

South Korea-US FTA Will Be Top Agenda When Obama Visits Seoul

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SEOUL -- A pending bilateral free trade agreement (FTA) will likely be the top agenda during the U.S. President Barack Obama's summit with his South Korean counterpart Lee Myung-bak later this month, a former White House official said Thursday.

The South Korea-U.S. accord, known as the KORUS FTA, was signed in June 2007, but its ratification in both countries has been stymied by disagreements on auto and beef trade.

According to South Korea's Yonhap news agency, Obama is scheduled to make his first Asia trip later this month. He will arrive in Seoul on Nov 18 for a two-day stay after attending the annual Asia Pacific Economic Cooperation forum in Singapore on Nov 13 to 15.

Speaking at a seminar in Seoul, Victor Cha, former director for Asian affairs at the National Security Council, said Seoul's FTA with the European Union, talks of a trilateral FTA with Tokyo and Beijing and South Korea's hosting of the G-20 summit next year are putting pressure on Washington.

"Basically, I think these things got the administration thinking and by November 2010, they have to have a clear game plan so that implementation can be done for the KORUS FTA.

"Otherwise, you can't come to the G-20 a year from now without that," said Cha.

U.S. Congressional Democrats are concerned about a backlash from trade unions, a political power base for the party, as fears mount over possible job cuts amid the worst recession in decades.

Washington has been hinting at a possible renegotiation, citing an imbalance in auto trade between the two sides, while Seoul has reiterated that it will not revise the text of the deal itself and instead address the concerns via side agreements.

Cha, now director of Asian Studies at Georgetown University, said the Seoul-Washington FTA is virtually a "prototype" for potential FTAs in the region.

"If you look at the EU-Korea FTA, it looks remarkably like the KORUS FTA. That is speaking to how important and significant the KORUS FTA was," he said.

"If we can't pass this (FTA), it's going to say a lot about the U.S. position in Asia, vis-a-vis China ... there is a lot more riding on, I think, this FTA than simply (the issue of bilateral) alliance," Cha said.

He stressed that the FTA is a "big game changer" in the relationship of the two country, saying it will

pave a way for a shift in the relationship from "the Cold War-identity" to something "more permanent and much more normative-based, not just based on threats."

On the North Korean nuclear issue, Cha noted that neither Washington or Pyongyang appear to be in "any rush" to reach a breakthrough in the stalled talks, which could lead to denuclearization talks losing momentum and remaining adrift.