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Updated June 4, 2026

Taiwan: Defense and Military Issues

Overview

Taiwan, (which formally calls itself the Republic of China, or ROC) is a self-governing democracy of 23.3 million people located across the Taiwan Strait from mainland China. The People's Republic of China (PRC, or China) claims but has never controlled Taiwan. PRC leaders have stated their preference to unify peacefully with Taiwan, but have insisted on the right to use force to bring Taiwan under PRC control. U.S. policy toward Taiwan has prioritized maintaining peace and stability across the Strait. For more than 75 years, the U.S. government has sought to strengthen Taiwan's and its own ability to deter PRC military aggression. The PRC, for its part, has claimed the United States uses Taiwan as a "pawn" to "contain" China. Congress has long championed U.S.-Taiwan defense ties, and has authorized new programs and appropriated additional funds to support Taiwan's defense since 2022. For more information on cross-Strait relations and U.S. policy toward Taiwan, see CRS In Focus IF10275, *Taiwan: Background and U.S. Relations*, by Susan V. Lawrence.

Taiwan's Security Situation

The Communist Party of China's military, the People's Liberation Army (PLA), has undergone a decades-long modernization program focused primarily on developing the capabilities needed to annex Taiwan. Some observers assess that the PLA is, or soon will be, able to execute military campaigns ranging from missile strikes, small island seizures, and blockades, to an amphibious invasion and takeover of Taiwan's main island. The latter would be the riskiest campaign, requiring the PLA to cross the Strait, establish a beachhead, and navigate mountainous regions and dense urban areas to subdue and control the island.

In 2023, then-director of the Central Intelligence Agency William Burns said PRC leader Xi Jinping had instructed the PLA "to be ready by 2027 to conduct a successful invasion" of Taiwan; Burns noted this was a goal related to military *capabilities*, not necessarily an indication of Xi's *intent* to invade Taiwan. Observers debate whether the PLA is on track to reach the 2027 milestone, and whether Xi has the political appetite for such a risky military operation.

As its perception of the threat from the PRC has grown more acute, Taiwan's government has taken steps to strengthen military readiness and civil resilience. Taiwan's defense budget increased by around 7.5% from 2024 to 2025. In May 2026, Taiwan's legislature passed a $24.8 billion, 8-year "special budget" to procure arms from the United States. Taiwan's president has said he intends to increase defense spending to around 3.3% of GDP in 2026.

Taiwan's policymakers disagree over how best to deter PRC aggression. While both of Taiwan's leading political parties have said they support increased investment in Taiwan's defense, partisan divides between the executive and the opposition-controlled legislature have raised questions about Taiwan's ability to adequately fund its own defense. The "special budget" passed in May 2026 was 38% lower than the executive's proposal. That proposal, which had received support from the U.S. executive branch and some Members of Congress, included funds for domestic arms development and procurement in addition to purchases from the United States. Opposition lawmakers argued that those funds should be included in annual defense budgets, which are subject to more oversight than special budgets. As of June 4, the legislature had not passed an annual defense budget for 2026. (In Taiwan, if the legislature does not pass an annual budget, the budget automatically defaults to that of the previous year.)

Beyond the defense budget, Taiwan faces additional challenges in realizing its defense goals. Its military has struggled to recruit, train, and retain personnel. Some argue Taiwan's civil defense preparedness is insufficient. Taiwan's energy, food, water, communication, and other infrastructure are vulnerable to external disruption.

Figure 1. Taiwan

Source: Graphic by CRS.

PRC "Gray Zone" Activities Targeting Taiwan

In addition to training for large-scale military operations against Taiwan, the PRC engages in persistent noncombat operations that erode Taiwan's military and societal resilience. These "gray zone" actions include large-scale military exercises; near-daily patrols around Taiwan that impose operational and maintenance costs on Taiwan's air and naval forces; uncrewed combat aerial vehicle flights encircling Taiwan; cyber operations; stepped-up law enforcement activities near Taiwan-administered islands located just off the PRC coast; and disinformation campaigns and political interference.

Some assess that the PRC uses these activities to sow doubt about Taiwan's military capabilities and to create political pressure for Taipei to acquiesce to Beijing's insistence on unification. Many observers assess that PRC leaders would prefer to gradually assume control over Taiwan through gray zone coercion and political warfare rather than risk a large-scale conflict that could possibly draw the PRC and the United States—two nuclear powers—into war.

U.S. Support for Taiwan's Defense

The United States has maintained unofficial defense ties with Taiwan since the United States terminated diplomatic relations with the ROC in 1979 and abrogated a mutual defense treaty in 1980. The defense relationship today encompasses arms transfers, routine bilateral defense dialogues and planning, and military training activities. A challenge with which U.S. policymakers have wrestled is how to support Taiwan's defense without triggering a cross-Strait conflict. PRC leaders have warned their U.S. counterparts that Taiwan is "the first red line that cannot be crossed" in U.S.-PRC relations. The PRC often has responded to U.S. military support for Taiwan and high-level U.S.-Taiwan engagements by escalating gray zone coercion against Taiwan. For example, following then-Speaker of the House Nancy Pelosi's 2022 visit to Taiwan, the PLA stepped up operations near Taiwan, establishing a "new normal" from which it has not since retreated.

U.S. Strategy and Policy

The 1979 Taiwan Relations Act (TRA, P.L. 96-8; 22 U.S.C. §§3301 et seq.) includes multiple security-related provisions. Among other things, the TRA states that it is U.S. policy to "make available to Taiwan such defense articles and defense services in such quantity as may be necessary to enable Taiwan to maintain a sufficient self-defense capability" and "to maintain the capacity of the United States to resist any resort to force or other forms of coercion that would jeopardize the security, or the social or economic system, of the people on Taiwan."

The TRA does not require the United States to defend Taiwan, but by stating it is U.S. policy to maintain the capacity to do so, the TRA leaves "strategic ambiguity" about potential U.S. actions in the event of a PRC attack. Some observers advocate making a more formal U.S. commitment to defend Taiwan. Supporters of such a shift argue that "strategic clarity" is necessary to deter an increasingly capable and assertive PRC. Supporters of strategic ambiguity argue that the long-standing policy encourages restraint by both Beijing and Taipei and incentivizes Taipei to invest more in its own defense.

Successive U.S. administrations have encouraged Taiwan to pursue an "asymmetric" defense strategy (sometimes called a "porcupine strategy"), the goal of which is to make Taiwan difficult for the PRC to quickly subdue or "swallow." This approach envisions Taiwan investing in capabilities intended to stymie an amphibious invasion through a combination of anti-ship missiles, naval mines, and other similarly small and relatively inexpensive weapons systems. Taiwan's government has adopted this approach to some extent, but some stakeholders in Taiwan's defense establishment argue that Taiwan must continue to invest in conventional capabilities (e.g., fighter jets and large warships) to deter gray zone coercion. Uncertainty as to whether, how, and for how long the United States might aid Taiwan in the event of a cross-Strait war informs these debates.

Arms Transfers and Security Cooperation

Foreign Military Sales. The United States has supported Taiwan's defense in large part through arms transfers, most of which Taiwan purchases through Foreign Military Sales (FMS). Since 2015, the State Department has notified Congress of more than $39 billion in FMS to Taiwan, including eight notifications totaling $11.1 billion on December 17, 2025—the largest for Taiwan to date.

An even larger planned U.S. FMS package for Taiwan became a focal point ahead of President Trump's summit meeting with Xi in Beijing on May 14-15, 2026. In the days leading up to the summit, Taiwan's legislature passed the aforementioned "special budget" meant to fund additional FMS, and eight U.S. senators from both parties sent a public letter to the President urging him to "formally notify the $14 billion in U.S. arms sales to Taiwan" that Congress had already "pre-approved." During and immediately after the summit, Trump told reporters that he and Xi discussed the potential arms sales to Taiwan "at great length," that he was holding the arms sales "in abeyance," and that arms sales to Taiwan are "a very good negotiating chip for us, frankly." On May 21, Acting Secretary of the Navy Hung Cao testified to Senate appropriators that "We have done some [FMS to Taiwan] in the past. It's just right now we're doing a pause in order to—to make sure we have the munitions we need for [Operation] Epic Fury."

Security Assistance. The 117th Congress established new avenues to transfer arms to Taiwan in the Taiwan Enhanced Resilience Act (TERA; Division E, Title LV, Subtitle A of the James M. Inhofe National Defense Authorization Act [NDAA] for FY2023, P.L. 117-263). TERA made Presidential Drawdown Authority (PDA; 22 U.S.C. §2318(a)(3)) available to Taiwan, authorizing the provision of defense articles and services directly from U.S. Department of Defense stocks (the Department is using a secondary Department or War designation under Executive Order 14347 dated September 5, 2025). The executive branch has since announced three PDA packages for Taiwan totaling $1.5 billion. TERA also authorized the provision to Taiwan of Foreign Military Financing (FMF; 22 U.S.C. §2763), essentially, loans or grants a foreign government may use to purchase U.S. arms. Since then, Congress has funded FMF grants for Taiwan under TERA and other authorities, including $300 million for FMF to Taiwan in the Consolidated Appropriations Act, 2026 (P.L. 119-75). The FY2026 NDAA (P.L. 119-60) authorized, and P.L. 119-75 appropriated, $1 billion in security assistance for the Taiwan Security Cooperation Initiative for FY2026.

Training. The U.S. and Taiwan militaries train together in the United States and in Taiwan. Although generally not widely publicized, these activities appear to be expanding.

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IF12481

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