U.S. Wants Japan, Malaysia, South Korea to Join Talks

By Mark Drajem Bloomberg December 18, 2009

The U.S. wants Japan, Malaysia and South Korea to join negotiations for a regional free-trade agreement in Asia, Trade Representative Ron Kirk said.

"We would love to have" those countries participate, Kirk told reporters in Washington today.

The Obama administration notified U.S. lawmakers yesterday that it will pursue negotiations for the Trans-Pacific Partnership with seven nations. Talks are set to begin next year.

Adding Japan, the world's second-largest economy, and Malaysia and South Korea, would create the largest U.S. trade accord since the North American Free Trade Agreement took effect in 1994 with Canada and Mexico.

The U.S. already has three trade accords, with Colombia, Panama and South Korea, pending before Congress with no timetable for action. Some unions and meat and textile producers have said such accords increase competition from overseas manufacturers, costing U.S. jobs.

Kirk said that during the next decade, the U.S. would like the accord to include all of the 21 nations in the Asia-Pacific Economic Cooperation bloc, which includes China, Russia and Canada.

Four nations, New Zealand, Chile, Brunei and Singapore initially negotiated a regional trade agreement. At the end of last year, Peru, Vietnam and Australia said they would like to join, too. The U.S. has individual free-trade deals with Chile, Singapore, Peru and Australia.

Labor Rights

In order to get a regional agreement approved by the U.S. Congress, Vietnam would have to add the right for workers to organize, <u>Sander Levin</u>, the chairman of the trade subcommittee in the House Ways and Means Committee, said today. Japan's limits on U.S. auto imports have also been cited by automakers such as <u>Ford Motor Co.</u>

"We hope the TPP is a strong foundation for trade across the region," <u>Doug Goudie</u>, the director of International Trade at the National Association of Manufacturers in Washington. "On the other hand, we already have these pending agreements that are ready to go. We don't need to wait for the TPP to pass them."

Texas Representative Kevin Brady said that the U.S. Congress should ratify its pending trade accords.

"If we can't finalize an agreement with Panama, how serious can we be about moving our trade agenda forward?" Brady, the subcommittee's top Republican, asked today.

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