

# KAFT

## KOREAN AMERICANS FOR FAIR TRADE

CHICAGO | HONOLULU | LOS ANGELES | MINNEAPOLIS | NEW YORK/NEW JERSEY | SAN FRANCISCO BAY AREA | SEATTLE | WASHINGTON, DC

53-22 Roosevelt Ave., Woodside, NY 11377 | [KAfairtrade@gmail.com](mailto:KAfairtrade@gmail.com) | [www.kaft.org](http://www.kaft.org)

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### Letter from KAFT to U.S. Congress on Korea-U.S. FTA

Contact: Alexandra Suh (213) 210-5586

Dear Representative:

Korean Americans for Fair Trade (KAFT) is a national network of organizations and individuals founded in 2006 to unite Korean American voices for equitable and sustainable trade. **We stand deeply opposed to the Korea-U.S. Free Trade Agreement (KORUS FTA) and we urge you to vote NO on the proposed agreement if it comes to a vote.** This deal will take away American and Korean jobs, and threatens vital financial, environmental, labor, and public safety protections in both countries. We see it as an affront to the democratic process and the national sovereignty of both countries, and are concerned that this FTA has the potential to damage diplomatic relations between two historical allies, the U.S. and South Korea.

KAFT members and supporters live, work, vote, and participate in civic arenas throughout the United States, including New York, New Jersey, Los Angeles, the San Francisco Bay/Oakland/San Jose Area, Chicago, Washington, D.C., Seattle, Minneapolis, and Honolulu. We know first hand that Korean-American business owners, homeowners, workers, and students are being hit hard by the current economic crisis. Shops are closing in our communities. Hard-working people are being let go from their jobs and working longer hours with less pay. Dreams of keeping or owning homes are fading. **Korea-U.S. FTA proponents argue that this agreement will help everyone, but the fact is that it does not address the increasingly difficult needs of our families.** This deal, crafted in the period before the current crisis, means that elected officials in both countries will be prevented from instituting the necessary financial controls that would protect our communities from the financial products that precipitated the crisis in the first place.

As Korean-Americans, we know firsthand the destructive impact of an unregulated corporate sector and financial crisis. In the late 1990s, many of our community members immigrated to the U.S. because of the Asian financial crisis that ravaged South Korea's economy. At that time, Koreans not only lost jobs and savings, they also lost significant labor protections while quality of life and work prospects saw drastic declines. Even as Korea's overall economy eventually improved, the lives of ordinary Koreans did not. Korean Americans experiencing the current recession know that profits on Wall Street do not mean more jobs, higher wages, or a better quality of life, and we know full well that when governments cannot rein in the worst excesses of corporate behavior, it is ordinary people who bear the brunt.

The Korea-U.S. FTA's investor-state dispute resolution clause is of especially deep concern to

us. As introduced in NAFTA, it gives corporations the entitlement to sue Korean and U.S. local, state, and federal governments in private tribunals over public policy standards that they believe will interfere with their ability to make profits. This clause elevates the interests of a narrow group of multinational corporations over the public interest in both countries, and dismantles the work that went into passing critical labor laws, public safety codes, environmental protections, and other legislation that safeguard the basic human rights of ordinary Americans and Koreans. Though we often hear about what the U.S. or Korea wins or loses in the FTA deal, we consider such a clause a grave threat to both Koreans and Americans, a danger to our extended families in Korea and to our own communities here in the U.S. **We do not want corporations—of any nation—to be able to strike down our anti-discrimination policies, labor rights, environmental protections, and public health and safety laws.**

We are also deeply disheartened that the Korean government, in a bid to gain FTA ratification, has returned to authoritarian practices reminiscent of past dictatorships rather than embodying the 21<sup>st</sup>-century democracy that Korea can be. In recent years, over one million Koreans and over 270 civic organizations protested against the FTA, as it violates 169 South Korean laws. The Lee Myung Bak administration has used violent police force against peaceful assemblies, arbitrarily banned public assembly against the FTA, and issued summons and warrants for more than 170 civil society leaders who organized against the FTA. The Lee government has also blocked anti-FTA advertising from appearing on television while airing pro-FTA government commercials. South Korea's National Human Rights Commission has suggested that the government's tactics are inconsistent with the South Korean Constitution. Meanwhile a recent Pew Research Center poll shows that most Americans do not support the KORUS FTA, and a letter signed by over 500 U.S. organizations was sent to Congress in September 2010 to convey this fact. **We need a trade deal supported by the people of Korea and the U.S.**

FTA proponents claim without evidence that its passage will build amity between historical allies, but it is just as likely that it will fuel anti-Americanism in South Korea. During the Bush administration, anti-Americanism rose in response to U.S. foreign policies and aspects of this trade deal, with hundreds of thousands gathered in candlelight vigils in the streets in the capital over the span of many months. Should Korea's economic conditions worsen in the aftermath of the passage of the FTA, Korean politicians will make the linkage between their economic plight and the FTA. In addition, Koreans are politically sensitive to perceived unequal treatment from the U.S. In fact, the investor-state dispute resolution clause was deleted from the Australia-U.S. FTA. That it remains in the KORUS-FTA will be seen as evidence that South Korea is not treated equally to other U.S. allies.

We have the opportunity to end the toxic NAFTA trade model and put into place a fair trade model that benefits not just a narrow sector of transnational corporations, but the American and Korean peoples and our economies as a whole. At a time when we need sustainable growth and jobs, moving forward with an agreement negotiated in the heyday of deregulation, and before the onset of our economic crisis, is unwise and dangerous. As Korean Americans, we urge you once again to vote NO on the Korea-U.S. FTA.

Sincerely,

Kei Fischer   Sukjong Hong   Alexandra Suh  
KAFT National Steering Committee