

Obama boosts hopes for free trade in Asia-Pacific

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SINGAPORE — President Barack Obama raised hopes for creating an Asia-Pacific free-trade region by announcing Saturday that the U.S. would seek to join a smaller group seen as a precursor to a broader Pacific Rim agreement.

News that the U.S. would participate in the Trans-Pacific Partnership, joining Chile, New Zealand, Singapore and Brunei, was announced in Tokyo and Singapore, drawing applause at the annual Asia-Pacific Economic Cooperation forum.

"Significant steps like the TPP are important to help keep up the momentum in our efforts to realize the ... vision" to create a region-wide free trade area, Singapore Prime Minister Lee Hsien Loong told other leaders at their weekend summit here.

There have been concerns that the U.S., the world's biggest economy, and other nations might turn inward as they grapple with the worst global financial crisis in decades.

Obama's move reinforced calls for expanding free trade rather than resorting to protectionist measures to cope with the recession. He pushed for progress on talks to liberalize world trade.

"In this new era, opening other markets around the globe will be critical not just to America's prosperity, but to the world's," Obama said in Tokyo before departing for the APEC forum.

APEC, celebrating its 20th anniversary this year, was created to promote greater trade and integration among Pacific Rim nations from Chile to China. Its scope since has expanded to encompass a wide range of issues, including climate change, energy and food security, and politics.

The anniversary comes amid the biggest global financial crisis since the 1930s. While the worst appears over, the recovery remains fragile, leaders said.

Trade has significantly contributed to growth in the Asia-Pacific region, but there are creeping signs of protectionism with the economic downturn, South Korean President Lee Myung-bak told his APEC partners.

"It is important that we leaders bear the firm belief that free trade is the way to contribute to national development, and we should prevent protectionism and spread free trade," he said.

Russian President Dmitry Medvedev called trade a powerful economic stimulus. "We have to do everything in our power to refrain from protectionism," he said.

Leaders said nations must time the withdrawal of stimulus packages carefully, and put better regulatory measures in place to avoid the financial collapse of the past year. They will also push for

faster action on trade liberalization talks and seek global agreement on climate change, according to a draft statement obtained Saturday by The Associated Press.

U.S. Trade Representative Ron Kirk urged APEC members to work together to stimulate recovery in a "balanced" way, a comment that hints at concerns over China's export-reliant growth.

"A rising tide lifts all boats," he said. "If we work together to rise above this downturn, we can lift up all our economies and all our peoples."

Washington sees free-trade areas as a way to create jobs in the U.S., said Kirk, standing in for Obama, who arrived in Singapore later Saturday.

Singapore welcomed the U.S. announcement and said the TPP, which went into force in 2006, now has the potential to expand to an eight-member group, with Australia, Peru and Vietnam also expressing interest.

Simon Tay of the Singapore Institute for International Affairs also praised the move.

"Americans have to get beyond this idea that free trade with Asia destroys their jobs. Both sides can benefit," he said.

The longer-term goal is to expand the TPP to an agreement encompassing all 21 APEC members, dubbed the Free Trade Area of the Asia-Pacific, but Tay called it "early days" for progress on the broader pact.

Despite the commitment to free trade, the U.S. Congress has balked at passing agreements with South Korea, Colombia and Panama negotiated under the previous presidency.

"There are some substantive issues that must be resolved with each of the trade agreements before they can be teed up," U.S. Commerce Secretary Gary Locke told the AP.

Obama, who visits Seoul in the coming days, has expressed concern that under the proposed pact, U.S. manufacturers won't have enough access to South Korea's auto market.

A call for concrete goals on greenhouse gas emissions, meanwhile, appeared watered down in the leaders' draft statement. A previous draft pledged a 50 percent reduction from 1990 levels by 2050; the latest draft committed to working toward "a good agreement" at climate talks in Copenhagen, Denmark, next month to "limit" emissions.

APEC leaders also stressed the need to invest in social safety nets such as education, health care and employment training to ensure stability in the long term.

Japanese Prime Minister Yukio Hatoyama brought up the sensitive issue of suicides in his country, which has the second-highest rate of suicide in the 30-nation Organization for Economic Cooperation and Development. He called for nurturing economies that value its workers as human beings.

"When you have as many as 30,000 people who kill themselves (a year), that is abnormal," he said Friday. "We should not turn into a country where people take their own lives if they can't find a place in society."

Later Saturday, leaders carried out an APEC tradition by donning the cultural attire of the host nation for dinner. The hand-embroidered linen tunics reflect Singapore's mix of Chinese, Malay and Indian cultures, designer Wykidd Song said.

Associated Press writers Elaine Kurtenbach, Jim Gomez, Eileen Ng, Jae-soon Chang, Alex Kennedy and Vijay Joshi contributed to this report.