



Heart but No Seoul: Obama Will Leave Korea without KORUS by Ernest Z. Bower

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The Obama administration deserves highest marks for reinvigorating the US focus on Asia. Trips by the president and the secretary of state have been well prepared and executed, elevating ties with old friends, transforming relationships into partnerships, and in general leading with substantive agendas and with heart. But leaving Seoul without agreement on the Korea-US Free Trade Agreement (KORUS) is not the right signal to send to an Asia that considers US determination to pass the FTA as the acid test for whether the United States can return to a leadership position on trade. Not only that, a strong trade policy is considered vital to a truly engaged U.S. foreign policy in Asia.

The administration's full-court press in Asia is important. It is a foundational tactic supporting a strategy developed when the decision was made to join the East Asia Summit. The calculus went like this:

1. The United States must be at the table as new security and trade architecture is created in Asia;
2. The United States should not only be present but be in a position to lead;
3. The Association of Southeast Asian Nations (ASEAN) will be the core or, as Secretary of State Hillary Clinton said, "the fulcrum" of the new regional structures;
4. Therefore, the United States must strengthen ties with ASEAN and invest in a strong and integrated ASEAN, consistent with the region's own goals laid out in the ASEAN charter.

Viewed through this prism, one can understand the US moves in the region over the past six months. It explains the Comprehensive Partnership and the commitment to improve military-to-military ties with Indonesia, the incoming chair and by a factor of more than two the largest economy and population in ASEAN. It advises the US moves to widen and deepen ties with Vietnam and to transform a relationship with Malaysia into a new partnership. Other initiatives also fit into this framework from the Lower Mekong Initiative to joint training exercises in Thailand, the Philippines, and around the region.

The security and political part of this effort is going well. The missing link is trade, which has been a step too far for the Obama administration in the first half of the president's term.

The inflection point was to be the visit to Seoul, when President Obama, newly focused on an issue that could be a bipartisan winner and politically marketable to a US electorate screaming out for jobs, would use his force of leadership and his strong bond to President Lee Myung-bak of the Republic of Korea to leave Seoul with a KORUS FTA he would take to Congress.

That didn't happen today, and there is reason for grave concern. The leaders couldn't resolve the remaining issues and gave their negotiators more time to come to agreement. That isn't a good sign—these leaders' meetings are action-forcing events that generally cause bureaucracies to push through on a wave of political will and achieve the desired goal. One wonders if the remaining issues will be easier to resolve having survived the pressure cooker of the president's visit.

KORUS is a keystone for the US thrust on trade in Asia. Without KORUS, partners in the Trans-Pacific Partnership (TPP) negotiation won't believe the United States has the political will to complete and pass an agreement. The negotiations could lose focus, and that would risk robbing the Asia-Pacific Economic Cooperation (APEC) forum of the relevance it must have to continue, namely taking tacit ownership of the TPP – which is being negotiated by nine APEC member economies – and using the APEC Leaders' meeting to encourage TPP to become a high-level foundational agreement for a Free Trade Area of the Asia-Pacific (FTAAP), which all know is code of an APEC Free Trade Agreement.

The stakes are high for the United States and Korea to quickly recover KORUS. No Seoul is no way for President Obama to go to Japan. US foreign policy gains in Asia are unsustainable without a corollary forward-leaning leadership posture on trade.