wall Street Journal* that the withdrawal of US troops from Afghanistan would embolden China. To deter Beijing, Washington must turn Taiwan into a "porcupine" by distributing shoulder-fired Stinger missiles to the island's 2,000 police stations, deploying quick strike air-dropped sea mines off Taiwan's coast and forming shooting clubs, similar to those hotbeds of far-right elements in Eastern Europe.

In 2023, O'Brien was awarded the Order of Brilliant Star by then-President Tsai Ing-wen in appreciation of his "contributions" to Taiwan-US relations. He additionally asserted that China would be deterred if one million Taiwanese civilians were to be armed with AK-47s.

Since then, Taiwan's defense of US imperialism has increasingly taken the form of asymmetrical warfare.

Urban warfare and resilience

Taiwan has purchased 14 M-136 Volcano automated mine delivery systems. Each volcano can place 960 land mines in 10 minutes. Fourteen Volcanos can therefore deploy 13,440 land mines in 10 minutes. One can do the arithmetic to gauge what the systems could do to the island in a single day.

Imperialist powers frequently plant landmines and/or drop cluster bombs on foreign soil. During the last days of Israel's 2006 war with Lebanon, the Zionist state rained down cluster munitions containing four million sub-munitions. One million sub-munitions remained unexploded and eventually became landmines. The ordnance has continued to kill and maim in Lebanon since 2006.

The ruling elites of Washington and Taipei are well prepared to transform Formosa into a landmine island before a military confrontation with China begins.

Taiwan's Ministry of Defence had requested that temples be used as ammunition depots. The plan, which raised widespread concern on the island, has been temporarily put on hold.

Since October 2023, Israel has falsely accused Hamas of using mosques, churches, hospitals, schools and universities to conceal weapons and ammunition, which was then used to justify the genocidal army's destruction of them. Lai's government has no qualms about turning 15,000 Taiwanese temples into death traps.

In October 2024, Taiwan's Ministry of Education distributed a consent form to high school students, enlisting them to provide "logistical support" to the armed forces during wartime. While the plot was temporarily shelved due to public outcry, Taiwanese children are clearly very likely to be conscripted under US pressure.

In November 2024, National Chengchi University, one of Taipei's major public research universities, ran an education recall for reservists. This move once again blurred the line between civilian and military installations.

In April 2025, Lai's government disclosed to the *Guardian* that some 13,000 chain convenience stores dotted around Formosa would be converted into "wartime hubs." This action is akin to previous attempts to use temples and schools for "national" defence and "civil defence."

According to the Atlantic Council's 2024 report titled "Toward Resilience: An Action Plan for Taiwan in the Face of PRC Aggression," wars against China should be conducted through "a public-private partnership" and involve the private sector "as a direct stakeholder in national defence matters."

The study cited Ukraine's "public-private partnership" (a euphemism for a massive embezzlement scandal) as an example for Taiwan to emulate, arguing that allowing private sectors to reap profits from conflicts would incentivise them to do Washington's bidding.

Lai's government followed the instructions and instituted initiatives aimed to improve "urban resilience."

This past July, military police equipped with Stingers operated at stations of Taipei Metro during the annual Han Kuang military exercise. Taiwan's Ministry of the Interior has further trained thousands of police officers as combat troops and armed them with Stingers despite the government repeatedly dismissing the existence of "a second army" as "fake news."

Warrior cops from a repressive state apparatus primarily target political opponents and working people for mass repression. As Lai stated in June 2025, "similar to forging a sword, you must keep hammering to eliminate impurities, until all that's left is an iron will to... safeguard our democracy."

During the Han Kuang military exercise, an artillery battery turned an elementary school in New Taipei into a command centre and then fired howitzers on its sports field under the pretence of strengthening "urban resilience."

Taipei is one of Asia's most densely populated cities, with some

9,500 people per square kilometre; New Taipei has approximately 7,490 inhabitants per square kilometre in urban areas. These maneuvers of "urban resilience" serve to obfuscate the distinction between civilians and soldiers, turning ordinary people into legitimate targets.

Since November, the Ministry of Defence has distributed a Defence and Security brochure to every household in Taiwan, asserting in both Chinese and English, "In the event of a military invasion of Taiwan, any claim that the government has surrendered or that the nation has been defeated is false."

Taiwan's working people are mere cannon fodder, expected to fight China to the last man, woman and child under US dictates.

Taiwan emulates Israel

On the evening of 27 October 2025, Lai attended a dinner event hosted by the American Israel Public Affairs Committee (AIPAC), a major far-right organisation that demonised anti-Zionism in the name of combating antisemitism.

He praised Israel's determination to "defend its territory" for "providing a valuable model for Taiwan." When "facing challenges to our international standing and threats to our sovereignty from China," Taiwan learned from David's victory over Goliath in standing up to "authoritarian coercion," he proclaimed.

This is not the first time Lai drew an analogy between Israel and Taiwan. In November 2024, he compared Taiwan to Canaan, referring to the former as "the Promised Land bestowed by God." With unwavering faith, "these 23 million people will join God's army."

As Lai portrayed the island as the "chosen" representative of Judaeo-Christian civilisation, with US imperialism dominating the island as Yahweh's divine rule, then the people of Taiwan should be subjected to total destruction, as in Canaan, if the Lord commands. As described in *Deuteronomy* 20:16, "in the cities of the nations the Lord your God is giving you as an inheritance, do not leave alive anything that breathes."

Lai's far-right regime is a malignant expression of the rot of the entire Taiwanese ruling elite. Successive governments in the Republic of China since 1949 have defended the interests of American imperialism in the region. Today, the more reactionary and perverse the Taiwanese ruling elite becomes the more it serves its objective historical purposes. As Lai declared in the *Washington Post* on 25 November, "We are grateful" to Trump for showing the significance of "American leadership" to the world. "The international community is safer today because of the Trump administration's pursuit of peace through strength."



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