

## Democrats' Control Puts FTA in Limbo

The Korea Times  
By Kim Yon-se  
November 9, 2006

The Samsung Economic Research Institute (SERI) said in a report that uncertainties over the ongoing effort to establish a free trade agreement (FTA) have grown as the result of Democrats' victory in U.S. congressional elections.

The institute predicted that if reelected lawmakers do not change positions, 188 representatives are expected to vote for a Korea-U.S. FTA, while 186 are likely to vote against it.

It said the newly elected 59 legislators will hold the key in whether or not the deal is ratified.

Meanwhile, the Korea International Trade Association, a strong advocate for export firms, expects that the Democrats' control of the Senate and House of Representatives will not affect the momentum for the bilateral trade pact. Citing a report by its Washington office, the association said that trade was not a key campaign issue.

The report concluded that there will not be an immediate change in the tone of the negotiations but pointed out that Kaesong Industrial Complex will likely remain a key stumbling block. Kaesong, North Korea, is the site of a large industrial park being built with South Korean investment.

The United States has opposed including products made there as made-in-Korea items. A spokesman for the Ministry of Foreign Affairs and Trade, which is responsible for negotiations with the U.S., said that it hoped for bipartisan support for the trade pact, expecting no disruptions in the negotiations. "Our Washington embassy is trying actively to let both parties know the importance of continued negotiations," he said.

The Democratic Labor Party, which opposes the trade pact with U.S., said that control of Congress by the Democrats would make it difficult to ratify a pact, even if the negotiations are wrapped up by the deadline.

Citing a survey of research groups and political aides in Washington, D.C., conducted between September and October, it pointed out that the American Federation of Labor and the Congress of Industrial Organizations opposed the pact for fear that it would take away blue-collar jobs from American workers.