Seoul Unlikely to End U.S. Beef Ban

By EVAN RAMSTAD Wall Street Journal April 11, 2008

SEOUL, South Korea -- When President Lee Myung-bak visits President Bush for the first time next week, a senior Korean official says, he won't make concessions on the most contentious issue between the countries: South Korea's ban on most U.S. beef.

The decision to leave the beef dispute unresolved reduces the political impact of the new president's trip and spells more trouble for the ratification of the free-trade agreement that the two countries forged last April. Mr. Lee also will miss an early chance to begin fleshing out the policies -- such as moving quickly to open up South Korea's economy -- that he championed in his campaign last year.

The free-trade deal is the most ambitious the U.S. has crafted since the North American Free Trade Agreement in the early 1990s. But it and smaller U.S. free-trade deals with Colombia and Panama are being sharply criticized by prominent U.S. Democrats, including presidential candidates Hillary Clinton and Barack Obama.

Other key U.S. lawmakers, including Senate Finance Committee Chairman Max Baucus, refuse to consider the deal until South Korea, once the third-biggest buyer of U.S. beef by volume, fully resumes beef imports.

Mr. Lee anticipates discussing the beef ban with Mr. Bush and other leaders in the U.S., a senior South Korean official said Thursday. But ending the ban "will bring political pressure on the Korean government," the official said.

Instead, Mr. Lee hopes to persuade Mr. Bush that it is in the interest of the U.S. for the Lee administration, which took power just 40 days ago, to retain as much political capital as it can in its early days.

Even as Seoul signaled that no breakthrough in the beef dispute is imminent, officials from agriculture departments of the two countries were scheduled to meet Friday to discuss beef safety and imports.

During his electoral campaign, Mr. Lee said he favored greater economic liberalization, including opening the country to more foreign competition, cutting regulations and privatizing government-owned businesses. In several interviews and appearances since his election, Mr. Lee -- a conservative, 66-year-old former construction executive and mayor of Seoul -- repeated those goals in general terms, though he hasn't discussed specific ways to achieve them.

But the decision also reflects political realities in the U.S. With free trade a hot-button issue in the U.S. presidential race, Mr. Lee might fear making a unilateral concession on beef only to see Congress later reject the free-trade deal.

"They're hearing one view from here, which is that passage is impossible even if they do bring concessions on beef," says Victor Cha, a former senior Bush administration official on Asian affairs who now teaches at Georgetown University. "They're hearing from others, including me, that if they do open up on beef, the entire picture can change."

With his trip to New York and Washington next week, Mr. Lee hopes to show that U.S.-South Korea relations are improving after hitting a rocky patch under his predecessor, Roh Moo-hyun. Mr. Bush invited Mr. Lee to Camp David.

Mr. Roh, who was elected in 2002 in a wave of anti-American sentiment after an accident with a U.S. military vehicle that killed two young South Koreans, clashed with Mr. Bush over North Korea policy. Mr. Roh favored a softer approach for dealing with the North's authoritarian regime than Mr. Bush did.

Despite that friction, by some measures South Korea and the U.S. got more done during Mr. Roh's five-year term than any similar period since the Korean War of the 1950s. In addition to negotiating the free-trade pact, the two countries forged several complex military agreements and Mr. Roh sent Korean troops to assist the U.S. in Iraq and Afghanistan. They also worked closely in the six-party talks aimed at persuading North Korea to give up nuclear weapons.

Nonetheless, the new South Korean government wants to use the summit to remedy some of the "differences and problems that came up in the past," the senior official said.

Besides free trade, Messrs. Bush and Lee will discuss elevating South Korea's military procurement status with the U.S., ideas for prodding North Korea to move forward with denuclearization, and ways that Seoul can take a bigger role in global diplomacy.

Inside South Korea, there hardly appears a better time for Mr. Lee to tackle politically sensitive issues, such as the beef dispute. He won election in December in a landslide and received additional political support when South Korean voters this week elected his conservative Grand National Party to majority control of the National Assembly.

South Korea is one of the few countries in the world that hasn't fully reopened to U.S. beef after the discovery of a case of mad-cow disease in Washington state in late 2003 prompted many to stop buying it.

In late 2006, South Korea resumed imports of U.S. boneless beef, which ships at far lower volumes than beef with bones in it. Today, the U.S. provides about 1% of the beef that is imported by South Korea, down from 75% in 2003.

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