

U.S. Defense Industry Faces Risk from Chinese Supply Chain Ties, Watchdog Warns

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The U.S. defense industry remains exposed to supply chain vulnerabilities linked to China, according to a recent warning from a government-affiliated watchdog. The assessment raises fresh concerns about national security and the country's ability to respond effectively in the event of a conflict.

A report by Govini, a defense analytics firm, highlights that between 9 to 11 % of Tier-1 subcontractors in critical military programs, including missile defense and maritime systems, have connections to Chinese entities. The missile defense sector shows the highest risk, with over 11 % of its top suppliers falling into this category.

Tara Dougherty, Govini's Chief Executive, described the defense supply chain as "incredibly brittle," and warned that the U.S. is not equipped to meet the demands of a large-scale conflict with China. She noted that if Beijing were to launch hostilities today, American industry would struggle to keep up with the pace and intensity of warfare.

National security experts have repeatedly warned that China has ramped up its military-industrial operations to near wartime levels, while the United States has not matched that pace. A study from March 2024 by the Center for Strategic and International Studies found that China outpaces the U.S. in munitions output and shipbuilding by as much as five to six times. This disparity in production capabilities is seen as a growing strategic disadvantage.

In addition to conventional weapons systems, the report identifies supply chain weaknesses in advanced technologies. China dominates the global lithium-ion battery market, which is essential for powering drones, guided munitions, and other next-generation military platforms. This dependency on Chinese controlled resources leaves American defense programs exposed to disruption.

Experts and former defense officials are calling for urgent action. Recommended measures include long-term procurement planning, reducing foreign dependencies, and expanding domestic manufacturing

capabilities. National Security Adviser Jake Sullivan and others have urged bipartisan cooperation to rebuild industrial resilience, calling it a generational task that cannot be delayed.

The findings underscore the structural risks embedded in the U.S. defense supply chain and raise doubts about long-term readiness. Without substantial reform, the gap between America's strategic ambitions and its industrial capacity may continue to widen, placing military effectiveness and national security at risk in an increasingly contested global environment.