Abstract: This paper reports preliminary findings of a case study that explores the relationship between economic globalization and national security. Following a widener’s approach, namely a broad-based and multidisciplinary approach, the paper explores strategic aspects of the migration of the chip industry from Taiwan to China as part of the globalization story. Based on more than 130 interviews with industry leaders and officials, as well as relevant secondary materials gathered in the US and Asia, the paper argues that perceived market attractions in China, Chinese manpower supplies and Chinese policy incentives have jointly driven the wholesale westward movement of the Taiwanese chip industry despite policy constraints at home. The scope of the move is extensive, and thus challenges previous beliefs that Taiwanese inputs in China’s chip industry are largely confined to the manufacturing sub-sector. The paper then contends that these profit-driven activities have triggered multi-layered strategic challenges for Taiwan and the USA involving technological and defence security. Four inter-linked aspects of the story are analyzed, namely, industrial-base concerns, technology-related risks associated with the dual-use nature of the semiconductor technology and the issue of foreign supply of critical chips, concerns reinforced by institutional reforms in China and the Chinese perception of the chip importance to the nation’s industrial base, military modernization and modern electronic warfare, as well as risks reinforced by the Taiwan factor. The paper concludes by calling for an embrace of a widener’s approach to the study of security.