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Senate Foreign Relations Committee
Shared Threats: Indo-Pacific Alliances and Burden Sharing in Today's Geopolitical Environment
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Opening Statement

Chairman Risch, Ranking Member Shaheen, and distinguished members of the Committee. Thank you for inviting me to testify on the important issues related to our alliances in the Indo-Pacific region.

To realize the United States' vision of securing a free and open Indo-Pacific region, we are heavily reliant on alliances and partnerships. The United States is a Pacific power, yet we are mostly resident in the Eastern Pacific and lack significant presence in the Western Pacific. Though Hawaii is three time zones west of the continental United States, and Alaska's Aleutian Island chain stretches beyond the international date line, we are still largely removed from many of the key areas of the Western Pacific that significantly impact America's vital interests.

This geographic conundrum carries heavy implications for everything from supply chains to trade, but from a national security perspective our competitors and adversaries – that axis of China, Russia and North Korea – all are advantaged by their physical proximity to the areas we seek to safeguard. And in the event of a contingency, whether in the Taiwan Strait, the Korean Peninsula, the East China Sea, or the West Philippines Sea, the United States will be playing on the road as the “away team.” Strong alliances and partnerships are the best way to combat “the tyranny of time and distance.”

In the military and security domain, we depend on alliances and partnerships for at least three types of contributions. First, we need our allies to build their own respective militaries for sufficient self-defense, as well as for having capabilities they can bring to bear on other regional contingencies. Second, we need allies and partners to provide access, basing, and overflight (ABO) for forward deployed U.S. military forces. And third we need allies and partners of like mind to help create and uphold the free and open order in the Indo-Pacific characterized by protection of sovereignty, respect for international laws and norms, peaceful dispute resolution, and the ability of political leaders in all capitals to make decision free from coercion and undue influence. How well or how poorly an ally contributes across these three areas is the primary basis for evaluating their level of “burden sharing.”

Too often burden sharing is scoped down to a simple question of “how much does the country spend on its defense as a percentage of GDP?” And in the cases where we have permanent bases and presence, “how much is the country contributing in host nation support?” While those statistics can be revealing, they often do not tell the entire story. How should we evaluate a country like the Philippines which only spends 1.5% of GDP on defense, but is offering expanded access for U.S. forces in proximity to a major known contingency through nine Enhanced Defense Cooperation Agreement (EDCA) locations? Taiwan is spending 2.5% of GDP on defense (and is committed to increasing that to 3%), but is also spending increasing amounts on “national

resilience” to include resilient energy stockpiles, hardened and redundant communications, and civilian sheltering and civil defenses – all of which contribute to deterrence, but none of which counts in the defense budget. What do we say of Singapore who is not a treaty ally – but spends 3% of GDP on defense and has been extremely generous on access opportunities for U.S. forces (including paying to extend their major navy pier to accommodate aircraft carriers – which we have but they do not). How do we account for historical legacy? We spent decades actively encouraging Japan to suppress defense spending, but now many claim they are falling short. At the same time, we also have more forces stationed in Japan than any other country in Asia and enjoy approximately a billion and a half U.S. dollars a year in host nation support. Australia spends 2% of GDP on defense, but is increasing access opportunities for U.S. forces and has fought alongside the U.S. in every conflict since World War I.

This evaluation is further complicated by the evolving nature of the threat, and the changing character of warfare. Given the threat from increasingly lethal and accurate Chinese ballistic and cruise missiles, U.S. war planners have determined we need to fight in a distributed, dispersed manner. This makes access and basing far more important than it was two decades ago. The key to sustained combat generation in a contested environment may very well come down to a handful of dispersal points with sufficient maintenance and logistics support, and forward positioning of critical munitions and fuel.

Spending money on expensive legacy platforms might win favor with those who solely judge an ally based on the total amount of defense spending, but the keys to success in modern warfare may be acquiring cheaper, attritable, autonomous systems, combined with an AI-enabled comprehensive operating picture with optimized decision-making assistance. An ally with a modernized C5ISR system that is also interoperable with the U.S. military with real-time data sharing may prove able to carry much more of the burden in both peacetime and in conflict than a country with the largest quantity of legacy platforms.

Beyond investing in one’s own defense and beyond ABO, our allies are increasingly important in shaping the regional security environment and bolstering deterrence. Japan and Korea are more active in regional security assistance, capacity building and training which is additive to U.S. efforts. Australia and New Zealand’s development assistance and capacity building in Micronesia, Melanesia and Polynesia help make countries in Oceania more resilient. And more allies and partners are willing to join the U.S. in a variety of presence operations that support freedom of navigation in the key maritime commons.

It is therefore my judgement that we should take a far more comprehensive view of burden sharing rather than looking only at defense spending. In doing so, we will have a more accurate understanding of a particular ally’s actual contributions to regional security and support of U.S. interests. A comprehensive account will not relieve pressure on our allies to improve. Quite to the contrary, it will help our diplomats become more focused on what the prioritized “asks” should be from our allies.

The State Department will be absolutely crucial to our efforts moving forward to modernize our alliances and to enhance comprehensive burden sharing in at least four ways. First, the State Department is the lead agency for international negotiations. Our diplomats will thus be out

front in negotiating host nation support agreements (e.g. Japan in 2027) and future access agreements. Second, our State Department runs security assistance programs. Critical programs such as Foreign Military Sales (FMS), Foreign Military Financing (FMF) and International Military Education and Training (IMET) are all run out of State. Our “T” Bureau at State will have a lot of influence on how efficiently the FMS and FMF process runs, as well as influence on what allies procure and how partner countries modernize. Third, the State Department runs programs that are military and security “adjacent.” For example, the INL bureau of the State Department through the prism of law enforcement assistance has engaged in capacity building of regional Coast Guards. Arguably, in the current environment of grey zone incursions, assistance to the Philippine Coast Guard is as important to deterrence as assistance to the military. USAID (presumably now fully under State Department) also played a role in supplying the ECDA sites with humanitarian supplies for use in the event of natural disasters. In the case of partner country Vietnam, USAID has helped with Dioxin remediation at former U.S. military sites which has been a key enabler to building U.S.-Vietnam security ties. And fourth, State Department has responsibility over assistance programs that are non-military, but contribute greatly to alliance and partner building. Fulbright programs and education and cultural exchanges cultivate the next generation of talented and faithful alliance managers.

Let me close with four specific recommendations to Congress on issues for which this committee has purview:

- (1) This committee should request regular updates regarding the more advanced and mature alliances with Japan and Australia respectively, on alliance modernization initiatives such as posture realignment, C2 adjustments, and both pillars of AUKUS to ensure the initiatives are sustained and on track.
- (2) This committee should insist State Department demonstrate FMS, FMF and IMET decisions are aligned with strategic priorities, and take into account lessons learned on the changing nature of warfare. Particular attention should be given to providing capabilities for advanced sensing, battlefield management and promoting a networked region of U.S. allies and partners.
- (3) This committee should insist on a speedy conclusion of U.S. assistance reviews and direct resumption of aid that aligns with strategic priorities. Emphasis should be placed on aid programs that support our military posture initiatives (e.g. EDCA), military adjacent capabilities (e.g. Coast Guards), and alliance and partnership enabling programs (e.g. Dioxin remediation).

And

- (4) This committee should insist on a speedy conclusion of State Department review of education and cultural exchange programs and direct a resumption of programs that align with strategic priorities. Our future alliance managers should be the first beneficiaries of the reconstituted Fulbright fellowships and International Visitor Leaders Program.

Thank you once again and I look forward to your questions.