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Taiwan

Executives seek briefings on Taiwan war risk

Russia's invasion of Ukraine and China's actions in Indo-Pacific raise alarm in boardrooms



The Ukraine war has prompted many Taiwanese civilians to take part in urban combat workshops, such as this one in New Taipei City last month, to learn how to repel any Chinese advance on their territory © AFP via Getty Images

Demetri Sevastopulo in Dublin and **Andrew Edgecliffe-Johnson** in New York 6 HOURS AGO

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Company executives are increasingly concerned about the possibility of war over Taiwan, according to consultants who have seen a sharp rise in demand for briefings following the invasion of Ukraine.

Eric Sayers, head of the Indo-Pacific practice at Beacon Global Strategies, said China's crackdown on democracy in [Hong Kong](#) coupled with the Ukraine invasion had "rapidly accelerated" the fears.

"A year ago Beacon would occasionally be asked a question or two about Taiwan from our clients," said Sayers.

"We are now being asked to brief CEOs directly on [Taiwan](#) politics and the military situation [and to] organise meetings with senior US officials or retired military leaders to understand how they view the situation."

Sayers said Beacon was also being asked to create briefings on the 2024 election in Taiwan. He added that some companies even wanted them to organise table-top exercises to help executives understand how a Taiwan crisis might unfold as they

think about contingency planning.

Anxiety about Taiwan has risen rapidly over the past two years as China has flown more and more warplanes near the island, a democratically ruled country over which Beijing claims sovereignty. President Joe Biden recently highlighted the tensions when he warned during a visit to Japan that the US would intervene militarily to defend Taiwan from any Chinese attack.

Some companies became concerned after Philip Davidson, then head of US Indo-Pacific command, in March 2021 said China could take military action against Taiwan by 2027. Officials played down his comment, but in recent months some have started to speak more openly about the risks.

In May, director of national intelligence Avril Haines, said Taiwan faced an “acute” threat from China this decade. In March, Admiral John Aquilino, head of Indo-Pacific command, told the Financial Times that the Ukraine invasion should remind people that the threat to Taiwan was not abstract.

Kurt Tong, managing partner at The Asia Group, said he had seen a “sharp uptick” in interest about Taiwan since Russia invaded Ukraine.

“Firms want to know how to perceive situational risks and they want to know what key elements they should be tracking on an ongoing basis,” said Tong, a former veteran Asia diplomat. Tong added that the clients requesting briefings ranged from technology and financial groups to pharmaceutical makers and consumer goods manufacturers.

Chris Johnson, a former top CIA China analyst who heads China Strategies Group, said companies were concerned about risks that ranged from the impact on Taiwan as the most important semiconductor manufacturer in the world to concerns about their ability to continue manufacturing operations in China if war erupted over Taiwan. He said the rising concern was being driven by “Ukraine and the never-ending 2027 forecast”, referring to the warning from Davidson.

“It’s so saturated in the CEOs’ news flow that they cannot help but feel concerned. The Ukraine invasion puts it very much on the front burner, when in the past it was standard question Number 6 about what is the latest on Taiwan.”

While companies themselves are evaluating the situation — regarding everything from their supply chains to any personnel that they have in either Taiwan or China — some US officials are also increasingly urging them to be more vigilant about the

risks.

Speaking to business executives in London this week, FBI director Christopher Wray warned corporate leaders to think more about the implications of the Chinese threat to Taiwan following the Ukraine invasion, which has resulted in companies being affected by everything from sanctions to economic disruption.

“There were a lot of western companies that had their fingers still in that door when it slammed shut,” Wray said.

“If China does invade Taiwan, we could see the same thing again, at a much larger scale. Just as in Russia, western investments built over years could become hostages, capital stranded, supply chains and relationships disrupted.”

Zack Cooper, an Asia expert at the American Enterprise Institute, said the recent “huge interest” in Taiwan was coming from companies with longstanding interests to those that were new to the issue and “now scared”.

“A lot of companies just assumed that a major conflict involving a big country was unlikely, but Russia’s invasion of Ukraine invalidated that assumption,” said Cooper. “Now the question is what other big country might have a serious military contingency and a Taiwan Strait crisis is the obvious connection for many people.”

Holden Triplett, co-founder of Trenchcoat Advisors, said corporate boards were driving the push on Taiwan, partly because of Ukraine but also as part of a broader re-evaluation of supply chains and operations in China. But he said that while security executives were more aware of the risks, the concern did not always percolate higher.

“It seems not to have penetrated the C-suite as much as you might think,” said Triplett. “Some corporate security officers and information security officers express frustration that they’ve been trying to sound the horn.”

Dale Buckner, chief executive of Global Guardian, said his international security company had been approached by seven Fortune 500 companies for help in making contingency plans for Taiwan, including how to evacuate staff from the island if necessary. He said three of the seven were in the technology industry.

“They’re brands that you’d know,” Buckner said. “They’re scared, to be frank.”

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