

STRATEGIC ANALYSIS REPORT

# **Kinship, Capability, and Cost: A Realist Framework for Cross-Strait Stability**

*An Evidence-Based, Non-Partisan Assessment (2026–2030)*

February 2026

Classification: Non-Partisan Realist Analysis

**DISCLAIMER:** *This report does not represent the position, ideology, or interests of the United States, Japan, the People's Republic of China, Taiwan (ROC), or any other government or political entity. It is a strictly objective, evidence-based analysis of observable geopolitical dynamics and their probable consequences. All data are drawn from publicly available sources, including official government statistics, peer-reviewed research, and reports by internationally recognized analytical institutions.*

## **I. Executive Summary**

The Taiwan Strait remains one of the most consequential strategic flashpoints of the early twenty-first century. This report examines three interlocking dynamics that are reshaping cross-strait stability: the evolving military balance of power, the trajectory of shared cultural identity, and the broader global trend toward short-term governance that impairs strategic foresight.

The central finding of this report is that the foundation of cross-strait stability appears to be undergoing a structural transformation. For decades, peace was maintained primarily through external military deterrence—specifically, the implicit or explicit prospect of U.S. intervention. However, the maturation of the People’s Republic of China’s (PRC) Anti-Access/Area Denial (A2/AD) capabilities, combined with the United States’ evolving posture toward a more transactional foreign policy, has placed growing strain on this external pillar.

Concurrently, the internal pillar—shared cultural and ethnic recognition between the populations on both sides of the strait—shows signs of weakening at an accelerating rate. Decades of political separation and successive educational reforms have produced a generation in Taiwan for whom “Chinese” identity is increasingly unfamiliar. This report introduces the concept of the “Identity Shield Hypothesis”: when shared kinship recognition exists between two parties in a territorial dispute, it functions as a de-escalatory mechanism, constraining the scope and intensity of potential conflict. When this recognition erodes, the dispute’s character tends to shift from an “internal negotiation” toward an “inter-state confrontation,” with markedly higher potential for escalation.

Finally, the report situates the Taiwan Strait within a broader global context of governance short-termism—a systemic preference for leaders who provide immediate emotional reassurance over those who pursue long-term strategic positioning. This global pattern amplifies the crisis by reducing publics’ capacity to perceive and respond to slowly accumulating structural risks.

### **KEY TAKEAWAYS**

- 1.** The military balance within the First Island Chain has shifted toward the land-based defender. Multiple independent wargames suggest that the cost and risk of conventional naval intervention have risen substantially, eroding the reliability of the traditional external deterrence model.
- 2.** Cultural identity functions as strategic infrastructure. The erosion of shared ethnic and cultural recognition between the two sides of the strait removes a critical de-escalatory

constraint, potentially transforming any future conflict from a limited political-military operation into an unconstrained campaign.

3. Each major stakeholder operates on an incommensurable “ledger”: the United States calculates financial cost-benefit; Japan weighs existential survival; Beijing measures sovereignty and national continuity; Taiwan’s public prioritizes lifestyle preservation. These divergent frameworks significantly increase the risk of miscalculation.

4. The period 2026–2030 represents a critical decision window. Converging trends—military capability maturation, potential further contraction of external security commitments, deepening identity divergence, and approaching electoral milestones—will be key factors influencing which of the three outlined scenarios becomes more probable.

## **Methodology and Sources**

This report draws exclusively on publicly available data, including official government defense budgets and demographic statistics, long-running survey series (notably the Election Study Center at National Chengchi University), published assessments by recognized analytical institutions (CSIS, RAND Corporation, SIPRI, the U.S. Congressional Research Service), and open-source military capability databases. Where precise figures are unavailable, the report uses qualified language (“approximately,” “roughly,” “in the range of”) and identifies the source basis in endnotes. The analysis applies no ideological framework; it employs structural realism and comparative political sociology as its theoretical lenses.

## **II. The Evolving Military Balance: Rapid Technological Proliferation and Its Consequences**

The physical geography of the Taiwan Strait constitutes the foundational variable in any military assessment. The strait is approximately 130 to 180 kilometers wide at its narrowest points. This extreme geographic proximity between the Chinese mainland and Taiwan provides the PRC with structural advantages that are a function of physics and geography rather than political intent. This section examines how rapid technological proliferation has altered the military balance.

### **2.1 The Maturation of Anti-Access/Area Denial (A2/AD) Capabilities**

Since the early 2010s, the PRC has invested substantially in what Western military planners term Anti-Access/Area Denial (A2/AD) capabilities. This is a multi-layered defense architecture designed not to project power across oceans, but to deny any external force the ability to operate freely within a defined perimeter—in this case, the waters and airspace within the First Island Chain. The development of this capability is best understood as a product of rapid technological proliferation rather than a sudden shift in strategic intent.

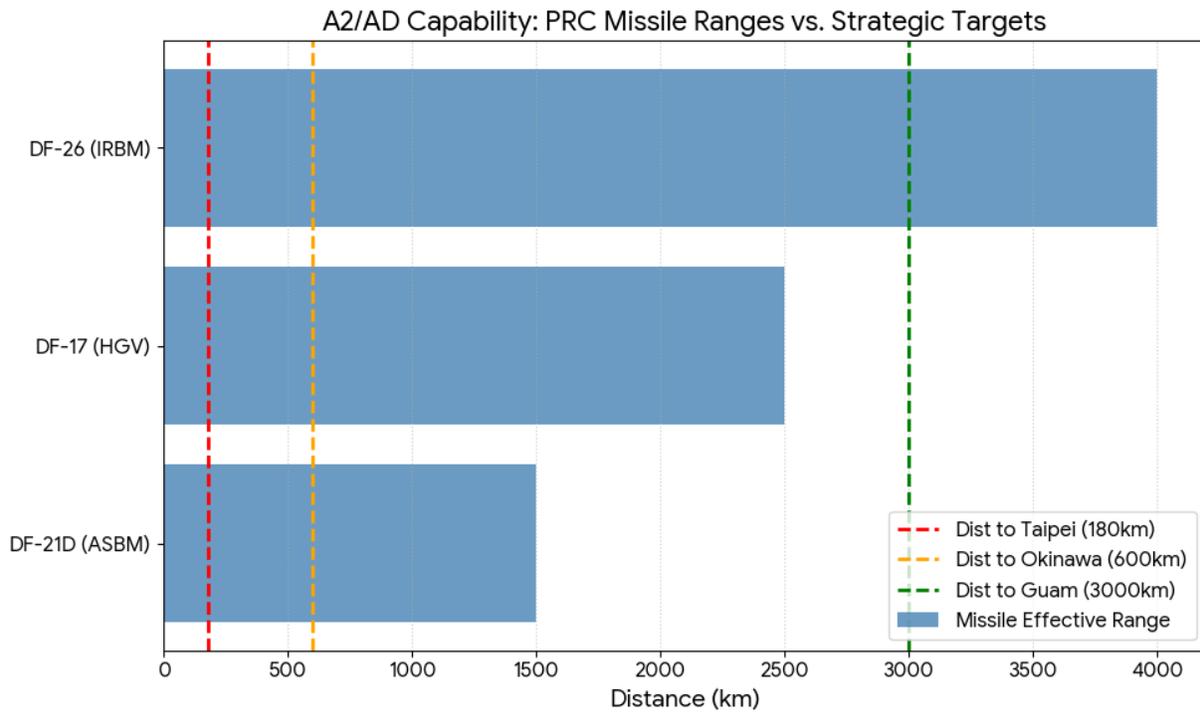
**Anti-Ship Ballistic Missiles (ASBMs):** The DF-21D, with a range of approximately 1,500 kilometers, and the DF-26, with a range estimated at 3,000–4,000 kilometers or more (sufficient to reach Guam), are designed to target large, moving surface vessels such as aircraft carriers. As of the time of writing, the PRC is the only nation known to have operationally deployed this class of weapon.<sup>1</sup>

**Hypersonic Glide Vehicles (HGVs):** Systems such as the DF-17 travel at speeds generally described as exceeding Mach 5 and follow unpredictable, non-ballistic trajectories. Current U.S. Aegis Combat System and Standard Missile-6 (SM-6) interceptors were not originally designed to counter this class of threat. Multiple independent analyses, including wargames conducted by the Center for Strategic and International Studies (CSIS) and assessments by the RAND Corporation, suggest that interception probability against coordinated hypersonic salvos decreases significantly as the number of incoming threats increases.<sup>2</sup>

**Integrated Sensor Networks:** Over-the-horizon radar installations, satellite constellations (including the BeiDou navigation system), and maritime surveillance platforms provide near-continuous tracking of naval assets throughout the Western Pacific. This persistent

surveillance capability reduces the operational advantage traditionally enjoyed by carrier strike groups—namely, the ability to maneuver with a degree of concealment.

**Figure 1: A2/AD Capability: PRC Missile Ranges vs. Strategic Targets**



**Figure 1 Description:** This chart illustrates the physical deterrence boundaries of land-based missile systems against high-value maritime targets, projected within the 2026 technological and strategic context. It highlights the overlap between effective missile ranges and key regional hubs.

## 2.2 The Cost Asymmetry

Perhaps the most consequential dimension of the evolving military balance is the radical cost asymmetry between the platforms used for power projection and those used for area denial.

Asset	Approximate Unit Cost	Strategic Implication
Ford-class Aircraft Carrier	~\$13.3 billion (excluding air wing)	A single mission-kill renders the asset combat-ineffective
DF-21D ASBM	Estimated \$5–10 million per unit	A salvo of 10–20 units costs a fraction of the target’s value

Asset	Approximate Unit Cost	Strategic Implication
DF-17 HGV	Classified; estimated comparable range	Current interception systems face significant challenges against massed salvos
Full Carrier Air Wing	~\$6–8 billion (full complement)	Combat radius (~1,100 km) requires carrier to operate within ASBM engagement zones

*Sources: Unit cost estimates derived from U.S. Congressional Budget Office reports, CSIS Missile Threat Project, and open-source defense analysis. Exact PRC missile costs are not publicly disclosed; figures represent informed estimates from multiple analytical institutions.*

This cost structure illustrates a fundamental shift: the party seeking to project power into the theater must invest assets worth orders of magnitude more than the defender needs to expend to neutralize those assets. In military-economic terms, the exchange ratio has shifted markedly in favor of the land-based, geographically proximate defender.

### 2.3 Logistical Asymmetry

Modern warfare is fundamentally a contest of sustainment. The disparity in supply chain resilience between the PRC and any external intervening force is considerable.

**PRC Advantages:** China possesses one of the world’s most extensive high-speed rail networks (exceeding 45,000 km of operational track, according to PRC Ministry of Transport figures), a dense highway system, and inland waterways that enable rapid, distributed logistics. The depth of China’s industrial base—it is the world’s largest producer of steel, ships, and a wide range of manufactured goods—provides a war-sustaining capacity with few parallels.

**External Intervener’s Challenge:** The nearest major U.S. installation, Guam, is approximately 2,700 kilometers from the Taiwan Strait. Pearl Harbor is over 8,000 kilometers distant. U.S. forward bases in Japan (Kadena Air Base in Okinawa, Yokosuka Naval Base) lie within the engagement envelope of Chinese theater-range missiles. These installations are fixed targets; in the initial phase of a conflict, they could be subjected to intensive suppressive fire, potentially degrading runway and port functionality.<sup>3</sup>

### 2.4 Section Assessment

The evidence reviewed in this section suggests that the military balance within the First Island Chain has shifted in ways that significantly complicate external intervention. This does not mean that conflict is inevitable or that intervention is impossible. It does mean, however, that the

traditional model of deterrence—predicated on the assumption that overwhelming external naval superiority would indefinitely prevent unilateral action—can no longer be taken for granted. If one pillar of stability (external military deterrence) is becoming less reliable, the question naturally arises: what other mechanisms might sustain peace? This leads to the analysis of cultural identity as a strategic variable.

### **III. The Strategic Resilience of Identity: Cultural Recognition as a De-Escalation Mechanism**

If Section II established that the external military pillar of cross-strait stability faces growing strain, this section examines the internal pillar: shared cultural and ethnic identity. The central argument is that identity is not merely a cultural artifact or a matter of personal sentiment—it is a strategic variable that directly influences the probability, character, and intensity of armed conflict.

#### **3.1 The Identity Shield Hypothesis**

This report proposes the concept of the “Identity Shield”: the observation that shared ethnic, cultural, and linguistic recognition between two populations in a territorial dispute tends to function as a de-escalatory mechanism, constraining the scope of military force.

When both sides of a dispute recognize each other as sharing common ancestry, language, cultural practices, and historical narrative, the dispute is psychologically framed as an internal matter. In such a framing, the use of force, while not precluded, is subject to notable moral, emotional, and political constraints:

**Targeting Restraint:** A military operation framed as bringing separated communities together carries an implicit obligation to minimize harm to civilians and civilian infrastructure. Actions that would devastate the living conditions of people regarded as compatriots tend to generate significant domestic opposition within the acting society.

**Post-Transition Governance:** If the objective is reintegration rather than subjugation, the acting party has a strong incentive to preserve the social fabric, economic assets, and institutional capacity of the target territory, thereby reducing long-term governance costs.

**Negotiation Space:** Shared identity provides a common language—both literally and figuratively—for dialogue. It sustains the possibility of a negotiated settlement because both parties can appeal to a shared sense of belonging, however attenuated.

#### **3.2 The Trajectory of Self-Identification in Taiwan: An Empirical Overview**

The trajectory of self-identification in Taiwan over the past three decades represents one of the most pronounced shifts in collective identity observed in any democratic society. The most widely cited longitudinal dataset is the survey series conducted by the Election Study Center at National Chengchi University (NCCU), which has tracked self-identification annually since 1992.

Self-Identification	1992 (approx.)	2005 (approx.)	Mid-2020s (approx.)
“Taiwanese only”	~17.6%	~44%	~65–70%
“Both Taiwanese and Chinese”	~46.4%	~40–44%	~25–30%
“Chinese only”	~25.5%	~7–8%	~2–3%
No response / other	~10.5%	~8–10%	~2–3%

*Source: Election Study Center, National Chengchi University (NCCU), long-running survey series. 1992 figures reflect the precise published values; subsequent years are rounded approximations based on published charts. Readers are directed to the NCCU data portal for exact annual figures.<sup>4</sup>*

Several observations emerge from this data:

**Generational Divergence:** Surveys indicate that among younger cohorts (aged 18–35), the proportion identifying as “Taiwanese only” reaches approximately 80% or higher in some studies. This cohort was educated under curricula that increasingly position Chinese history within an East Asian regional framework rather than as a shared national narrative.<sup>5</sup>

**Cultural vs. Political Identity:** A significant minority of the population retains cultural or emotional connections to the Chinese mainland—through ancestry, religious practices (such as Mazu worship), or linguistic heritage. However, this cultural affinity does not translate proportionally into political identification with the PRC. The gap between “cultural Chineseness” and “political Chineseness” has widened considerably.

**Demographic Composition:** Approximately 80% of Taiwan’s population are descendants of Han Chinese migrants who arrived from Fujian and Guangdong provinces during the Qing Dynasty (17th–19th centuries). Another 10–15% are descendants of those who relocated with the ROC government around 1949 (commonly termed waishengren). Indigenous Austronesian peoples constitute roughly 2–3% of the total population. The critical observation is that the overwhelming majority shares ethnic and linguistic roots with the mainland population, yet this shared heritage is increasingly decoupled from political allegiance.<sup>6</sup>

### 3.3 The Strategic Implications of the Divergence of Cultural Narratives

If the Identity Shield Hypothesis holds, the observed shift in self-identification carries significant strategic implications:

### **3.3.1 Potential Reduction in Constraints on the Use of Force**

When the population of a target territory is perceived by the acting society as kin, the moral and political cost of inflicting widespread destruction is high. When that population is perceived as having voluntarily severed its identification with the shared national community, this cost diminishes. Should Beijing’s leadership and public conclude that Taiwan’s population has irreversibly departed from Chinese national identity, the political constraints on a high-intensity campaign—one that affects critical infrastructure, energy systems, and communications networks—could be substantially reduced.

### **3.3.2 Shift in Policy Framing: From “Reunification” to “Recovery of Territory”**

In Beijing’s policy vocabulary, “peaceful reunification” presupposes a degree of shared identity. It is a political model premised on the idea that both populations fundamentally belong to the same national community. If this premise erodes beyond a threshold point, the remaining strategic imperative becomes the recovery of sovereign territory—a categorically different objective that does not require the consent or intact survival of the target territory’s social institutions.

### **3.3.3 Post-Transition Governance Costs**

A population that retains some identification with the broader national community is substantially easier to govern after a political transition than one that views itself as a conquered foreign people. The deeper the identity alienation before any potential change of status, the higher the post-transition governance burden—creating a structural incentive in which, from Beijing’s analytical perspective, earlier action may appear less costly than later action.

## **3.4 The Spectrum of Political Positions Within Taiwan**

Taiwan’s domestic political landscape reflects a wide spectrum of responses to the identity question. This report describes the principal positions without normative judgment:

### ***The DPP Position (Current Administration, President Lai Ching-te)***

The current administration advances a framework of “mutual non-subordination” (huliu lishu): the ROC and the PRC are separate, non-subordinate entities. President Lai’s “motherland discourse” (zuguo lun) of October 2024 exemplifies this approach: by noting that the ROC (established 1912) is older than the PRC (established 1949), he argues that the PRC cannot be the ROC’s “motherland.” This position rejects the “1992 Consensus” and has been accompanied by defense spending increases and an extended mandatory military service period.

### ***The KMT Position (Chairperson Cheng Li-wun, elected October 2025)***

KMT Chairperson Cheng Li-wun publicly affirms shared Chinese ethnic and cultural identity and advocates for the “1992 Consensus” as the basis for cross-strait dialogue. Her political logic is framed in security terms: acknowledging shared identity removes the rationale for military force and creates space for negotiated coexistence. This position draws on the precedent of the Ma Ying-jeou era (2008–2016), which saw relative cross-strait stability, direct transportation links, tourism, and economic agreements (notably the Economic Cooperation Framework Agreement, ECFA).

### ***The “Third Way” (Former Vice President Lu Hsiu-lien)***

Former Vice President Lu Hsiu-lien (Annette Lu), a founding figure of the DPP, has proposed replacing “One China” with “One Zhonghua” (one Chinese civilization)—a cultural-civilizational umbrella that acknowledges shared heritage without conceding political sovereignty. She characterizes cross-strait relations as those of “distant relatives and close neighbors” (*yuanqin jinlin*), and proposes “integration” (*tonghe*) rather than “unification” (*tongyi*). While intellectually creative, this position has gained limited traction in either capital.

## **3.5 Section Assessment: Identity as Strategic Infrastructure**

The analysis in this section suggests that cultural identity functions as critical strategic infrastructure—comparable in its peace-sustaining role to military deterrence. From a purely analytical standpoint, regardless of normative preferences, the maintenance of some degree of shared cultural recognition appears to represent the option with the highest cost-benefit ratio for reducing the probability of catastrophic conflict. Affirming cultural kinship carries minimal material cost, yet its erosion may dramatically escalate the potential human and economic toll of any future confrontation.

## **IV. Governance Short-Termism and Strategic Blind Spots: A Contextual Factor**

The preceding sections identified two pillars of cross-strait stability—external military deterrence and internal cultural identity—and presented evidence that both face growing strain. This section examines a third, contextual factor: the tendency toward governance short-termism—a pattern that some analysts have termed the “Short-Termism Trap.” This phenomenon reduces the capacity of political systems to perceive, assess, and respond to the kind of slow-building, structural risks that characterize the Taiwan Strait situation.

### **4.1 The Structural Incentives of Short-Term Governance**

Modern democratic systems, despite their many strengths, contain structural incentives that tend to reward leaders who deliver short-term emotional satisfaction over those who pursue long-term strategic positioning.

**Electoral Cycle Pressure:** In systems with four- to five-year electoral cycles, leaders face intense pressure to deliver visible results within their term. Investments in long-term defense modernization, energy independence, or diplomatic capacity-building—which may not yield returns for a decade or more—are systematically disadvantaged relative to immediate social spending or consumer-facing measures.

**The Algorithm Economy:** Social media platforms amplify emotionally resonant, simplified narratives and tend to suppress nuanced, complex analysis. Political actors who communicate in simplified terms are rewarded with attention and engagement. Those who articulate uncomfortable structural realities face diminished reach.

### **4.2 The European Experience as a Comparative Case**

Europe offers a revealing parallel. For approximately three decades following the end of the Cold War, the majority of European NATO members systematically under-invested in defense capabilities, relying on the assumption of continued American protection. National defense budgets were frequently below the NATO-agreed target of 2% of GDP, while social expenditure expanded.<sup>7</sup>

The consequences became visible from 2022 onward. When confronted with renewed security challenges in Eastern Europe and, subsequently, with a more transactional U.S. foreign policy, European leaders found themselves without the military capacity, industrial base, or political reserves to respond autonomously. The relevance to the Taiwan Strait is direct: Taiwan’s

security planning has, for decades, rested significantly on the assumption that the United States would intervene militarily in a cross-strait contingency. If this assumption proves less reliable than expected, Taiwan—like Europe—may discover that its strategic foundation required earlier reinforcement.

### **4.3 The Assumption of Indefinite Stability in Taiwan**

Within Taiwan, governance short-termism manifests as what this report terms the “Sanctuary Mentality”—a collective psychological assumption that the current state of “no war, no peace” can persist indefinitely without active policy adaptation.

**The external protection assumption:** Despite evolving indicators regarding U.S. strategic priorities, a significant portion of the Taiwanese public and policy establishment continues to assume that American intervention is assured.

**Identity as a private matter:** Many citizens treat self-identification as a purely personal choice with no geopolitical consequences. This perspective does not account for the fact that collective identity shifts are closely observed by Beijing as indicators of the feasibility of peaceful approaches—and, by extension, as variables influencing the timeline for alternative approaches.

**The persistence-of-peace assumption:** Having lived without large-scale armed conflict for over six decades, many citizens—particularly younger generations—have difficulty conceiving of actual warfare. This cognitive gap between perceived risk and structural risk is a documented feature of societies in pre-crisis periods across historical cases.

### **4.4 Section Assessment**

Governance short-termism does not cause cross-strait tensions, but it tends to amplify the probability of miscalculation. When political systems are optimized for emotional reassurance rather than structural analysis, they are less well-equipped to process warnings about slow-building, existential risks. The result may be a polity that drifts toward a tipping point without adequate preparation—and when that tipping point arrives, finds that the leaders selected for their reassuring messages have neither contingency plans nor strategic reserves.

## V. Regional Stakeholder Analysis: Divergent Ledgers, Convergent Risks

One of the most structurally dangerous features of the current cross-strait dynamic is that each major stakeholder operates according to a fundamentally different strategic ledger. These ledgers are largely incommensurable—they measure different variables, prioritize different values, and arrive at different conclusions about acceptable costs. This section examines each stakeholder’s calculus.

### 5.1 The United States: The Financial Ledger

The U.S. relationship with Taiwan has historically been framed in values-based terms—a commitment to democratic governance and the rules-based international order. However, observable policy trends in 2025–2026 indicate a shift toward what might be termed strategic calibration—a reprioritization of commitments based on cost-benefit analysis.

**The “Protection Premium” Dynamic:** Statements from senior U.S. officials urging Taiwan to increase defense spending significantly—with figures as high as 10% of GDP reportedly discussed in public remarks—signal a shift from alliance solidarity to something closer to fee-for-service security. Taiwan’s defense spending stood at around 2.5% of GDP in recent years, with government plans to reach roughly 3.3% by 2026 under a broadened NATO-style accounting method.<sup>8</sup>

**The Asymmetric Arms Transition:** U.S. arms sales to Taiwan have shifted from large, expensive platforms toward quantities of asymmetric, man-portable weapons systems (anti-armor missiles, portable air-defense systems, sea mines, and autonomous munitions). This shift reveals an implicit strategic calculation: preparation for a scenario in which the U.S. provides material support and intelligence but does not commit carrier strike groups to direct combat within the First Island Chain.

**Domestic Constraints:** With U.S. national debt exceeding \$36 trillion and significant domestic infrastructure needs, the political appetite for a potentially protracted, high-casualty conflict with a nuclear-armed peer is limited. Public opinion data consistently shows that while Americans broadly support Taiwan, support for direct military intervention declines sharply when respondents are informed of potential costs.<sup>9</sup>

### 5.2 Japan: The Survival Ledger

**Geographic Inescapability:** Unlike the United States, which can operate from the Eastern Pacific, Japan cannot physically distance itself from a Taiwan Strait conflict. Okinawa Prefecture, including Kadena Air Base, lies within the engagement range of Chinese theater-range missiles.

**Demographic and Economic Fragility:** Japan confronts the most severe demographic decline of any major economy. Its population is aging and shrinking, producing a workforce that cannot sustain large-scale military mobilization. Its economy, while technologically sophisticated, has experienced prolonged stagnation and depends heavily on imported energy—energy that transits through the very sea lanes that would be disrupted by a Taiwan Strait conflict.

**The Historical Dimension:** Any Japanese military involvement in a Taiwan-related contingency would carry additional complexity due to the historical legacy of Japan’s colonial period in Taiwan (1895–1945) and its wartime actions in China more broadly. This dimension would likely intensify the response from Beijing and from Chinese public opinion, raising the stakes for Japan beyond what a purely strategic calculation would suggest.

**Net Assessment:** Japan’s real capability for sustained, independent military action in a high-intensity cross-strait contingency is severely constrained. Its most likely role would be as a logistics and intelligence platform for U.S. forces—but if the U.S. adopts a more limited posture, Japan faces the difficult choice between accepting a new strategic reality or bearing the consequences of independent involvement, which its economic and demographic base may not sustain.

### **5.3 The People’s Republic of China: The Sovereignty Ledger**

For Beijing, the Taiwan question occupies a category distinct from conventional cost-benefit analysis. It is classified as a “core interest” (*hexin liyi*)—a non-negotiable element of national sovereignty and territorial integrity.

**Political Centrality:** The ruling Chinese Communist Party has tied significant political legitimacy to the principle of eventual reunification. Any perception of permanent territorial loss would constitute a foundational challenge to the “national rejuvenation” (*minzu fuxing*) narrative that underpins the Party’s governance model.

**Asymmetry of Resolve:** Because Taiwan is classified as a core interest, Beijing’s willingness to absorb costs (economic disruption, international friction, military expenditure) in pursuit of resolution is structurally higher than the willingness of any external power to absorb

comparable costs in Taiwan’s defense. This asymmetry of resolve is a fundamental feature of the strategic landscape.

**The Identity Trigger:** As argued in Section III, Beijing’s patience for peaceful approaches is functionally linked to the perceived feasibility of peaceful resolution. If the identity data described in Section III is interpreted as evidence that peaceful reunification has become permanently unachievable, the decision calculus tends to shift from “when to negotiate” to “when to act.”

## 5.4 Taiwan’s Public: The Lifestyle Ledger

Preference	Survey Finding (2024–2025, approximate)
Oppose unification with PRC	Roughly 75–85% (varies by survey phrasing)
Self-identify as “Taiwanese only”	Approximately 65–70%
Favor maintaining current status quo	Approximately 80–87%
Express willingness to fight in a cross-strait conflict	Roughly 30–40% (varies significantly by survey)
Trust in U.S. military intervention	Approximately 40–55% (with a declining trend) <sup>10</sup>

*Sources: Compiled from surveys by the NCCU Election Study Center, the Taiwan Public Opinion Foundation, the Academia Sinica, and TVBS Polling Center, 2023–2025. Figures reflect ranges across multiple surveys with varying question phrasing.*

The data reveals a notable structural tension: a majority of the population simultaneously rejects unification, rejects the identity framework that would facilitate peaceful resolution, and expresses limited willingness to bear the personal costs (military service, lifestyle disruption) that sustaining full independence through force would require. This combination represents a societal position that depends on the indefinite continuation of existing conditions—conditions that, as this report has documented, are changing.

## 5.5 The “Orphan Effect”: Taiwan’s Position in External Calculations

The convergence of the four ledgers produces what this report terms the “Orphan Effect”: a dynamic in which each external stakeholder’s rational self-interest points toward limiting its commitment to Taiwan.

For the United States, Taiwan is a valued strategic asset, but one whose defense must be weighed against the risk of direct confrontation with a nuclear-armed peer. For Japan, Taiwan’s

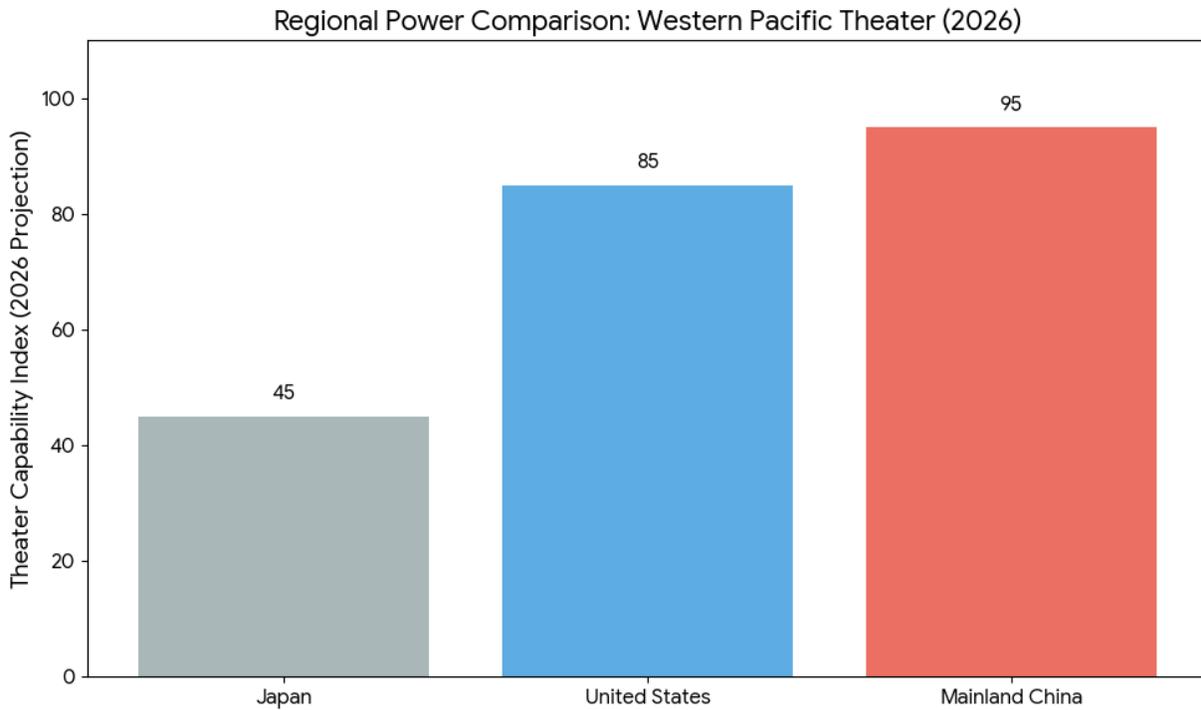
security is important, but secondary to national survival. For Beijing, Taiwan is a core interest justifying substantial sacrifice. This hierarchy of commitment means that, in a crisis, the party with the greatest willingness to commit resources faces counterparts with diminishing willingness to match—creating a structural imbalance that favors the party seeking change over those seeking to preserve existing arrangements.

## **5.6 The Interdependence Variable: Global Supply Chain Vulnerability**

Any cross-strait conflict would produce cascading effects far beyond the immediate region, owing to Taiwan's central position in global semiconductor manufacturing. Taiwan Semiconductor Manufacturing Company (TSMC) alone produces an estimated 90% of the world's most advanced logic chips. A disruption to this supply—whether through conflict, blockade, or even sustained uncertainty—would propagate through virtually every sector of the global economy, from consumer electronics to defense systems to medical devices.<sup>11</sup>

This interdependence creates shared incentives for conflict avoidance among all parties. However, it also creates potential leverage: the very centrality of Taiwan's semiconductor industry may paradoxically increase the strategic value of controlling or denying access to it, adding another dimension to an already complex strategic calculus.

**Figure 2: Regional Power Comparison: Western Pacific Theater (2026)**



**Figure 2 Description:** A comparative analysis of the regional power index in the Western Pacific theater for 2026. The index integrates factors of local industrial capacity, geographical proximity, and deployment speed to assess the effective theater strength of the primary stakeholders.

## **VI. Strategic Scenarios: Three Plausible Trajectories (2026–2030)**

Based on the structural analysis presented in the preceding sections, this report identifies three plausible trajectories for the cross-strait relationship over the next four years. These are analytical scenarios, not predictions. They are designed to illuminate key decision points and their potential consequences.

### **Scenario A: Protracted Friction—The “Porcupine” Stalemate**

**Preconditions:** Taiwan completes its asymmetric defense transformation with sustained external material support. Beijing maintains strategic patience but intensifies pressure through gray-zone operations (military exercises, economic measures, and information campaigns). The U.S. avoids direct military confrontation.

**Dynamics:** Taiwan becomes a heavily fortified territory armed with distributed, survivable weapon systems designed to impose significant costs on any amphibious or blockade operation. Simultaneously, Beijing conducts escalating pressure campaigns—including potential partial maritime restrictions, trade measures, and diplomatic isolation efforts. Foreign direct investment gradually exits Taiwan as risk premiums increase.

**Outcome:** A draining stalemate in which Taiwan gradually loses economic vitality while maintaining nominal autonomy. This scenario is inherently unstable because it erodes Taiwan’s societal resilience while simultaneously narrowing Beijing’s tolerance for delay.

### **Scenario B: Rapid Strategic Transition — The “Glass Shield”**

**Preconditions:** Beijing initiates a rapid, high-intensity operation (combining blockade, precision strikes on military infrastructure, and cyber/electronic warfare) at a moment of perceived external weakness. External powers decline to intervene directly or limit involvement to non-kinetic support.

**Dynamics:** The critical variable is the resilience of societal will. As documented in Section III, the overwhelming majority of Taiwan’s population shares ethnic and linguistic roots with the opposing force. The absence of the deep-seated inter-ethnic animosity that sustains resistance in cases such as the Ukrainian response to Russian operations means that the psychological foundations of prolonged resistance may be comparatively shallow. Once external support is perceived as unavailable, the rational calculus for much of the population may shift from resistance to accommodation.

**Outcome:** A rapid transition of authority, potentially within weeks. While the initial military phase would involve destruction, the post-transition governance challenge could be less severe than in Scenario A, precisely because the shared cultural substrate—however politically attenuated—provides a basis for social continuity.

### **Scenario C: The Realist Reset — Identity-Based De-Escalation**

**Preconditions:** Pragmatic political forces within Taiwan gain sufficient influence to redirect cross-strait policy. This could occur through electoral outcomes in the 2026 local elections or the 2028 presidential election, or through a broader political realignment driven by economic pressure and declining confidence in external security guarantees.

**Dynamics:** The new leadership reaffirms some form of shared cultural identity—whether through the “1992 Consensus,” a “One Zhonghua” cultural framework, or a comparable formulation. This does not require acceptance of the PRC’s political system or any change in Taiwan’s domestic governance. It reinstates the Identity Shield—creating space for negotiated coexistence, economic integration, and institutional cooperation while setting aside the sovereignty question for future generations.

**Outcome:** This scenario represents the lowest-cost path for all parties. Taiwan preserves its social institutions, economic vitality, and quality of life. Beijing achieves a strategic de-escalation that reduces the pressure for military options. The United States is relieved of an increasingly difficult commitment. Japan’s security environment improves. The principal cost is borne by those political actors who have invested their platforms in permanent separation—a political cost, but not an existential one.

## Comparative Scenario Assessment

<b>Dimension</b>	<b>A: Protracted Friction</b>	<b>B: Glass Shield</b>	<b>C: Realist Reset</b>
Economic Cost to Taiwan	High (gradual decline)	Severe (acute disruption)	Low (restored growth)
Human Cost	Moderate (chronic anxiety)	High (acute conflict)	Minimal
Post-Resolution Stability	Low (ongoing tension)	Moderate (shared substrate aids recovery)	High (negotiated framework)
External Commitment Required	High (sustained material support)	None / minimal	None
Beijing's Acceptance	Unlikely as permanent state	Achievable through force	Achievable through consent
Probability Assessment	Moderate (current trajectory)	Rising if Scenario A fails	Low but increasing with economic pressure

## **VII. Conclusion: Toward a Realist Framework for Cross-Strait Stability**

This report has examined cross-strait stability through three analytical lenses: military capability, cultural identity, and governance incentive structures. The findings converge on several observations that transcend ideological perspective.

### **7.1 The Dual Erosion**

Both pillars of cross-strait stability face growing strain simultaneously. The external pillar (military deterrence by external powers) is under pressure due to the maturation of A2/AD capabilities and the evolving U.S. approach to alliance commitments. The internal pillar (shared cultural identity) is weakening due to decades of political separation, educational reform, and generational change. The simultaneous strain on both pillars creates a compounding risk: as external deterrence becomes less reliable, the internal identity buffer becomes more strategically important—yet it is precisely this buffer that is being most actively attenuated.

### **7.2 Identity as the Variable of Greatest Leverage**

Of all the variables analyzed in this report, cultural identity offers the greatest leverage for reducing the probability of conflict at the lowest material cost. Military systems require billions of dollars and decades to develop. Alliance structures depend on the calculations and domestic politics of foreign governments. But cultural identity is an internal variable—it can be influenced through policy choices within Taiwan itself.

The affirmation of shared cultural heritage does not require the abandonment of democratic governance, the adoption of the PRC's political system, or any reduction in civil liberties. It requires, at minimum, the willingness to acknowledge historical and cultural connections that are empirically well-documented—and to recognize that this acknowledgment carries tangible strategic value as a de-escalation mechanism.

### **7.3 The Window of Decision**

The period between 2026 and 2030 represents a critical window. Several converging trends—the maturation of PRC military capabilities, the potential further recalibration of U.S. security commitments, the deepening of identity divergence among Taiwan's younger generation, and approaching political milestones (2026 local elections, 2028 presidential election)—will

collectively determine which of the three scenarios described in Section VI becomes most probable.

The choices made by Taiwan's electorate, political leaders, and civil society during this window will have consequences that extend far beyond the island itself. They will shape the security architecture of the Indo-Pacific region, the global semiconductor supply chain, and the trajectory of great-power relations for decades to come.

## **7.4 Final Observation**

History offers no permanent status quo. Every period of apparent stability is a dynamic equilibrium sustained by specific conditions. When those conditions change—as the evidence presented in this report suggests they are changing—the equilibrium tends to require renegotiation. The question facing all stakeholders is not whether adjustment will eventually be necessary, but whether it will be achieved through deliberate negotiation or through the unplanned failure of a framework that was not updated to reflect evolving realities of capability, identity, and interest.

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## Endnotes

<sup>1</sup> On the DF-21D and DF-26 as the first operationally deployed anti-ship ballistic missiles, see: CSIS Missile Threat Project, “DF-21 (CSS-5)” and “DF-26,” available at [missilethreat.csis.org](https://missilethreat.csis.org); U.S. Department of Defense, Annual Report to Congress: Military and Security Developments Involving the People’s Republic of China (2023, 2024 editions).

<sup>2</sup> On wargame outcomes and interception challenges, see: Mark F. Cancian, Matthew Cancian, and Eric Heginbotham, “The First Battle of the Next War: Wargaming a Chinese Invasion of Taiwan,” CSIS, January 2023; RAND Corporation, various publications on A2/AD and theater-missile defense effectiveness.

<sup>3</sup> On the vulnerability of forward bases in the Western Pacific, see: Thomas Shugart and Javier Gonzalez, “First Strike: China’s Missile Threat to U.S. Bases in Asia,” Center for a New American Security (CNAS), 2017; updated assessments in U.S. Naval Institute Proceedings.

<sup>4</sup> Election Study Center, National Chengchi University (NCCU), “Changes in the Taiwanese/Chinese Identity of Taiwanese,” long-running survey series, accessible at [esc.nccu.edu.tw](https://esc.nccu.edu.tw). 1992 figures are precise published values; subsequent years are rounded approximations.

<sup>5</sup> On youth cohort identity data, see NCCU age-disaggregated data and supplementary analyses by the Taiwan Public Opinion Foundation and Academia Sinica Survey Research Center.

<sup>6</sup> On Taiwan’s demographic composition, see: Republic of China (Taiwan) National Statistics Office; Council of Indigenous Peoples, Executive Yuan. The 2–3% figure for indigenous population is consistent with official household registration data.

<sup>7</sup> On European defense under-investment, see: Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database; NATO, “Defence Expenditure of NATO Countries,” annual statistical reports.

<sup>8</sup> On Taiwan’s defense spending trajectory, see: U.S. Congressional Research Service, “Taiwan: Defense and Military Issues,” updated reports (2024–2025 editions). The 10% of GDP figure derives from public remarks by then-candidate and subsequently elected U.S. President Donald Trump, reported widely in 2024.

<sup>9</sup> On U.S. public opinion regarding Taiwan intervention, see: Chicago Council on Global Affairs, annual surveys; Pew Research Center surveys on U.S. foreign policy attitudes.

<sup>10</sup> On Taiwanese survey data regarding willingness to fight and trust in U.S. intervention, see surveys by: NCCU Election Study Center, Taiwan Public Opinion Foundation, TVBS Polling Center, and Academia Sinica, various releases 2023–2025.

<sup>11</sup> On TSMC’s share of advanced semiconductor manufacturing, see: Semiconductor Industry Association (SIA) reports; CSIS, “Chokepoints: The Geopolitics of the Semiconductor Supply Chain,” 2023.

*This report was prepared as an independent, non-partisan analysis. The views expressed herein are based solely on observable facts, publicly available data, and established frameworks of international relations theory. They do not represent the position of any government, political party, or advocacy organization.*