Military power is very crucial in a nation, besides being used for their own national interest military power will also be a benchmark for how strong the country's position is in the international world. Every nation must consider how its military strength and it will not be separated from a military budget where the budget is the main key to carrying out all types of military policies and activities. This study will discuss the reasons behind the increase in China's military budget in 2013-2018. It is known that during the period of Xi Jinping era in 2013 - 2018 China experienced economic conditions that were not very good or could be said to have decreased. But on the other hand, government took a policy to increase its military budget. The research method used in this paper is qualitative descriptive by collecting secondary data from books, articles, journals, and news media and processed according to the research objectives. There are several reasons why China continues to increase its military budget, even though its economic conditions are declining but it does not fully make China worse, then there are assets that are growing rapidly and are being maintained, besides that they also get a demographic bonus. Then at this time China is facing several disputes that could threaten the nation’s sovereignty, therefore China wants to maintain peace and sovereignty from its country. Finally, China wants to show its military strength which has been enhanced in such a way to the international community.

Keywords: Military budget, Economy, China, Power