Two senators urge 'hard bargain' with South Korea on autos

David Shepardson Detroit News July 19, 2010

Washington -- Two U.S. senators urged the Obama administration to "drive a hard bargain" with South Korea to open the country to auto imports.

Sens. Debbie Stabenow, D-Lansing, and Sherrod Brown, D-Ohio, wrote President Barack Obama today demanding the administration take a tough stand in talks to make changes to win congressional approval of the long-stalled Korea Free Trade Agreement.

"We believe the Administration must focus on driving a hard bargain with Korea -- one that shows success in gaining market access while combating unfair trade practices, and provide a new framework that gives confidence to American producers and manufacturers that global trade deals produce jobs and better living conditions at home and abroad," the senators wrote.

Both senators are on the President's Export Council. Obama this month named three Michigan CEOs, including Ford CEO Alan Mulally to the council. Ford has urged changes to the agreement to open the Korean market to more U.S. imports.

Last month, Obama said his administration would launch new talks with South Korea aimed at resolving those differences before he visits South Korea in November; he wants to submit an agreement to Congress soon thereafter.

Ford said the South Korean government "has a long history of actively intervening in the market to exclude imports."

"A well-negotiated U.S.-Korea Free Trade agreement," it said, "represents the last, best chance to open the Korean market to imported automobiles."

Most U.S. automakers have opposed the agreement negotiated under the Bush administration because it did little to open the closed auto market. General Motors Co. has stayed neutral, because of its South Korean unit GM Daewoo, which is the fourth-largest automaker there.

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