



Threat Assessment

Taiwan-China Tensions

No Classification

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- **Score: 107**
 - **Threat Level: Critical**
 - **Severe global impact, major geopolitical disruption, massive economic and societal consequences.**
 - **Strategic Response: Focus on enhancing diplomatic engagement, strengthening military deterrence, and bolstering regional alliances to prevent escalation while protecting international norms and economic stability.**
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The ongoing conflict in Ukraine, which began in 2022, has evolved into one of the most critical and complex geopolitical crises in recent history. What began as a territorial dispute between Ukraine and Russia has escalated into a full-scale war with profound global implications. The intensity of the conflict has led to widespread destruction, massive loss of life, and a severe humanitarian crisis, with millions displaced both internally and externally. This war not only poses a direct threat to the stability of Eastern Europe but also reverberates across the globe, impacting global security, economic stability, and technological infrastructure.

This report aims to analyze the current state of the conflict in Ukraine, exploring its scale and intensity, geopolitical consequences, economic disruptions, and broader global effects. It will also examine key factors such as cyber threats, the involvement of major state and non-state actors, and the risk of further escalation.

Expanded Conflict Threat Matrix:

Here is a grading for the Taiwan-China tensions based on the provided rubric:

1. Scale & Intensity: 3 (Moderate)

- The tensions between Taiwan and China have led to significant military buildup, with the potential for large-scale conflict. If hostilities escalate, casualties could exceed 10,000, with substantial displacement and civilian harm, especially if China were to launch an invasion. The scale of displacement and potential for war crimes could make this conflict highly destructive.

2. Geopolitical Impact: 4 (High)

- The conflict over Taiwan is of immense geopolitical significance, drawing in major powers, especially the U.S., Japan, and regional stakeholders. The situation has



the potential to reshape global alliances, with Taiwan receiving substantial support from the West, and China increasing its influence regionally and globally. The conflict could shift global power dynamics, especially if there is direct military involvement by superpowers like the U.S.

3. Economic Consequences: 4 (High)

- The economic impact of Taiwan-China tensions would likely be severe, with global commodity price shifts, disruptions in supply chains, particularly in technology and semiconductors, and rising energy costs. Taiwan is a global leader in semiconductor production, and any conflict would disrupt the tech industry worldwide, leading to cascading economic consequences.

4. Risk of Escalation & Spillover: 4 (High)

- There is a high risk of the conflict spilling over into a regional war, involving neighboring countries such as Japan and South Korea. The potential for escalation into a larger military conflict between China and the U.S. could also destabilize the region and lead to broader international involvement, with the risk of major powers clashing directly.

5. Involvement of Major State & Non-State Actors: 4 (High)

- The tensions have already seen indirect involvement from major states, with the U.S. providing military and diplomatic support to Taiwan. Non-state actors, such as regional military coalitions, could become more engaged, leading to greater involvement from the international community. A direct military confrontation between global powers is a serious concern.

6. Disruption of Critical Global Systems: 4 (High)

- The conflict would likely cause disruptions to critical global systems, including cyberattacks, energy supply chains, and tech production. Taiwan's semiconductor industry is crucial to the global supply chain, and any damage to infrastructure or production facilities would have far-reaching effects on technology and industrial sectors.



7. **Use of Hybrid & Asymmetric Warfare: 3 (Moderate)**

- Both China and Taiwan have likely developed capabilities for asymmetric warfare, including cyberattacks, disinformation campaigns, and possible proxy forces. China may leverage its influence over media narratives, while Taiwan could engage in cyber operations to disrupt Chinese military operations. Asymmetric tactics would likely play a central role in the conflict.

8. **Cultural Identity Conflicts: 4 (High)**

- Cultural tensions are high, as Taiwan's identity as a democratic nation contrasts sharply with China's assertion of territorial control. The conflict has intensified divides in identity, especially in Taiwan, where there is a strong sense of national identity and resistance to Chinese influence. This divide could lead to widespread unrest within both Taiwan and China.

9. **Religious Tensions: 1 (Minimal)**

- While Taiwan and China both have diverse religious populations, religious tensions are not a significant factor in this conflict. The tensions are primarily driven by political and territorial issues rather than religious divides.

10. **Socioeconomic Disparity: 3 (Moderate)**

- Socioeconomic disparities within Taiwan and China may influence the conflict. In Taiwan, economic resilience and technological innovation may be bolstered by support from international markets, but China's reliance on central control and political repression could strain economic recovery in the event of conflict. Socioeconomic disparities within China, particularly in underdeveloped regions, could lead to domestic unrest if the war has severe economic repercussions.

11. **Political Instability: 3 (Moderate)**

- In Taiwan, political instability could arise from the pressures of defending sovereignty and handling military actions. In China, internal political stability could



be threatened if the war severely impacts the economy or challenges the legitimacy of the Communist Party.

12. Technological Dependence: 4 (High)

- Both China and Taiwan rely heavily on advanced technology, especially in the semiconductor industry, which is critical to global trade. Any conflict would severely disrupt technological production, with significant consequences for global markets that depend on Taiwan's cutting-edge technology.

13. Cybersecurity Threats: 4 (High)

- Both sides are likely to engage in intense cyber warfare, targeting military infrastructure, communication systems, and critical industries like semiconductors. Cyberattacks could disrupt government functions, economic activities, and communication systems, exacerbating the conflict's impact.

14. Military Alliances: 4 (High)

- The involvement of alliances like the U.S. and Japan, as well as other countries sympathetic to Taiwan's sovereignty, would make this conflict one where military alliances are highly engaged. The support for Taiwan from these countries could dramatically shape the military balance and potential outcomes.

15. Industry Collapse: 4 (High)

- The Taiwanese semiconductor industry is crucial to global supply chains, and a conflict could lead to significant collapse within this sector. Additionally, disruption of Chinese industries, particularly in electronics and manufacturing, could cause ripple effects in global markets, especially in tech, consumer goods, and manufacturing.

16. Environmental Crises: 3 (Moderate)

- Although not a direct focus of the Taiwan-China conflict, military operations could lead to significant environmental damage. The destruction of infrastructure,



pollution from bombings, and the possibility of chemical warfare could lead to localized environmental crises, affecting both Taiwan and parts of China.

17. Education & Knowledge Gaps: 3 (Moderate)

- The war could lead to significant disruptions in education in Taiwan and China, particularly in regions affected by conflict. Universities and research institutions could face closures or relocation, leading to setbacks in technological innovation and academic progress in both nations.

18. Human Rights Violations: 4 (High)

- If the conflict escalates, human rights violations could be significant on both sides. In Taiwan, Chinese military actions could result in civilian casualties, forced displacement, and potential war crimes. In China, the Chinese government may suppress dissent or commit abuses in the face of growing internal instability.

19. Migration & Refugee Crises: 4 (High)

- A conflict could cause widespread displacement in Taiwan and potentially China, with millions of refugees fleeing the island. Neighboring countries like Japan, South Korea, and Southeast Asian nations may face significant pressures from refugees and displaced persons seeking safety.

20. Media & Information Warfare: 4 (High)

- Media manipulation is already a significant aspect of the conflict, with both sides engaging in extensive disinformation campaigns. China controls much of its domestic media and uses it to frame Taiwan as a renegade province, while Taiwan relies on global media networks to broadcast Chinese abuses and garner international support.

21. Resource Scarcity: 3 (Moderate)

- While not an immediate driver of the conflict, the tensions over Taiwan could disrupt global supply chains for critical resources like rare earth metals,



semiconductors, and energy, creating resource shortages in global markets, especially in high-tech industries.

22. Financial Instability: 4 (High)

- The conflict could lead to significant financial instability, with markets reacting negatively to uncertainty, especially in the tech sector. Economic sanctions, trade disruptions, and military action would exacerbate global financial conditions, potentially leading to a market downturn.

23. Climate Change: 2 (Low)

- While the conflict itself may not directly impact climate change, environmental damage caused by military operations, resource destruction, and potential energy crises could indirectly affect climate-related efforts in both China and Taiwan.

24. Trade Wars & Sanctions: 4 (High)

- The conflict could lead to widespread sanctions, particularly from the West against China, and would disrupt trade flows, particularly in critical industries like technology and manufacturing. China's responses, such as trade barriers, could further exacerbate global economic instability.

25. Intellectual Property Theft: 4 (High)

- Taiwan and China both face risks of intellectual property theft, particularly if the conflict disrupts business and industry. Chinese espionage and cyber operations could steal valuable technology, further undermining global trust in Chinese-made products.

26. Energy Security: 3 (Moderate)

- The Taiwan conflict could have significant consequences for regional energy security, especially in East Asia. A blockade or conflict would disrupt the flow of energy, particularly oil and gas, and impact global energy markets.



27. International Law & Governance: 4 (High)

- The conflict raises serious concerns about the violation of international law, particularly regarding Taiwan's sovereignty. If China escalates military actions, it could be seen as an unlawful violation of international norms, leading to greater international condemnation.

28. Technological Innovation & AI: 4 (High)

- The technological dependency of both nations on advancements in AI, cyber defense, and semiconductor technology makes innovation a crucial part of this conflict. Disruption in these sectors would have a profound impact on technological progress and security.

29. Nationalism & Populism: 4 (High)

- Nationalism is a central factor in both Taiwan and China's stance on the conflict. The rise of nationalism in China, coupled with Taiwan's resistance to Chinese control, has contributed to increased tensions and could exacerbate internal instability in both countries if the conflict drags on.

30. Public Health Crises: 4 (High)

- The conflict's disruption of health systems in both Taiwan and China could create significant public health crises. With potential military strikes, the spread of infectious diseases, and mental health crises arising from trauma, the public health impact could be severe.