

Japan's Defence Surge and India: Convergence, Opportunity, and the Quad Calculus

Group Captain Brijesh Shukla

Introduction

On 01 Sep 2026, Japan's Defense Ministry submitted a request of JPY 8.9 tn, approximately USD 55.6 bn, for Fiscal Year (FY). 2027, the fifth consecutive year of record defence allocation. Nikkei reports the figure could still rise past JPY 10 tn once line items are finalised.¹ The request is significant less for its scale than for its force-structure implications: an artificial intelligence-enabled decision support system, low-cost drones tasked to operate alongside long-range missile fires, underwater-launched hypersonic weapons, and a dedicated unit to counter cognitive warfare.² Tokyo is not merely procuring additional platforms; it is recalibrating the character of the force it intends to field.

This request builds on the record FY2026 budget that Japan's cabinet approved on 26 Dec 2025, over USD 58 bn, a 9.4 per cent increase³ that pushed defence spending past the symbolic two per cent of gross domestic product threshold⁴, a target the Kishida government had originally set for FY2027.⁵ Tokyo reached it two years ahead of schedule.⁶ Both budgets rest on a common threat assessment: geopolitical developments that Tokyo reads as direct threats to its security. These include China's military expansion identified as the principal concern, compounded by sustained pressure from North Korea and Russia, and by Washington's insistence on greater burden-sharing within the alliance. Most significantly, Prime Minister Sanae Takaichi's statement in Nov 2025, stating that Japan's Self-Defence Forces could be committed to the defence of Taiwan in the event of a Chinese attack, signals a doctrinal shift as consequential as the budgetary one.⁷ For India, observing this recalibration from across the Indo-Pacific, the operative question is not whether Japan's rearmament matters, but how it reshapes the strategic space that New Delhi occupies. This article traces those implications for India and weighs the complications that could temper the optimism such convergence invites.

A Doctrinal Break, Not Just a Bigger Cheque

Japan's own history offers a frame for what is under way. The Meiji state's founding slogan, *Fukoku Kyōhei* (Enrich the country, strengthen the military), bound national wealth directly to military strength as Japan raced to modernise and avoid the fate of colonisation befalling its neighbours.⁸ The post-war Yoshida Doctrine deliberately severed that link, subordinating defence to economic reconstruction and outsourcing hard security to the United States alliance for seven decades. The FY2026 and FY2027 budgets mark that link being restored, an economically formidable Japan once again, converting national wealth into military capability as deliberate state policy rather than incidental expenditure.

The substance of the spending is as telling as its scale. The FY2026 budget fortifies Japan's strike-back capability and coastal defence through cruise missiles and unmanned systems as regional tensions mount. More than 10 per cent of the allocation is directed at

long-range strike capacity, including Type-12 cruise missiles with a range of up to 1,000 kms, the SHIELD unmanned surveillance network, and the Global Combat Air Programme under joint development with the UK and Italy.⁹

This matters because Japan is moving away from its long-standing posture of exclusively defence-oriented restraint. Counterstrike capability—missiles capable of striking launch sites well beyond Japanese territory—blurs the line between deterrence and pre-emption, a distinction that Tokyo has historically avoided debating in public. The shift is occurring alongside record budgets that sustained for over a decade, suggesting a structural change in Japan's threat calculus rather than a transient response to a single crisis.

The doctrinal significance runs deeper than missile ranges alone. Japan's National Security Strategy, revised in Dec 2022, had already laid the groundwork by endorsing counterstrike capability as compatible with an exclusively defensive posture, an interpretive stretch politically untenable a decade earlier.¹⁰ The FY2026 and FY2027 budgets fund that reinterpretation at scale and the pivot toward artificial intelligence-enabled and hypersonic systems indicates that the reinterpretation is deepening rather than plateauing.

Why This Concerns India

India's stakes here run along two principal tracks, each carrying its own logic.

The first concern is around strategic convergence. Japan's rearmament is oriented explicitly toward countering Chinese assertiveness, and so, increasingly, is India's own force posture along the Line of Actual Control and across the Indian Ocean Region. A more militarily capable Japan strengthens the credibility of the Quadrilateral Security Dialogue (QUAD) as more than a diplomatic construct; it gives the grouping's informal deterrence architecture actual force behind it. Japan's ability to contribute meaningfully to Indo-Pacific security reduces the burden India alone carries in balancing Chinese assertiveness in maritime Asia, and widens the scope for joint exercises and interoperable logistics developing steadily under the Malabar framework and the bilateral 2+2 dialogue.

The second concern talks about defence-industrial convergence. The Global Combat Air Programme, the joint fighter effort with the UK and Italy, offers a template worth close study as India advances its own Advanced Medium Combat Aircraft programme and its broader *Atmanirbhar Bharat* (self-reliant India) objectives. Tokyo's willingness to co-develop frontline platforms with trusted partners, sharing cost and risk rather than absorbing them alone, offers a model that India could adapt, potentially even as a partner nation in future iterations given the existing depth of India–Japan defence dialogue. Japan's own defence industry had for decades been constrained by self-imposed export restrictions¹¹, and its gradual loosening of those restrictions offers India a useful comparative case in recalibrating industrial policy without abandoning strategic caution.

There is a further, less tangible lesson in alliance management. Japan's force build-up is alliance-integrated rather than unilateral; the stated objective is to make allied deterrence more credible, not to pursue regional primacy independently. India, which has

traditionally prized strategic autonomy, can draw a useful distinction here. Japan's approach demonstrates how a state can deepen military capability and alliance integration simultaneously without ceding sovereign decision-making. This is instructive as India deepens its own defence ties with Washington and Paris, while preserving a posture that does not read as alignment with any single bloc.

The Complications

None of this convergence should be read without qualification. Japan's spending increase may require raising taxes, a domestically unpopular measure that could slow future increases if public support wavers. A depreciated yen has further eroded the budget's purchasing power for imported systems, so real capability growth trails the headline comparison with previous years.¹²

Counterstrike doctrine also remains contested within Japan itself, with opposition parties questioning whether a constitution renouncing war as a sovereign right can credibly sustain forces postured to strike first. Beijing and Pyongyang read the build-up as provocation rather than defence, raising the prospect of an arms race that Tokyo says it wishes to avoid, while Seoul's own difficult history with Tokyo limits how far trilateral coordination with Washington can realistically progress.

For India, there is a subtler risk worth naming plainly. An overly hardware-focused reading of the relationship could crowd out economic and technological dimensions that have done more to deepen ties than defence cooperation alone. Framing the relationship mainly through shared anxiety about China risks making it reactive rather than constructive, and reactive partnerships lose momentum once the immediate provocation recedes.

Conclusion

Japan's defence budgets, from the FY2026 approval to the FY2027 request now before parliament, are best read together against the arc of *Fukoku Kyōhei*'s return. Tokyo has moved decisively past the informal restraints that defined its post-war security identity, in direct response to a security environment India recognises well. For New Delhi, this presents a genuine opportunity. A more capable, more willing Japan is a stronger QUAD partner and a more credible co-developer of defence technology, and offers a useful case study in balancing military modernisation with strategic autonomy. India's task is to change this convergence into concrete cooperation in defence-industrial partnerships and joint doctrine development, before the moment passes into just another data point in a busy strategic year.

Endnotes

1. Team GDC, "Japan announced \$55.6 billion defence budget to sharpen artificial intelligence", *Global Defense Corp*, 02 Sep 2026, accessed 15 Sep 2026, <https://www.globaldefensecorp.com/2026/09/02/japan-announced-55-6-billion-defence-budget-to-sharpen-artificial-intelligence/>

2. Ibid.
3. Mari Yamaguchi, "Japan's Cabinet OKs record defense budget that aims to deter China", 26 Dec 2025, accessed 15 Sep 2026, *Defense News*, <https://www.defensenews.com/global/asia-pacific/2025/12/26/japans-cabinet-oks-record-defense-budget-that-aims-to-deter-china/>
4. Martin Chomsky, "Japan approves record defence budget for 2026 as spending rises towards 2% of GDP goal path ahead", *Defence Industry Europe*, 31 Dec 2025, accessed 15 Sep 2026, <https://defence-industry.eu/japan-approves-record-defence-budget-for-2026-as-spending-rises-towards-2-of-gdp-goal-path-ahead/>
5. Dzirhan Mahadzir, "Japan Poised to Increase Defense Spending to \$70 Billion, 2% of its GDP", *USNI News*, 03 Dec 2025, accessed 15 Sep 2026, <https://news.usni.org/2025/12/03/japan-poised-to-increase-defense-spending-to-70-billion-2-of-its-gdp>
6. News on Air, "Japan's Cabinet approves record defence budget plan exceeding 58 billion US dollars for coming year", *Akashvani News*, 27 Dec 2025, accessed 15 Sep 2026, <https://www.newsonair.gov.in/japans-cabinet-approves-record-defence-budget-plan-exceeding-58-billion-us-dollars-for-coming-year/>
7. Priya Nair, "Japan Military Budget 2026: What's Changed and Why", *Model Diplomat*, 23 Apr 2026, accessed 15 Sep 2026, <https://blog.modeldiplomat.com/japan-military-spending-2026-budget-strategy>
8. Mansor Majdin, Mohamad Firdaus, "A Brief Survey of Meiji Slogan (Fukoku Kyohei) and Its Influence on the Modernization of Japan in the 19th Century", *Asian Journal of Research in Education and Social Sciences*, Vol. 2, No. 3, 2020, accessed 15 Sep 2026, <https://irep.iium.edu.my/83157/>
9. Kosuke Takahashi, "Japan Approves Record Defense Budget for Fiscal Year 2026", *Naval News*, 30 Dec 2025, accessed 15 Sep 2026, <https://www.navalnews.com/naval-news/2025/12/japan-approves-record-defense-budget-for-fiscal-year-2026/>
10. Nair, "Japan Military Budget 2026.
11. Market Intelligence, "Japan Defense Industry", *US Department of Commerce, International Trade Administration*, accessed 15 Sep 2026, <https://www.trade.gov/market-intelligence/japan-defense-industry>
12. Nair, "Japan Military Budget 2026.

Group Captain Brijesh Shukla was commissioned into the Indian Air Force in 1996 and is a Category 'A' Fighter Controller with command experience at frontline air defence radar units. He currently serves as Officer-in-Charge Air Defence Operations and Air Defence-I at Headquarters South Western Air Command. He has written extensively on maritime security, air defence, emerging technologies in military aviation, and Indo-Pacific strategic affairs, and is the First Prize Winner of the Lt Gen Menezes Essay Contest 2025 at the United Service Institution of India.

Article uploaded on 25-09-2026

Disclaimer: The views expressed are those of the author and do not necessarily represent the views of the organisation that he/she belongs to or of the USI of India.