

# AMCHAM Presses Obama on FTA

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The Obama administration and the U.S. Congress should approve and implement the still un-ratified Korea-U.S. free trade agreement (KORUS FTA) as early as possible, and consider how the business community can help respond to potential humanitarian crises in North Korea, two major U.S. business lobby groups closely linked to Korea said Tuesday.

In a policy recommendation report to the Obama Administration and the new U.S. Congress, the American Chamber of Commerce in Korea (AMCHAM) and the U.S.-Korea Business Council (USKBC) highlighted various ways American businesses could contribute to promoting a strong economic and political relationship between the two countries.

Ratifying the KORUS FTA is the first and foremost recommendation on the list, as the two groups stressed that the trade accord contains provisions that would open Korea's market, protect U.S. interests and set the bar higher for trade pacts with other countries.

“By eliminating tariff and non-tariff barriers in every sector of the Korean market to U.S. goods and services, the agreement would generate billions of dollars in new U.S. exports, thereby creating new American jobs and economic growth,” according to the report.

The KORUS FTA was signed in June 2007, but still awaits approval from the legislative bodies of both countries. AMCHAM and USKBC have been advocating a quick ratification of the deal by urging the U.S. government and Congress to speed up the process.

The groups defended the lucrative trade agreement by stating that trade and investment with Korea already supports “tens of thousands of American jobs across all sectors of the U.S. economy.”

However, they acknowledged the rifts regarding the auto provision by saying that the auto issue would need discussion, although a renegotiation may not be required.

“We believe that the auto issue could be addressed, if necessary, in a way that does not require renegotiation of the text of the FTA agreement itself,” the report said.

AMCHAM and USKBC also recommended President Obama to consider ways that the business community could support positive change in North Korea.

They expressed willingness to play a constructive role in ``U.S. engagement with North Korea that might contribute to the success of the six-party process and promote North Korea's denuclearization."

The business community could provide advice, in collaboration with South Korean businesses, to develop a modern economic system in North Korea, according to the report.

Some of the other recommendations include inviting the private sector to bilateral U.S.-Korea government dialogue on energy policy and energy security issues, and establishing and maintaining regular, high-level discussions with Korean officials on matters of global economic matters.