

South Korea Expected To Approve U.S. Trade Deal

RTT News

November 27, 2007

South Korea's trade minister said on Tuesday he expected lawmakers there to approve a free trade deal with the United States by February.

Trade minister Kim Jong-hoon warned, however, that congressional pressure aimed at allowing in U.S. beef and car exports into South Korea could compromise the deal.

Although the U.S. signed a \$78 billion free trade agreement with South Korea in June, the accord has yet to be ratified by Congress and the Korean parliament.

"We do anticipate the bill to be ratified sometime before the end of this administration next February," Kim told the American Chamber of Commerce in Korea.

Congress has expressed reservations over the deal since Korea has limited U.S. beef imports since 2003, following an outbreak of mad cow disease in the United States.

"It is also worth mentioning that the Korean public does not appreciate the rhetoric 'no beef, no FTA' by some U.S. congressmen," Kim told the business leaders.

Earlier this month, Congress approved its first free-trade agreement since Democrats gained control last year. The trade accord with Peru passed the House only after Democrats were able to get the White House to accept provisions to protect the Andean environment and strengthen labor protections for Peruvian workers.

In exchange, the Peruvian government will lift tariffs on some 80 percent of U.S. industrial exports and two-thirds of farm exports.

Still, many Democrats opposed the proposal, citing the loss of American jobs. The United States has lost 3 million manufacturing jobs since the North American Free Trade Agreement was enacted.

Pending still are additional trade agreements: those with Colombia and Panama, which are more controversial than the Peruvian pact.