

USTR Kirk: US Isn't Standing Still On Korea Trade Agreement

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WASHINGTON --The Obama administration recognizes the potential economic benefits of the U.S.-Korea free-trade agreement, but wants to ensure that concerns over American autos and beef are addressed before moving forward with the pact, U.S. Trade Representative Ron Kirk said Thursday.

"We are not standing still," Kirk said in a speech to the U.S.-Korea Business Council.

"However, we need to be mindful that important stakeholders have real concerns with this agreement," Kirk said in text prepared for delivery. "We owe it to all of you, and to Korea, to make sure that we understand fully these concerns and work hard to address them."

The agreement was inked by the Bush administration, but still awaits Congressional approval, along with similar trade deals with Panama and Colombia. President Barack Obama, who will visit South Korea when he travels to Asia later this month, was critical of the agreement during his presidential run.

Korea is the U.S.'s seventh-largest trading partner, with two-way goods trade totaling \$83 billion last year. But U.S. auto makers and labor unions say the trade pact wouldn't provide enough access to Korean markets.

Kirk echoed their concerns, but said a level playing field is "possible and within reach."

"Our market is open to Korean autos. All we are asking for is for our own auto companies to be able to compete on a level playing field in the Korean market," Kirk said in his prepared text.

"We are now developing proposals that will enable us to address concerns with respect to automotive trade," Kirk added. "We are also looking at concerns with respect to beef and non-tariff measures more broadly to see how they can be addressed most effectively."

His comments shed no new light on how the administration plans to move forward on the Korea deal, however.

On Wednesday, Han Duk-soo, Korea's ambassador to the U.S., said the agreement could serve as "a kind of stimulus package without another fiscal burden." He said there is a window of opportunity between the end of the year and next June for Congress to move on the agreement. If it doesn't happen by June, the looming mid-term election would make action unlikely before 2011.

In his remarks, Kirk also acknowledged concerns that the recent trade agreement between South Korea and the European Union could eventually hurt U.S. firms that compete with European companies.

Myron Brilliant, senior vice president of International Affairs for the U.S. Chamber of Commerce, called on the White House to move ahead with the agreement.

"As the economy struggles to rebound, this agreement is an immediate job-creating stimulus," Brilliant said.

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