US seeking resolution to beef strife with S. Korea

By Missy Ryan Reuters June 12, 2008

(Recasts, adds State Department comment, byline)

WASHINGTON -- U.S. Trade Representative Susan Schwab and South Korean Trade Minister Kim Jong-hoon will seek a "mutually agreeable path forward" surrounding a recent agreement on beef trade, which has unleashed a wave of turmoil in South Korea, a trade official said.

"Trade Minister Kim will be coming to Washington D.C. for meetings with Ambassador Schwab on the Korea beef issue ... The purpose of the meeting is to find a mutually agreeable path forward," said Gretchen Hamel, a spokeswoman for Schwab.

The pair will meet on Friday afternoon, she said.

South Korean President Lee Myung-bak, in office for barely three months, has faced massive street protests in Seoul, triggered by fears about mad cow disease after a recent agreement to allow shipments of U.S. beef into South Korea.

Kim told a news conference in Seoul that South Korea will seek "substantive and effective" measures to prevent imports of U.S. beef from cattle older than 30 months, but Seoul is hoping to cast its bid to cool unrest at home as a retooling, rather than renegotiation, of the beef agreement announced in April.

"The wise thing to do would be to use a method that has the same effect (as renegotiations) without damaging South Korea's international credibility," he said.

South Korea, the third largest importer of U.S. beef until mad cow disease was discovered in the United States in 2003, sees a voluntary arrangement in which U.S. exporters restrict shipments to younger cattle as one solution.

That might ease fears among many South Koreans who worry about mad cow disease, despite U.S. insistence that its products have been proven perfectly safe.

The delicate steps in Seoul, and careful words in Washington, reflect the high stakes for both countries.

President Lee is expected to replace several ministers in a bid to ease the unrest, which has paralyzed his government's reform agenda and sent his popularity plummeting.

For the Bush administration, the beef imbroglio also poses further problems for a major bilateral free trade agreement, which the U.S. Congress has promised it will not consider until South Korea reopens its beef market.

Opposition to approving the trade pact, which was signed over a year ago, is not limited to beef.

Some members of Congress say Bush negotiators brought home a bad deal for the U.S. auto sector.

State Department Spokesman Gonzalo Gallegos, meanwhile, said that a delegation of South Korean lawmakers discussed events in South Korea -- and options for the beef deal -- with Assistant Secretary of State Chris Hill, who oversees East Asian affairs, on Wednesday.

"The United States government is ready to support American beef exporters as they reach a mutually acceptable solution with Korean beef importers," he said. (Additional reporting by Susan Cornwell; Editing by Christian Wiessner)