

## **Risk mitigation and threat assessment: China, chips and the economic survival.**

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Creating a financial bankruptcy in China itself as the ultimate solution to break CCP's plan to break the power of balance and get's military and economic world dominance? It has happened before.

According to sources this existential danger now also threatens the CCP. The financial race will end up not that well for them.

China's ultimate secretly drawn-up multi-year plan is to implement a destabilization trajectory through implemented or forthcoming billions of aid packages to Pakistan, Iran and recently Turkey and to rewrite the balance of power. Russia is an easy side effect since the Ukraine issue, but not the main ally. Russia has a deep distrust of the CCP (Cold War history and Mongol invasions during Medieval times.)

The BRI and maritime routes are just a smokescreen and serve as a distraction tool. It's not just about exports. The inferior products must be high-tech superior to achieve world domination and China needs others.

The export of Taiwanese computer chips to China last year was worth 102 billion euros. China desperately needs the computer chips that it imports from Taiwan. Chinese companies use them in the manufacture of smartphones and other electronics, which the country then exports on a large scale. Taiwanese companies are world leaders in the field of the latest high-tech chips. China is also trying to make advanced chips itself but is lagging far behind TSMC. TSMC is Taiwan's largest company and specialises in making increasingly complex chips. TSMC is assisted in this task by ASML (Netherlands). That company makes the machines that make the chips. TSMC is a loyal customer of the company and recently announced that it would once again be buying the very latest generation of chip machines from ASML. Should China decide to stop importing chips from Taiwan, or to launch an invasion, then all kinds of Chinese electronics manufacturers will have a problem. Because there is no easy alternative for those Taiwanese chips. But it is still not easy to switch suppliers and get chips from, say, South Korea or Japan. Taiwan is such an important player, that China cannot do without it.

ASML has a monopoly on the fabrication of EUV lithography machines, the most advanced type of lithography equipment that's needed to make every single advanced processor chip that we use today. These are the chips that power smartphones, desktops, laptops, and other (military) devices.

Disrupting the CCPs is thus very effective through this route. ASML has a key position and, if necessary, a crucial role in the whole. And this is known in Beijing's highest echelons.

Just take a long breath and fight the CCP with patience and deterrence.