

U.S., China Leaders Make Push for Free Trade

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LIMA, Peru -- United States President Bush and Chinese President Hu Jintao made a friendly push for free trade, at a time when the booming U.S.-Asia trading relationship is being

In what is likely their last official meeting, the two leaders "continued their conversation about the global financial situation, the need to reject protectionism and the work ahead" to accomplish a new global trade deal, the White House said in a statement late Friday. The two leaders met at the beginning of a Pacific Rim summit that's expected to focus on the impact of the crisis on fast-growing Asia.

In particular, Mr. Bush "raised the issue of the need for increased market access commitments," a reference to a major sticking point of the current global trade negotiations. Economic experts say the biggest holdup in gaining a new trade deal is the problem of getting greater access for U.S. and European firms to developing countries' agricultural markets. Developing countries such as India are reluctant to expose their farmers to increased competition from big Western agribusinesses, because farmers often are a crucial domestic political constituency.

But obtaining greater access to developing countries' food markets is essential in the U.S., in order to get the support of the agricultural community for reducing subsidies -- a key demand of the developing countries.

Agricultural disputes are "the tip of the spear" in the issues holding up a new trade deal, said Charles Freeman of the Center for Strategic and International Studies in Washington.

But a number of experts say even with a new push, the outlook for a global deal remains uncertain at best, particularly given the rising protectionism that's evident in places like the U.S. Many free-trade advocates are turning to the prospect of regional trade deals, such as a trans-Pacific trade area, as a possible long-term alternative. That's likely to be a point of new emphasis during the weekend's Asia-Pacific Economic Cooperation annual summit.

The two leaders' one-on-one meeting Friday on the summit's sidelines likely marked their last get-together before Mr. Bush leaves office in January. At the beginning of their private meeting, Mr. Bush told Mr. Hu he "felt a little nostalgic," adding that he's comfortable with their personal relationship, as well as the state of ties between China and the U.S., the White House said.

The U.S. president views his achievements in promoting U.S.-Asian cooperation as one of the major economic and foreign-policy successes of his term in office. He's expected to use a speech

on Saturday to review many of those successes, and urge world leaders to stay on the path of free trade and free markets, despite the market meltdown.

"No region of the world demonstrates the power of these forces more vividly than the Asia-Pacific," Mr. Bush says in his weekly radio address, which tracks the same themes. "Free markets have helped millions lift themselves out of poverty. Free trade has helped small nations turn themselves into global economic powers. And as more people in the Asia-Pacific are free to develop their talents and pursue their ambitions, the whole region has grown in prosperity. We're facing a difficult challenge and there will be tough days ahead. But by relying on these principles, we can be confident in the future of our Nation and the world."

The two men also discussed how to provide more verification of North Korea's cooperation in talks to dismantle its nuclear weapons program and related activities.

Mr. Bush also reiterated his opposition to Taiwan independence, and again pushed China to continue its dialogue with the Dalai Lama, the Tibetan spiritual leader.

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