



芝加哥台美商會 Taiwanese American Chamber of Commerce of Greater Chicago

White Paper: The US-Taiwan Economic Relations

Taiwan has always had a strong partnership with the United States that is built on cooperation and trust. Since 1979 when President Jimmy Carter signed Taiwan Relations Act to maintain commercial, cultural and other relations through unofficial relations in Taiwan, the United States has played an important role in shaping Taiwan's economy.

The US-Taiwan economic relations remain strong today and the value of our trade between the two countries has increased over the years, however, it is also true that the trading volume with the United States is smaller today than that in the past. United States used to be Taiwan's largest trading partner, accounting for about 30 percent of Taiwan's foreign trade; today, the bilateral trade decreased to only about 10 percent of Taiwan's foreign trade. In order to restore the global trade balance, Taiwan must reenergize and expedite the trade relations with the United States. The possibility for Taiwan to be included in the Trans-Pacific Partnership (TPP) is a first step to restore the balance.

Trans-Pacific Partnership (TPP) is a free trade agreement currently being negotiated between twelve Pacific Rim countries. With many of the Pacific Rim countries being the key destinations for US manufactured goods, agricultural products, and services suppliers, the TPP will further deepen trade and investments. Taiwan's inclusion would be crucial for its exports to be competitive with the rest of the world and improve its trade relations with the United States.

If Taiwan is unable to join the TPP, the impact will be devastating. Customs barriers and country of origin regulations will speed up the relocation of manufactures to TPP-member countries, and regulatory discrepancies will keep foreign investment from entering Taiwan. Therefore, it is important that Taiwan be part of the TPP.

Taiwan's relationship with the United States will remain strong regardless of the outcome of the TPP inclusion decision. However, actions must be taken to maintain that strength for the future.

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