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UNITED STATES SENATOR · GEORGIA



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Isakson Statement at Finance Subcommittee Hearing on U.S.-Korea Free Trade Agreement

WASHINGTON – U.S. Senators Johnny Isakson, R-Ga., Ranking Member of the Senate Finance Subcommittee on International Trade, Customs and Global Competitiveness, today delivered the following opening statement at a subcommittee hearing on the U.S.-Korea Free Trade Agreement:

Thank you Chairwoman Stabenow for calling this important hearing.

I was glad to support the Bush Administration's decision to sign the U.S.-Korea Free Trade Agreement in 2007 and was pleased to vote for it when it finally came to the Senate for ratification in 2011. I supported this agreement, because I believed then, as I do now, that it strengthens both economies by growing markets for U.S. and Korean goods and services, creates jobs in both countries and solidifies an already strong relationship with one of the United States' most important allies in Asia.

I have had a great interest in the United States' relationship with South Korea for many years. In 1988, I led a trade delegation from Georgia to Seoul shortly before their successful Olympic Summer Games, an experience that I always kept in mind as Atlanta prepared for its own Summer Games just eight years later.

I also am appreciative of the steadfast security alliance between our two great nations. South Korea has served as an anchor for stability, security, peace and prosperity in the Asia-Pacific region and our combined defense posture in the face of repeated military provocations is crucial. Our two countries recognize the mutual values of democracy, human rights and the rule of law as the foundation of our alliance. Nearly 30,000 of our servicemen and women stand shoulder to shoulder with Korean forces, and our enduring security relationship reinforces the bond of our unique ties to South Korea.

In the two years since the FTA came into force, we have already seen positive results emerge in Georgia, with increased exports of aerospace products, pulp and paper, engines and turbines, agricultural products and chemical products. The U.S.-Korea Free Trade Agreement has paved the way for over \$800 million in exports from Georgia to South Korea in 2013, and almost \$7 billion in Korean investment across the United States.

Korean investment in Georgia has been a welcome boost to our state's economy. According to Georgia's Department of Economic Development, Georgia is home to 62 Korean company facilities, over 23 of which are manufacturing facilities. Kia Motors Manufacturing in West Point, Georgia, represents a \$1.1 billion dollar investment and is responsible for creating over 10,000 direct and indirect jobs in Georgia. On July 11, 2013, the one millionth American made Kia rolled off the assembly line in West Point.

In order to maximize the full benefits of the U.S.-Korea Free Trade Agreement – including further expanding market access for American exports, bolstering Korean investment in the U.S. and creating jobs for American workers – last week, I along with Senator Blunt and Senator Begich introduced the Partner with Korea Act, S. 2663. The legislation will provide a unique visa category for up to 15,000 Korean professionals to perform specialty occupation services in the United States, after certifying to the Department of Labor that these job positions would not be filled by the current labor market. These visas are

crucial to helping to promote further Korean investment in the United States and I look forward to working with my colleagues to secure its passage.

Today we will hear testimony from witnesses who have had different experiences with the US-Korea FTA. I am looking forward to a fruitful discussion of the benefits of this agreement, but also understand that there have been challenges. As we discuss these challenges, we do so not only with our trade relationship with South Korea in mind, but also with an eye toward other ongoing trade negotiations.

However, it will be extremely difficult to make any progress on these issues without a renewal of trade promotion authority. Without TPA, the Administration continues to negotiate from a weaker position and Congress' priorities are notably absent from important trade talks such as the Trans-Pacific Partnership (TPP).

The Bipartisan Congressional Trade Priorities Act of 2014, introduced by Senator Hatch and former Senator Baucus, would renew TPA and address some of these issues so important to our witnesses in future agreements. For example, this important legislation would make addressing the issue of currency manipulation a principle negotiating objective for the United States in trade talks. Until the Senate acts on renewing TPA, Congress' priorities on this and other important issues will remain on the sidelines.

Thank you again, Madame Chairwoman. I look forward to hearing from our witnesses.

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