

COSTS OF WAR



Reality Check: Chinese Military Spending in Context

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The Bottom Line:

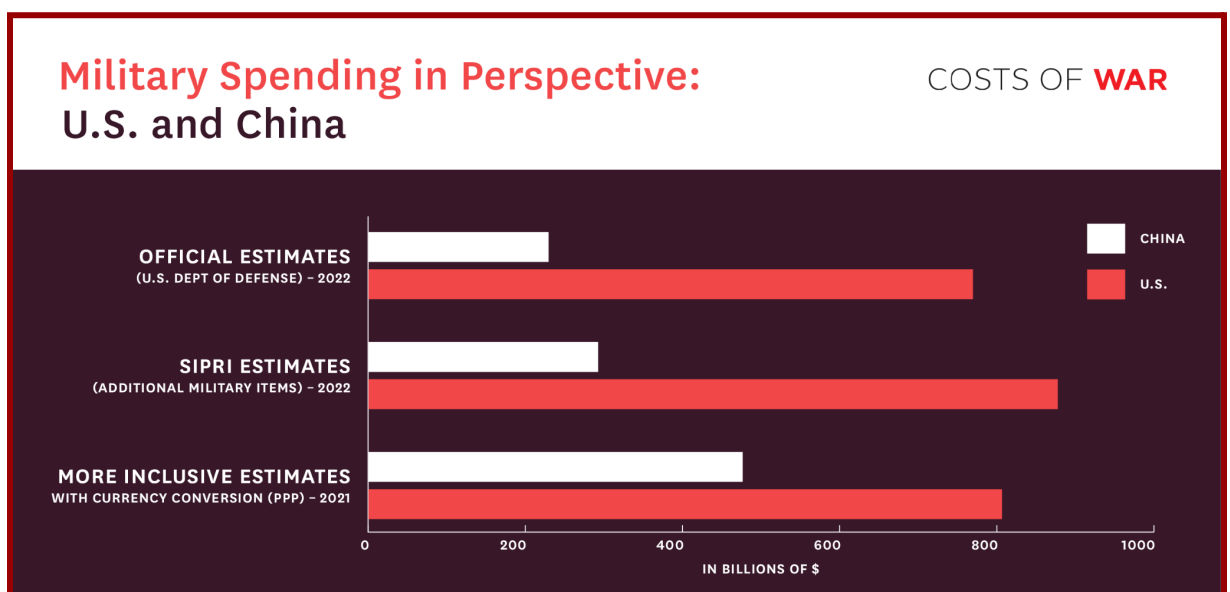
The notion that the United States must increase its military budget and deploy a new generation of high tech weapons to “keep up” with China is a common assertion, particularly based on the claim that China’s military budget is much higher than officially reported. This report assesses China’s military budget and puts that spending in context, demonstrating why it does not make sense to increase U.S. military spending because of China.

The U.S.-China Military Relationship in Context:

1) **The U.S. Far Outspends China on Its Military**

OFFICIAL ESTIMATES: The Pentagon’s most recent report on Chinese Military Power stated that China’s reported defense spending for 2022 was slightly more than \$229 billion – well under the \$769 billion that the U.S. spent for defense in the same year.

MORE INCLUSIVE FIGURES: The latest Stockholm International Peace Research Institute (SIPRI) estimate puts U.S. military spending at a full three times what China spends – \$877 billion versus \$292 billion for 2022. Even with “military purchasing power parity,” or PPP, taken into account – thus accounting for items not included in official Chinese estimates and adjusting for differences in purchasing power – U.S. military spending is well over China’s at \$806 billion versus \$476 billion for 2021.



2) **Spending Figures Alone Are Not the Best Measure of Military Power**

Because spending figures do not account for the relative size of military forces produced by said spending, whether the systems produced are of high quality, the quality of training of military personnel, whether the expenditures serve a coherent strategy, or what geographic area those forces are focused on, it is abundantly clear that the U.S. outpaces China substantially on a number of key measures of military power.

3) **China Does Not Pose a Direct Military Threat to the United States**

China currently represents little or no direct threat to the United States. China's military strategy is inherently defensive, and it has limited ability to project power outside of its own region. Additionally, China has a record of military restraint, not having fought a major war in more than 40 years. The greatest risk of a U.S.-China military confrontation would be a war over Taiwan.

4) **A China-U.S. War Over Taiwan Would Be a Disaster for All Concerned**

A war between China and the U.S. over the status of Taiwan would come at a high cost for all concerned, and might even escalate into a nuclear confrontation. The best route to preventing a Chinese invasion of Taiwan is to revive the "One China" policy – which calls, among other things, for China to commit itself to a peaceful resolution of the question of Taiwan's status, and for the US to forswear support for Taiwan's formal independence and maintain only informal relations with the Taiwanese government.

5) **Cooperation Between Washington and Beijing Is Essential to Solving the World's Most Urgent Problems**

The U.S. and China have ample areas where cooperation is not only advisable, but in some cases, essential to promoting a peaceful, secure, and stable world. These urgent tasks cannot and should not be subordinated to policies of bellicose rhetoric and misguided military competition.

The full report is available [here](#). For more information, please contact costsofwar@brown.edu.