

U.S.-South Korea Trade Talks Go On

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WASHINGTON -- The chief U.S. negotiator for a deal to open U.S. and South Korean markets said Friday she is disappointed at the lack of agreement but remains hopeful as the arduous talks head into overtime next year.

Originally the U.S.-Korea Free Trade Agreement negotiations were to have been completed in five rounds, which ended with this week's talks in Big Sky, Mont. Assistant U.S. Trade Representative Wendy Cutler said a sixth round has been scheduled the week of Jan. 16 in South Korea and that a seventh round may be needed.

Two contentious issues were temporarily taken off the table by the Koreans: patent protections for U.S. pharmaceutical companies and changes Korea would like to see made in U.S. laws that protect American manufacturers from a flood of goods being sold at too-low prices, a practice known as dumping.

Cutler, speaking to reporters by telephone from Montana, said she was "extremely disappointed that during this round they showed no willingness to work with us to address U.S. concerns" on pharmaceuticals.

"We will continue to press them in this area in the coming days," she said.

On the other subject, Cutler was asked whether the United States would accept changes that would require amending U.S. anti-dumping laws. "It is an extremely sensitive issue for us. We have limited flexibility" because of congressional rules governing free trade agreements. She did not elaborate.

She said she expected both issues would be back on the bargaining table at future meetings.

President Bush has pushed aggressively to reach free trade agreements with other countries, with at least 20 bilateral or regional free trade agreements in force or being negotiated.

A free trade agreement with South Korea, which has the world's 10th largest economy, would be the largest for the United States since it joined Canada and Mexico in the North American Free Trade Agreement in 1993.

Cutler said the Koreans, especially her counterpart, Ambassador Kim Jong-hoon, are committed to striking a balanced and comprehensive deal.

"These negotiations are extremely important to both sides," she said. "I think there are commercial, economic benefits, political benefits, and I think our alliance is becoming all the more important, given what is going on in that part of the world," she said.

She is pressing for an agreement by early next year because of requirements set by Congress to qualify for so-called fast-track treatment of free trade deals. That means the president can negotiate a deal and present it to Congress for an up-or-down vote with no changes allowed. Bush's authority to negotiate the agreements expires July 1.