



## Press Release

# Strengthening U.S. Supply Chains Through Trade: The Case of Taiwan

PAULINA ENCK | MAY 10, 2023

In a case study included in Americans for Tax Reform's recently released publication *International Trade Barrier Index 2023*, Director of International Economic Policy Tori Smith examines methods for strengthening supply chains and makes the case for using free trade agreements with like-minded countries rather than subsidizing domestic industries, to increase trade and economic growth, from the perspective of a U.S.-Taiwan Free Trade Agreement.

Smith concludes:

Free trade agreements are a proven tool for increasing trade in goods, services, and capital between partner countries. These agreements have historically been used to reduce tariff and non-tariff barriers to trade, which incentivizes trade within the agreement and impacts supply chains. Trade agreements are more effective tools than regional frameworks and forums for impacting supply chains because they are implemented by Congress and contain enforcement mechanisms. A U.S.-Taiwan Free Trade Agreement would increase total trade and gross domestic product for both countries, as well as reduce U.S. and Taiwanese trade with China.

[Read the analysis](#)