

Abstract

This thesis contains a geo-economic analysis of the Taiwanese Semiconductor industry from the perspective of the government of Taiwan ROC. Its goal is to expand the current literature on geoeconomics by proposing a model, taking into account the state's capacity to control its economy, and applying it to the case of the Taiwanese semiconductor industry. Specific consideration has gone into defining geo-economics so that it combines both internal coherence with external differentiation. The model applies developmental theory to the geoeconomic framework to incorporate structural constraints by political and economic interest groups on state-led geo-economic policy. The case study contains an in-depth analysis on the global semiconductor industry, as well as Taiwan ROC's place within it and recent examples of its geo-economic use. While Taiwan ROC occupies a prominent place in the world of semiconductors, it is limited in its capacity to use it due to the contested identity of the Taiwanese people. This contested identity leads to a fractured political scene with distinct political goals between the two biggest parties, making long term strategic policy unattainable. This identity is moving closer and closer together over time, which might eventually increase the Taiwanese capacity to use its industry in geo-economic strategy.