



Japan Strengthens Defense with Drones, AI, and Missiles: Military Budget Plans

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Tokyo has submitted a preliminary defense budget request of **8.9 trillion yen (approximately \$55.6 billion)** for the next fiscal year, accelerating the technological transformation of the Self-Defense Forces.

The preliminary total marks a modest increase from the 8.8 trillion yen (\$55 billion) requested for the current fiscal year. However, overall figures are expected to grow significantly throughout the year, following the final approval of the new security and defense strategy by the government led by Prime Minister Sanae Takaichi, focused on strengthening counter-offensive capabilities.

In line with the five-year roadmap launched in 2022, Japan has doubled military spending to approximately **2% of GDP**, with the goal of giving the Self-Defense Forces a more active and deterrent posture against Beijing's growing assertiveness, which has repeatedly criticized

Japan's plan as an expression of a "new militarism".

Strategic Adjustment and the Ukrainian Lesson

The Ministry of Defense emphasized, in budget documentation, the need to "*drastically strengthen deterrence and response capacity through the transformation of defense capabilities*", drawing lessons from new forms of conflict that emerged in Ukraine, particularly the massive deployment of unmanned systems.

- **Unmanned weapon systems and drones:** National development and mass production of low-cost carriers to reduce expenses, minimize personnel losses, and optimize air defense. Underwater and aerial attack drones will be introduced, coordinated with long-range missiles.
- **Hypersonic and long-range missiles:** Continuation of fortification of southwestern islands and development of hypersonic missiles deployable from submarines.
- **Artificial Intelligence (AI) and Command and Control:** Introduction of the "AI orchestrator" platform to accelerate battlefield assessment and target selection, supported by a dedicated military cloud for transmitting sensitive data in emergencies.

Reform and Support for National Defense Industry

To ensure a stable supply chain and reduce risks from the withdrawal of historical suppliers, the ministry has requested dedicated funding for a system managed by state-owned contractors (*state-owned, contractor-operated*), in which the government will directly acquire facilities and entrust operational production to private enterprises.

Despite growing profits for giants like Mitsubishi Heavy Industries, Kawasaki Heavy Industries, and IHI Corp., Japan's defense industry still suffers from the limitations imposed by the rigid constitutional constraint on the use of force and decades of corporate abandonment due to slim margins and reputational concerns linked to the production of lethal weapons.