

South Korea parliament starts, MPs battle on beef

By Jon Herskovitz

Reuters

July 10, 2008

SEOUL -- South Korea's new parliament convened on Thursday after a six-week delay, with an embattled president hoping to push through his pro-business reforms and an emboldened opposition planning a fight over a key U.S. beef deal.

Analysts said President Lee Myung-bak has been hit hard by the beef deal that sparked mass protests and led to a crisis for his four-month-old government, meaning he will not be able to implement unpopular policies for fear of another backlash.

"There is no reason opposition members would support those reform plans," said Hahm Sung-duk, a political science professor at Korea University.

Lee, who scored a landslide in a December election, was riding high when his conservative Grand National Party (GNP) won a majority in the National Assembly in an April vote, but later saw his support rate plummet to 20 percent due to the unpopular beef deal, which led opposition lawmakers to boycott the body.

Lawmakers elected a new speaker on Thursday and on Friday they will hold an opening ceremony originally set for early June, but what happens after that is uncertain. Hahm said he saw a battle in parliament over beef, Lee's personnel choices and committee memberships that could take months to resolve.

"I do not expect much. I only hope they will do a good job at deliberating next year's government budget plan," Hahm said.

Lee's government wants this National Assembly, which sits for four years, to ratify a sweeping free trade pact with the United States and implement parts of his reform agenda, which includes tax cuts across the economy and revising pension systems.

Left-of-centre parties, which suffered a stinging defeat in April's election, have found new strength in protesting the beef deal. They decided to end their boycott only after the ruling GNP agreed to let parliament look into the beef accord.

Despite Lee's woes, the main opposition Democratic Party was not able to gain significantly in support, with most seeing it as unable to manage Asia's fourth-largest economy or fight accelerating inflation that has bitten into consumer spending and corporate investment.

Pressure Eases

Lee, who sacked three ministers in a cabinet reshuffle, has seen some of the pressure come off his government in recent days.

Protest organizers, who have staged street rallies since May, said they were ending nightly rallies due to a lack of support.

The GNP said it reached a deal with Park Geun-hye, a rival of Lee in the conservative camp, to bring 30 lawmakers aligned with her into the ruling party, in a move expected to give the GNP 183 seats in the 299-seat National Assembly.

A presidential Blue House official has said the government will give high priority to having parliament pass the free trade deal with the United States.

Surveys show most South Koreans support the free trade deal that studies said would increase yearly two-way trade of \$78 billion by about \$20 billion.

With the GNP's majority and the public in favor of the trade pact, analysts see it eventually being ratified by Korean MPs.

Lee struck the beef deal in April after U.S. lawmakers said Congress would not pass the free trade agreement unless Seoul opened its market to U.S. beef. In June, South Korean and U.S. trade envoys reworked the deal to mollify a Korean public worried about mad cow disease.

(Additional reporting by Kim Junghyun; Editing by Jonathan Hopfner and Valerie Lee)