



Free Trade with Korea Strengthening a Nearly 60 Year Alliance for Peace and Prosperity

“This Agreement will generate export opportunities for U.S. farmers, ranchers, manufacturers, and service suppliers, promote economic growth and the creation of better paying jobs in the United States, and help American consumers save money while offering them greater choices. The Agreement will also further enhance the strong United States-Korea partnership, which has served as a force for stability and prosperity in Asia.”

-- President George Bush, June 30, 2007

Anchoring Longstanding Ties with a Vital Regional Ally

- The Republic of Korea has long been a steadfast partner and ally of the United States in promoting peace and security in Northeast Asia and around the world.
- Korean soldiers have fought alongside American men and women in every armed conflict in which U.S. forces have been involved over the last 50 years.
- Today, Korea is the third-largest contributor of troops to the Coalition Forces fighting in Iraq. It has also stationed military personnel in Afghanistan. Our nations are working closely together to rid the world of the threat of North Korean Nuclear weapons.
- The U.S.-Korea alliance has stood the test of time because it is rooted in shared interests and shared values, including a strong belief in the power of trade and increasingly open markets to deliver prosperity and stability.
- The U.S.-Korea Free Trade Agreement (KORUS FTA) will broaden and update this alliance for the 21st century. By boosting economic ties, it promises to join our 50-year-old Mutual Defense Treaty as a critical pillar of a strong and growing partnership.

Ensuring America's Continued Economic Leadership in East Asia

- Over the last few years, China has started to surpass the United States as the leading trading partner of major economies in dynamic and growing East Asia, including Korea and Japan.
- The KORUS FTA will ensure America's continued economic competitiveness in Korea, a \$1 trillion economy with a population of 49 million increasingly prosperous consumers who have a per-capita income over \$20,000.

- Approving and implementing the FTA is all the more vital as Korea pursues or considers trade agreements with other major trading powers - including Canada, the European Union, China, and Japan - that could put America at a disadvantage.
- As the first U.S. free trade agreement in Northeast Asia, the KORUS FTA can also serve as a model for a growing number of similar arrangements across the region. It sets high standards for coverage of products and services or protection of labor, environment, investment and intellectual property rights.

Strengthening an Asian Democracy and Driving Further Economic Reform

- Korea's transition during the last few decades from authoritarian rule to democratic government is a model for other countries to follow.
- Today, Korea is a vibrant democracy, with competitive elections, rule of law, respect for human rights, a lively and unfettered press, strong labor unions, and high labor and environmental standards.
- Over the last ten years, Korea has taken equally bold steps to open its economy to foreign competition and foreign investment, becoming America's 7th largest trading partner with two-way trade in goods of nearly \$83 billion in 2007.
- In 1996, Korea joined the United States as a member of the Organization for Economic Cooperation and Development (OECD) - a global group of developed democracies. It has been an active and constructive member of APEC (Asia-Pacific Economic Cooperation) since the organization was founded in 1989.
- Approving the KORUS FTA will send a strong signal to Japan, China and other East Asian trading partners to reform and open up their markets or risk falling behind.

For more information, visit the State Department's FTA webpage
at <http://www.state.gov/e/eeb/tpp/c22883.htm>

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