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# KORUS Free Trade Agreement: A Lost Year

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## I. INTRODUCTION

A free trade agreement (FTA) creates a pact between the participating countries in which all tariff, quota, and preference barriers to the free movement of goods and services are eliminated. Negotiations on such agreements are usually complex, given their long-lasting and difficult to reverse effects, as well as the political bargaining required to appease local constituencies and other stakeholders. Furthermore, the subsequent ratification process is often time-consuming in and of itself, as was the case with the year-long ratification of the Chile agreement by the Korean Parliament. This is because politicians who may not have been part of the original negotiations are involved in the ratification process and have the chance to pursue their own goals.

The Korea-U.S. Free Trade Agreement (KORUS FTA) is not the first or the only agreement for either country. Both the United States and the Republic of Korea (ROK or South Korea) have already concluded various free trade agreements with other countries, such as NAFTA and the ROK-Chile FTA. Additionally, South Korea is currently trying to reach a free trade agreement with China.

If the KORUS FTA is implemented, it would be the largest Korean and second largest U.S. FTA. South Korea is the seventh-largest trading partner of the United States, while the latter is currently Korea's third-largest trading partner. If the

trade barriers between the two countries are removed, the volume of trade between them is likely to increase accordingly.

The KORUS FTA contains a wide range of trade and investment issues, covering areas of sanitary and phytosanitary measures, beef, rice, automobiles, textiles and apparel, electronic products, steel, and financial and other services. The previously eliminated tariffs on most manufactured goods and partial removal of tariffs on trade services will remain part of the final version of the agreement. The treaty also addresses the issue of the Kaesong Industrial Complex (KIC). The KIC was developed by South Korean companies, employs North Korean workers, and is located north of the demilitarized zone that divides the Korean peninsula into North and South Korea. The United States officially supports the KIC. However, despite the ROK's efforts, the United States refuses to recognize products manufactured in the KIC as South Korean products, thus making them ineligible for duty-free entry to the U.S. market under the KORUS FTA.

The KORUS FTA is supposed to bring benefits to both sides. The view that South Korea wants greater access to the world's richest market and that the FTA will help revive its economy, is generally accepted in South Korea. President Lee Myung-bak in his National Assembly address in July 2008 said that the KORUS FTA "will boost the nation's economy." The ROK's interest in better access to the U.S. market was confirmed by Susan Schwab, U.S. trade representative, in an interview she gave to the *Los Angeles Times* in January 2008. She explained, "They're willing to exchange much higher [Korean] barriers for access to this [U.S.] market." Moreover, Alexander Arvizu, deputy assistant secretary for East Asia and Pacific, was quoted by the *Korea Times*, in saying that the United States would like to use the FTA to prevent its own exclusion from Asia, a potential reality with the formation of Asian regional groupings. According to U.S. officials in Seoul, the FTA also provides the United States a way to move South Korea towards a more open economy and away from its past practices of regulation and industry protection. According to these officials, the rising importance of the G20 framework offers Korea a chance to play a more significant role in international affairs. Korea's willingness to embrace this role offers another rationale for a stronger alliance between South Korea and the United States.

Despite both countries' interests in ratifying the FTA, there is also strong

opposition to it. This paper analyzes the efforts of both supporters and adversaries that culminated in 2008, as well as how these actions influenced the ratification process for the KORUS FTA, both in South Korea and the United States.

## **II. THE BEGINNINGS OF THE KORUS FTA**

Negotiations on the KORUS FTA were first made public on February 2, 2006. The United States conducted negotiations under trade promotion authority (TPA, or more commonly referred to as “fast-track trade authority”). The TPA, granted by U.S. Congress, enables the president to directly negotiate trade agreements. Congress then votes on an agreement, without the possibility to amend it. Multiple sessions of negotiations between Korean and U.S. representatives were held in order to solve the main issues in the areas of the automotive industry, agriculture, textiles, and the KIC. Bilateral negotiations were concluded more than a year later, on April 2, 2007. Later that year, on June 30, the final version of the agreement was signed by the South Korean Foreign Trade Minister, Kim Hyun-chong, and the United States Trade Representative, Susan Schwab. In South Korea, the bill was submitted to the National Assembly on September 6, and subjected to a protracted ratification process with no clear outcome.

### **Early Opposition in the United States**

Resistance to the agreement has been raised on both sides. Democrats in the U.S. Congress have opposed the FTA for a number of reasons. First, there was grave concern over the FTA not meeting labor protection standards. The labor standards issue gained more prominence after the administration and Congress agreed on an initiative to include labor as well as environmental standards in all FTAs. The KORUS FTA needed to be further amended after the chief U.S. negotiator, Wendy Cutler, included these labor and environmental concerns in negotiations with her Korean counterpart.

The Korean ban on U.S. beef imports presented the other main issue. This stance was most vigorously promoted by Senator Max Baucus (D-MT), whose home state of Montana is one of the biggest beef producers in the country. Senator Baucus made clear multiple times that he would block the FTA if the demands to lift the

ban on U.S. beef were not met.

Despite strong political opposition, public opposition in the United States was relatively low. It consisted mostly of labor union members, most notably the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW).

### **Resistance in South Korea**

The situation in Korea was different. In 2007, the opposition Grand National Party (GNP) was not the main opponent to the FTA. Opposition also came from the president's own Uri Party and another opposition party, the Democratic Labor Party, since some of their members feared the negative effect of free-trade on Korean farmers and fishermen.

However, it was the public that posed the most opposition to the agreement, having denounced the FTA from its initial announcement. Many Koreans feared increased competition from the United States in agricultural production, and also saw the United States as a partner too big for Korea to have an equal partnership with. Farmers feeling threatened by the possibility of cheaper imported products started to demand countermeasures that would help them deal with the negative impacts of the FTA, such as financial support for those whose products would become less competitive due to increased U.S. imports.

## **III. AGREEMENT IN PERIL**

The KORUS FTA ratification process in 2008 was influenced by multiple factors. Domestic politics in both countries played a major role. Both countries faced power transitions in 2008. Economic and civic interest groups entered into the ratification process, with trade unions in both countries opposed to the agreement; and the U.S. automotive industry and Korean beef producers only intensified this opposition.

In late December 2007 the outgoing Korean President, Roh Moo-hyun, and the incoming President-elect, Lee Myung-bak, agreed to cooperate to get the National

Assembly to ratify the trade agreement before the end of Roh's term on February 25, 2008. However, despite the presidents' optimism, political support for ratification at that time was still questionable. In January 2008, there had been no real progress made in the ratification process; the bill had not even been presented to the standing committee. According to the *Korea Times*, the Trade Minister, Kim Jong-hoon, said in February 2008, "There are concerns that the ratification of the legislation may be delayed indefinitely if the National Assembly fails to pass it during this month's session." This prompt action was necessary to ensure there would be enough time for the U.S. Congress to ratify the agreement.

The situation was even more complicated on the U.S. side, where the administration had not even presented the bill, and the FTA was already being criticized by the Democratic Party, which held the majority in the House. This led Korean legislators to realize that rejection of the FTA by the U.S. Congress was still possible. The last possible date they acknowledged for U.S. congressional approval was July 2008 because of the presidential elections and pre-election conventions. An early approval was important for the Korean side, in order to prevent the risk of having to renegotiate the FTA after the elections with a new administration. To ensure the July date, the Korean National Assembly needed to pass the bill during February in order to approve it before April, when the United States could start to act. At that time, fearing the agreement would not be ratified, interest groups supporting the FTA, the major Korean business organizations, tried to put more pressure on the Korean parliament to meet this date and push for ratification before the end of President Roh's administration.

Activity increased from FTA opponents as well. For example, soon after the industry representatives' meeting, Lee Suk-haeng, chairman of the Korean Confederation of Trade Unions, announced plans for a protest against the FTA on January 11, 2008. The trade unions became one of the strongest objectors to the agreement.

On January 15, the GNP floor leader, Ahn Sang-soo, called for a secret ballot if necessary, in an extraordinary session of the Assembly in February to ratify the FTA. According to the Korean National Assembly Act, the secret ballot is used only for personnel bills vetoed by the president or when it is demanded by more than one fifth of lawmakers at the suggestion of the house speaker. This proposal

was turned down by the United New Democratic Party (UNDP), a part of the Democratic Party (DP). Vice-Floor Leader, Im Jong-seok, was quoted by the *Chosun Ilbo*, calling the secret ballot “irrational,” instead preferring “to work in tandem with the U.S. Congress” in the ratification process.

However, given the situation, working in tandem with the U.S. Congress would have meant waiting. In the United States, the Democratic-majority House and the Republican Bush administration were engaged in their own power struggle over the Colombia FTA; thus the KORUS FTA was set aside. After an inability to agree with congressional representatives, President Bush submitted the U.S.-Colombia FTA to Congress on April 7, 2008. Customarily the president would not submit a bill to Congress without having the support of the majority of congressional members. When President Bush submitted the U.S.-Colombia FTA he essentially broke with tradition by not having the approval of the congressional leadership for a proposal negotiated under fast track authority. As a result, the Speaker of the House, Nancy Pelosi (D-CA), reacted by deciding not to consider the bill and essentially blocking the whole process. This attempt to circumvent the system shows the highly politicized nature of the ratification process, regardless of actual economic impact, and the importance of interplay between the legislative and executive branches to the final outcome. It signaled a long road ahead in 2008 for the KORUS FTA, as congressional reluctance to consider the Colombia FTA meant that successful ratification of the KORUS FTA became less likely as well.

The struggle between the parties did not seem as fierce in South Korea, and the GNP's and DP's positions were not as different as those of Republican and Democrats in the United States. The main opposition party, the DP, was not *a priori* against the FTA. Indeed, it was President Roh from the DP who initiated the talks in the first place. Change came, however, after the progressive candidate Chung Dong-young from the then-UNDP lost the presidential election to Lee Myung-bak. Since on the economic side, there was more continuity than change between Lee's and Roh's policies and the new president decided to pursue the FTA overwhelmingly, the opposition needed an issue to differentiate itself from him. The DP decided to side with those opposing the FTA. This gave the parliamentary opposition an opportunity to criticize the president. Moreover, even before losing its majority in the National Assembly, the DP feared a potentially negative reaction from the voters in the April elections if the agreement was

approved. On the contrary, the GNP showed its willingness to deal with the ratification, despite their minority status in the Assembly. Considering the use of the secret ballot was the GNP's first push towards the ratification, with more and more significant pushes for ratification to come later. The winter session started on January 28 with high hopes for ratification. However, such optimism was soon to disappear.

According to Yonhap News, when Representative Jim Moran (D-VA) stated that he would be "shocked" if the FTA was ratified in 2008 because of both political and economic reasons, Korean ambassador Lee Tae-sik reacted by saying "Yes, political circumstances and political climate are not working favorably. ... And yet, I don't believe this is entirely impossible for this year." At play in this debate, was the highly sensitive U.S. beef issue, a key point of contention for several Democratic legislators whose support as the majority group in Congress was essential.

#### **IV. THE BEEF CONTROVERSY**

U.S. beef in Korea is a controversial issue in the U.S.-ROK bilateral relationship. U.S. beef was banned in Korea in December 2003 as a result of an outbreak of mad cow disease in the U.S. state of Washington. Prior to this, South Korea had been the third-largest importer of this U.S. commodity, making the regaining of access to this market important to the United States. Lifting the ban was a necessary precondition for several U.S. Democratic legislators who were willing to withhold ratification of the FTA until this demand was met.

Lee Myung-bak was aware of this and willing to act. Even before taking presidential office, his transition team began to consider reversing the ban of U.S. beef imports, seeing it as necessary for achieving FTA ratification. In March 2008, the U.S. and Korean presidents announced their willingness to pursue the FTA during Lee's visit to Camp David. However, the majority DP and DLP in the Korean National Assembly blocked such intentions.



## **Lee Gains the Majority in Parliament: Opens Way for Reforms**

In the April 2008 elections, the GNP gained a majority in the National Assembly, winning 151 out of 299 seats. This opened the way for President Lee, a GNP member, to push forward his reforms. Saving the nation's economy as well as pursuing the KORUS FTA had been his agenda throughout his campaign and the reason for his immense popularity. Lee held that the FTA was an important step in reviving the Korean economy. Using the momentum gained from GNP successes in both elections, Lee opted for quick action, calling it "the golden opportunity."

On April 12, 2008, President Lee sought support for the FTA in a special May session. Since some of the U.S. senators declared their willingness to hold up the ratification process until their demand for the resumption of U.S. beef imports to Korea was met, Lee acted on the issue and lifted the ban on all U.S. beef imports. On April 16, Korean media reported that Lee might seek a deal on beef concessions in exchange for U.S. authorization of South Korean citizens to participate in the Visa Waiver Program (VWP). This program would allow South Korean citizens to travel to the United States for short-term stays without any visa requirements. Two days later, on April 18, two agreements were concluded: one which granted full reopening of the Korean market to U.S. beef and one which authorized South Korea into the U.S. VWP.

## **President Lee's Lost Momentum: Public Backlash**

Following the conclusion of these agreements, the Korean Ministry of Food, Agriculture, Fisheries, and Forestry published a notification in its gazette that reentry of U.S. beef to Korean markets was being granted without any restrictions, under the condition of removal of all the specified risk materials (SRMs). SRMs are the parts that pose the greatest risk of infection by the Creutzfeldt-Jakob disease, commonly known as mad cow disease, and include such parts as the skull, spinal cord and brain.

The backlash from the public caused by the president's actions was surprisingly strong as aversion to U.S. beef was quite unexpected. After all, a survey of 1,000 Korean restaurants published by the U.S. Meat Export Federation in 2007, indicated that 65.8 percent were willing to serve U.S. beef, and that formerly U.S.

beef had been popular among Koreans.

However, after the ban of U.S. beef imports was lifted, protesters hit the streets expressing fears of contaminated U.S. beef. These fears were fueled by the media, which had exaggerated the issue with such programs as the April 30, 2008, Munhwa Broadcasting Corporation (MBC) episode of "The Producers Diary" called, "U.S. Beef: Is It Safe from Mad Cow Disease?" In this program, MBC showed the alleged dangers of U.S. beef. Moreover, the program stated that a gene that Koreans carry makes them more likely to be infected by mad cow disease than Americans. This claim, even though later denied, caused widespread panic. The protest rallies against U.S. beef started in early May, attracting thousands of participants. As time went on, they transformed from simply anti-beef to broader issues, including protesting Lee's pro-business policies. Weeks of these protests against U.S. beef, the FTA, and President Lee followed, culminating in the largest demonstration in June, when 80,000 protesters marched towards the Blue House.

Later, the demonstrations became a platform for other interest groups as well. The progressives used them as a means to protest against the ruling party. Kang Ki-gap, a DLP member, grew to be a prominent leader of these protests, leading also several hunger strikes against the KORUS FTA. Kang wore the traditional Korean costume, a *hanbok*, in order to show that he was not different from the protesting farmers. It was also Kang's party whose members managed to physically block the committee room in order to prevent the vote on the FTA in February 2008. The Korean NGOs that participated in these protests were not only opposed to the beef issue, but were indignant that the president had not consulted them when planning his steps. Their opposition extended beyond particular policies, asserting criticisms of the Lee government as a whole.

When President Lee was elected to office, he had won by a landslide. As a former mayor of Seoul and a successful businessman, he was perceived to be a good manager by the public. However, after he lifted the U.S. beef ban his popularity declined sharply. In order to regain his lost public support, Lee replaced three members of his government with portfolios in agriculture, health and education. Rumors spread that he was willing to sacrifice the finance and foreign ministers as well. Still the protests continued. The riot police may have calmed the situation temporarily, but they caused an even greater civil society opposition. Lee's

situation did not improve. The controversy over the beef issue was immense. In order to calm the situation, Lee had to appear on TV and apologize. According to the *Washington Post* on June 19, 2008, he said, "I and my government should have looked at what the people want regarding food safety more carefully ... but we failed to do so and now seriously reflect on the failure. ... I reproached myself again and again late into the night watching the candlelight vigil."

## V. NOT EVEN CLOSE

All the public actions forced Lee to rethink his policies. In terms of the FTA, he moved from willingness to approve the agreement quickly to non-action until the U.S. elections in November. Other reforms would have to be stalled as well. These events meant a delay or even a permanent stop to the privatization of state-run companies and mortgage-debt relief for low-income households.

### **Industry's Rising Objections**

In the United States, more opponents of the FTA started to appear. Industry representatives, despite their participation in FTA negotiations, raised further concerns about what they viewed as a trade imbalance that would intensify under the FTA. For example, John Bozzella, vice president for external affairs and public policy from Chrysler, addressed the issue of the negative trade imbalance on September 24, 2008, in his testimony before the Senate Subcommittee on Interstate Commerce, Trade and Tourism. Even though this imbalance was usually attributed to low demand for U.S. cars in Korea rather than a result of quota restrictions, this discrepancy was consistently used as an argument against the agreement. According to an expert from the Korea Institute for International Economic Policy (KIEP), a major Seoul-based government-funded economic research institute, trade relations between the United States and Korea were not competitive but complementary, with Korea exporting only small and medium cars to the United States and therefore avoiding any overlap with U.S. production. However, this is not how U.S. automotive industry representatives saw it, especially when global economic crisis had them on the verge of bankruptcy. Democratic representatives were deeply concerned about this issue and both the House and Senate held meetings addressing this issue of trade imbalance. During

the Senate Subcommittee hearing, Senator Byron Dorgan (D-ND) expressed doubt over FTA approval as long as “the Korean government prevents U.S. cars from being sold in the Korean market.” Furthermore, since U.S. carmakers compete with ROK car imports, President-elect Obama’s willingness to protect these carmakers would give him more reason to act against the trade agreement.

### **The Effect of Power Transition in the United States**

Senator Obama’s attitude towards U.S. FTAs during his election campaign was not favorable. Yet, Yonhap News reported that one of his foreign policy advisors, Frank Jannuzi, said on October 25, 2008, that Obama would submit the KORUS FTA for ratification early in 2009 if the Korean side managed to settle the issue of better access to the Korean market for U.S. carmakers, satisfy the needs of laid-off workers, and solve the beef issue. However, with the Democrats having a comfortable majority in Congress ratification might be difficult to achieve, since Democrats traditionally tend to oppose free-trade activities in general. However, Obama may be able to win their support. The fact that the representatives of the Democratic majority are from the same party as the president might make them more willing to accept his policies. Obama’s comments on NAFTA being renegotiated do not seem too favorable to other prospective FTAs, however, including KORUS.

Despite seeming hesitation on FTA issues, President-elect Obama and Lee Myung-bak agreed in a phone conversation shortly after the U.S. presidential election, to continue to bolster their alliance, and although the FTA was not addressed specifically, many believed that Obama would change his rhetoric once he took office. Some FTA supporters went even further and hoped for the ratification of the agreement under the outgoing Bush administration, during the lame duck session. This, however, did not happen. Nevertheless, there seems to be a common understanding that at this point, the real question of KORUS FTA ratification is simply a matter of timing. The second half of 2009 or the first half of 2010 are often identified as the most likely dates for ratification; the latter also being marked as the tipping point for the ratification, since the U.S. president would be unlikely to deal with the issue during the second half of his term, avoiding potential controversy before the next elections. Other reasoning for the later approval is the need for extra time for addendums to the actual FTA.

## **Another Try, More Public Backlash**

In Korea, the U.S. presidential election triggered action too. On October 31, GNP members decided to ratify the KORUS FTA quickly in order to prevent the threat of renegotiation with a new U.S. administration. The GNP also wanted to avoid the disruption of the National Assembly's work with the FTA dispute, so that it could concentrate on other reforms. However, on November 10, the GNP changed its position once again, declaring that it would seek support from the opposition in order to ratify the agreement. The populist turn against the KORUS FTA was a winning strategy for the Democratic Party, which started to regain its popularity at the expense of the GNP, prompting the GNP to address the issue of aid for the most likely victims of the FTA and to create a package for farmers and fishermen that included DP suggestions. The rationale for these new provisions also served as an attempt to avoid a situation in which South Korea ratified the FTA but the United States demands changes in it. In that case, there would be little maneuvering space for Korea, which would be forced to either accept the changes proposed by the United States, which would be a shameful act in the eyes of Koreans, or to refuse them, which would cause the end of the KORUS FTA.

The end of the year brought unexpected progress for both advocates of and objectors to the FTA. Farmers did not remit their protests; tens of thousands of farmers were reported by Yonhap News to have protested against ratification on November 20, 2008. The reaction from the Korean public continued, and the farmers gathered to protest again. As one farmer testified during one of the November rallies, they saw President-elect Obama talking about the problems of the U.S. automotive industry, but did not feel that anyone cared about what problems the agreement would cause to them. Once the ban on beef was eliminated, the situation of the cattle raisers worsened, serving as an indication of what was to come.

## **Beef Issues Revisited**

After major stores in Korea started to offer U.S. beef, its popularity among consumers rose quickly. According to the Korea Economic Institute, U.S. beef quickly surpassed both Korean domestic supplies and Australian imports by the end of 2008. This had a negative impact on the demand for domestic beef. The

removal of protections for domestic beef producers also negatively affected farmers of crops and livestock other than cattle. These changes were considered empirical evidence of deteriorated conditions under the FTA, and spurred fears that the same would happen to them if the FTA was ratified.

Moreover, the end of the year was marked by another positive moment for U.S. beef. On December 26, 2008, the Korean Constitutional Court ruled that the notification published by the Ministry of Agriculture in May that allowed U.S. beef market entry given the removal of SRMs, was legal. In the ruling, the court stated, "Given international sanitation criteria set by the World Organization for Animal Health and other concerned information, the notification cannot be seen as a measure apparently against the government's duty to keep its citizens safe." According to the *Korea Times*, the ruling was immediately challenged by representatives from progressive civic groups. They claimed that the decision was politically influenced and that their confidence in the court's independence was undermined. Meanwhile conservatives appreciated the decision. Such reactions reiterate how the ratification process was a highly political issue, rather than an expert economic one, and remained so until the very end of 2008.

### **Hot December in the National Assembly**

Already in November 2008, Park Jin, the chairman of the Foreign Affairs, Trade, and Unification Committee of the National Assembly, said that he would send the bill to the committee. He did so on December 15, 2008. GNP representatives decided to pass the bill through the committee without looking at the objections from the opposition DP. DP representatives tried to balance the FTA with aid to those who were expected to be most hurt by its ratification. Nevertheless, the talks between the coalition and the opposition did not reach a successful consensus. GNP representatives met secretly in the early morning, locking the opposition committee members out of the Assembly room in order to avoid their practice of physically blocking any approval. Keeping them outside, GNP National Assembly members managed to pass the KORUS ratification bill, while opposition members were trying to enter the room using various instruments including sledgehammers. They then referred it to the legislative review committee. Once the committee approves the bill it continues to the plenary session of the National Assembly, where all its members vote. Here the ruling GNP has enough votes to

ratify the agreement.

Passing the bill in the Foreign Affairs Committee started a period of disorder in the National Assembly. The *Economist* reported that DP members organized a series of sit-ins in the plenary room and other key rooms of the assembly, including the Speaker's room. By barricading themselves in, they essentially interrupted all work flow. The two parties tried to find a solution; however, their negotiations ended unsuccessfully. The DP demanded to wait with the ratification until President-elect Obama was to take office in January 2009, demonstrating how divided Korean opinion on the KORUS FTA still was.

## VI. CONCLUSION

The FTA ratification process in 2008 did not reach successful completion, and the 2009 outlook is bleak. During the past year, the KORUS FTA has brought many surprises. How will the story end? No one is able to say for sure, as there are several possible outcomes. President Obama will probably try to ratify the agreement; however, his ability to secure the needed majority from his party on the issue is still questionable. Another option is renegotiating the agreement. However, neither side admits this officially. On the contrary, Lee Hye-min, Korea's chief negotiator for the KORUS FTA, was reported by *JoongAng Daily* in November 2008 to have rejected such proposals when the opposition raised them, saying, "The KORUS FTA is by no means an item for which the U.S. can easily ask for renegotiation. ... Asking for renegotiations of a pact that was already signed not only is against international protocol, but also will seriously tarnish the U.S. government's international credibility in its bilateral and multilateral negotiations on agreements like the ongoing Doha Development Agenda." Moreover, renegotiation is a complicated process that once complete, still does not guarantee ratification. The future of the KORUS FTA, together with other unratified U.S. FTAs, is therefore still uncertain, so much so that one is not inclined to exclude their discontinuation altogether. Such a result, however, would probably have an unfortunate impact on the U.S.-South Korea alliance overall.

As it was during the past year, the rationale for the free trade agreement will probably not be the only aspect taken into account. There will not be any power

transition in 2009, and the momentum that the FTA gained after President Lee's election is lost. Yet, the election of a Democratic president with a Democratic majority Congress creates a momentum on the U.S. side that might have a positive impact in 2009. As a result, as in the past, the ratification process will again be influenced by multiple independent factors. Whether the KORUS FTA passes or not, the process shows the complexity of decision making in a democratic state. Therefore we can expect to see further interaction between the state and society, between legislative and executive powers, as well as the dynamics within individual parties and interest groups regarding the future of the KORUS FTA.

## **CHRONOLOGY**

- January 2008* Talks about the February deadline for ratification occur.
- January 28* The ROK National Assembly's winter session starts.
- February 11* Eight DLP parliamentarians block the committee room in order to prevent FTA approval.
- February 25* Lee Myung-bak assumes office as the tenth President of South Korea.
- March 4* U.S. Representative Jim Moran (D-VA) denies the possibility of KORUS FTA passing in the U.S. Congress in 2008.
- March 7* Presidents Bush and Lee discuss U.S.-Korea relations and the KORUS FTA at Camp David.
- April 7* President Bush announces the plan to send the Columbia FTA to Congress.
- April 9* The Grand National Party wins parliamentary majority in the general elections.



- April 18* Lee Myung-bak administration agrees to reopen market for U.S. beef.
- April 22* President Lee calls on the ROK parliament to hold an extra session in May to ratify the FTA.
- May - June* Protests against Lee's decision to lift the ban on U.S. beef imports occur.
- May 31* 100,000 Koreans participate in the candlelight vigil in protest against U.S. beef imports.
- June 2* South Korea opts for a delay in U.S. beef imports due to public protests.
- June 29* More than 100 people are injured in a protest.
- July 3* South Korea resumes U.S. beef imports.
- September 24* The U.S. Senate meets with automotive industry representatives who criticize the FTA.
- November 4* Senator Barack Obama is elected forty-fourth President of the United States. The Democratic Party strengthens its position in Congress by winning majority in both House and Senate.
- November 17* South Korea becomes a part of the U.S. visa waiver program.
- December 15* GNP representatives pass the KORUS FTA through the committee without considering DP objections.
- After December 15* Members of the opposition party conduct sit-ins in the National Assembly building, eventually interrupting all parliamentary work.
- December 26* The Korean Constitutional Court rules that the notification

published by the Ministry of Agriculture in May that allowed U.S. beef into the Korean market given the removal of specific risk materials, was legal.