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# South Korea, conclusions from regional strategic meeting against FTAs

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Sharing each country's situation on FTA/TPP & Results of 2<sup>nd</sup> Strategy Meeting on FTA/TPP

Australia: Mr. Harvey Purse from AFTINET

Where we are in Australia in the moment?

60 unions, community groups, church groups are fighting for fair trade based on principles of human rights, labor rights, and environmental sustainability. We are raising awareness of this agreement in Australia slow building opposition against the TPP. When Australia negotiated with US there was 35% opposition, now there is 65% opposition. The goal is to achieve the same with the TPP. We have started campaigning with young people such as holding a concert with variety of artists. There was also a book written: No Ordinary Deal: Unmasking the TPP. The book was written by people from Australia, New Zealand, US, and a few of the Latin American countries that were involved. We are also creating a series of pamphlets to update every few months around worker's rights and health in order to raise awareness in Australia and cut through all groups in Australia. We have managed some victories. We got the Catholic and United church to support us. We also have support from the National Unions for construction, mining, forestry and manufacturing and social services. We have gotten the current government (Worker's government) to oppose any changes that impact people's access to cheap medicine and to oppose the ISD. We have gotten them to protect worker's rights from being impacted by free trade agreements or TPP and to agree that the environment must be protected. We are worried that we may lose next year's election to a far more conservative administration. We are all working together and keep on educating.

# Japan: Mr. Yohsitaka Mashima from Nouminren

The Japanese government estimates that joining the TPP will lead to the self-sufficiency of grain dropping from 27% to 2.7%. However, the Japanese government wants to join and may officially announce TPP as early as August. Currently 20% of Japan's total trade from other countries come from its FTAs, the goal is to increase that to 80% through the TPP. The current strategy of the TPP is to bully countries into joining. If you join us we will allow full access to our markets, but if you don't join we will punish you with higher tariffs. Last October, we had our first strategy meeting. From what we learned there, it is clear that the TPP is much worse than the FTA.

One major issue is the ISDS. For example due to the ISDS local food in Korea cannot be used for the free meal at schools [] discriminatory practice for the Korean government to use local food. In a similar way through the ISDS, Japan's national health care system would be able to be sued by the US and destroy the health care system in Japan. In the same way Japanese corporations go to other countries and rip them off. Japanese government declared their intention that they will try to use ISDS to remove the investment barriers of ASEAN countries such as equal national treatment in employment and transfer of technology. In this way there are two aspects for the TPP and Japan. Japan can be bullied by the US, but Japan can also be a bully such as in the case with ASEAN.

While harmful influence a TPP will pose upon people cannot be overemphasized, we must also think a great deal of a possible Japan-China-Korea FTA, especially FTAs with China in their detrimental effects to the fields of agriculture and food. Japan has imported many staple food such as grain from U.S. In the 1980s side dishes such as vegetables and processed food made way to Japanese markets from Asian countries including China. If we conclude an FTA with China we will face even greater imports of side dish. We need to join with farmers in South Korea and figure out how we can best fight together against FTA among Japan, Korea, China which is supposed to start the negotiation in November.

This spring/summer the ruling democratic party in Japan split. Many split from the party due to the sales tax hike, the resumption of nuclear power plant's operations, and participation in the TPP. Conservative organizations are also expressing opposition to the TPP, 90% of local assemblies oppose the TPP. Domestically we will work together with the producers, consumers and the other social sectors, and strengthen the regional and international solidarity.

# Indonesia: Mr. Dodi Mantra from University Al Azhar in Indonesia

The Free Trade Agreement can take many forms: KORUS FTA, TPP. FTAs are all over the placed especially in the form of regional blocks such as ASEAN that create neoliberal regionalization. This has been deepening since the 1990s and is expanding to another region in the world. Indonesia has signed many FTAs. The 1st FTA was the ASEAN Free Trade Agreement (AFTA). It eliminated tariff barriers within ASEAN member countries. It established the ASEAN Economic Community. Since 1992 there has been a trend of neoliberalization. Neoliberal regionalization has taken many forms: ASEAN + China, ASEAN + India, ASEAN + EU, ASEAN+6. Indonesia has also signed FTAs with Australia, Turkey, Tunisia, and Pakistan. Obama is pushing the ASEAN countries to also join the TPP, therefore ASEAN must be seen not as an alternative to the TPP but as a way to achieving its higher form through the FTAAP. This will have many negative impacts to people. After the full implementation of the ASEAN + China, trade volume with China has resulted in a deficit on nuts, fruits, and cocoa. In addition 180,000 SMEs in Indonesia collapsed in the agriculture and toys industry. Producers are also becoming retailers since they can't compete with Chinese production. Potato prices slump from 7000 rupia (50,000 won) to 3800 rupia (25,000 won) due to the import of Chinese products. This is below the point in which a farmer can break even. Thus we see a declining income for potato farmers.

People's forum is resisting ASEAN. In Indonesia, a judicial review of ASEAN charter started. In 2008 the government ratified the ASEAN charter. Social movement is challenging the ASEAN stating that 2 of its provisions are unconstitutional: economic activity based on people's economies for social justice, ASEAN charter for free markets, comprehensive Economic Agreement b/w Indonesia and EU.

We are currently trying to determine how we make people in Indonesia aware about this problem. We are creating a national farmers' forum to share information and to share some experience about the FTA. We also make publications like the book I wrote and self-published on the ASEAN Economic Community. We need to make interventions in the public sphere and figure out how to reveal the truths about the FTA in the society.

The situation in Indonesia is difficult because there is a great optimism on their part. We will sign first and then ask later. We are facing many of the same problems in our countries, we can work together against the neoliberal project.

Taiwan: Ms Roxana Chen from Taiwan Rural Front

The US beef problem in Taiwan is not from BSE but from ractopamine, which is a chemical used to grow lean meat. In Taiwan this chemical is illegal but they are trying to legalize it in order to start negotiations in order to sign the FTA and join the TPP in the future. There are currently two controversies: on the consumer's part, they wonder why we have to sacrifice national health in order to have these trade talks with the US which is resulting in greater anti-US ideology and sentiment, the second controversy is among pork farmers. After Taiwan joined the WTO, pork farmers suffered a lot. Taiwanese pork farmers are suffering already.

On March, there were relatively big protests in Taipei; 8,000 pork farmers from south of Taiwan went in front of the governmental council of agriculture in Parliament. This was a big deal especially in council of agriculture. The idea was that if we allow US beef with ractopamine then we will also allow US pork with ractopamine to come in. Next week will be very important. The Parliament is losing their strength because according to international standards ractopamine is allowed, so there is no longer a reason to oppose this animal drug. Pork farmers are worried. They believe we are sacrificing pork farmers and people's health as preconditions to negotiations, without really knowing what we are going to get.

FTA with mainland China is similar to that of Korea. Signing semi-FTA with mainland China resulted in Chinese agricultural products being very cheap even after taxes. Many farmers are jobless because of importation of products from mainland China. Many farmers even now are working part-time because they can't make enough money. However, the China-Taiwan FTA will also hurt the farmers since it might negatively affect their party-time work. Farmers and workers will be hurt so that business people can have more investments with China.

Taiwan is also having similar difficulties with Indonesia. The government did a lot of investigation about the FTA's impact not only with China but also with the TPP with the US. The problem is that this information is a "state secret." The government state that if we reveal this research the US will know our bottom line. Our goal is to get more information from the government and convince them that this is no secret at all and that people should know what is happening in the negotiation

### Korea: Mr. Daejong Lee from Korean Peasant's League

The Lee Government is saying that neoliberalism based economic agreement. That it is beneficial into entering overseas market. As a result is that Korea is in the process of signing FTAs with many countries about 45; people joke that whenever President Lee goes abroad he comes back with an FTA. He usually agrees with almost every provision in an FTA provision especially with the US FTA. He accepted many of the toxic provisions of the KORUS FTA which made it unfair in the Korean side.

We were allowed to participate after the process of negotiation. During the negotiations people were kept distant from the information and the deal was done in secrecy. Still the government goes with the propaganda about the FTA stating that export is important for the Korean economy and people. The government always favors the side of the huge conglomerates. The FTA is based on the idea that the greater good that the Korean agricultural sector should be sacrificed as well as the SMEs. While this process was occurring only a handful of people were resisting, because their livelihoods were directly at stake. The KORUS FTA states that almost all tariffs are now lowered in all agricultural products. Not only tariffs are lowered but also agricultural barriers. There will be 2 trillion \$ loss per year. This will not only negatively impact farmers but also greatly undermine agricultural foundation and lose food sovereignty.

The KORCHINA FTA will have a much worse negative impact on the agricultural sector than the KORUS FTA. Geographical proximity makes it possible for products to arrive the next day. In addition, almost all products grown in South Korean are also grown in China at far cheaper costs. It

is not difficult to imagine great impact on agricultural sector. The KORCHINA FTA will be good only for a handful of conglomerates.

The Korean social movement will keep on struggling against the KORUS FTA as well as the KORCHINA FTA. As regards the 2<sup>nd</sup> round of the KORCHINA FTA, we formed an emergency committee and held meeting in Jeju Island. Previously over 20,000 agricultural sector workers held rally in Seoul. When we were in Jeju we organized Jeju farmers and awakened the interest of people. Our current daily activities also involve protecting traditional/local seeds and campaigning to win the presidential election.

# Presentation on overall FTA/TPP: Mr. Song from Lawyer's from Democratic Society

What happened with ratification of FTA? In the face of neoliberal integration, the true integration is ever more important. We need delegations from other countries and support our struggle and we need to also support them and fight TPP/FTA. Next week we will bring up lawsuit against government that they reveal the details of the ISD arbitration suit by LoneStar. The government had turned down the request to reveal the details stating that it would hurt the relationship between both countries involved. But we wonder, why would a lawsuit brought by a private company have to do with national interests or security? We have the right to know. We will make an issue about how the KORUS FTA is harmful to the sovereignty of a state

The implementation of the KORUS FTA has resulted in a 72% increase of American cherries. There has not been an increase in agricultural products to the US. The government stated that it would expand export the US, however we see that it is not true. Since the implementation of the KORUS FTA, many more people have become aware of the negative effects of the KORUS FTA, which came into force on March of this year. Many people are against the KORUS FTA. Politicians are starting to listen, for example Park Geun Hye has stated that she will support the democratization of the economy. Many are calling for the end of the KORUS FTA and against the privatization of KTX.

# Alternative to East Asia: Mr. Changhan Lee from policy committee

Competition and trade could be defined in a positive or a negative way. In the current international order competition is the icon of neoliberalism. Competition and trade brought with them 2 things: 1) competition and trade threaten the existence of the present 2) many live in poverty. Many agricultural products are commercialized. They hurt agricultural sectors in each country and less products are produced. Ultimately, huge TNCs control products. We spend more and more energy worsening climate change. And in order to secure more energy we create agrofuels.

The Asia-Pacific region is standing at a crossroads with the TPP. If the current world order continues there will be no hope for ordinary people. Therefore trade and competition should not be the goals, they should be tools for the benefit of people. Since one country cannot make changes in the world order, we need to facilitate international networks to fight together so that trade and competition become tools to benefit the masses. That is why I am interested in ALBA. ALBA is based on reciprocal and complementary but its political purpose is to go against US led world order. 10 days ago I was talking with Haesook about a meeting at the Venezuela Embassy. I asked the question, "How much of the Venezuelan budget is being used in ALBA and what are the economic benefits?" The ambassador responded that we don't know about those figures (he might not know). He stated that it is not just about economics but also is about political goals. ALBA also includes grassroots trade. We should know general purpose and strategies and find our own version of ABLA in Korea and Asia-Pacific region. Trade and investment are not goals in of themselves, they are means to help people. They should help public to produce their own foods, to prevent the public sector from being privatized, it should be based on reciprocal and complementary ways. It should facilitate trade

within the same region. It should attempt to borrow food from the same region, to buy and sell foods more efficiently. In 2008, due to the food crisis ALBA launched a new program to help resolve the food insecurity problems. We must build and facilitate networks between farmers and farmers' organizations. There have been several attempts to organize Asian progressive networks, but such attempts have not succeeded. The reasons have been: Most of East Asia has experienced colonialism so they have a strong focus on nationalisms which makes it difficult to build a regional network. We should put our heads together to resolve many of the issues and tensions in Asia. We are against neoliberalism. We should influence the government and elect a government that is people friendly. And work together to make difference in the world order, human rights and labor rights must be the basis.

### Conclusion: Ms Geumsoon Yoon from ICC Via Campesina

Though part of people living in Asia, we don't usually think about Asia. Yet Asia contains 50% of people worldwide. If we look deeper into Asia we will see our own historical characteristics and recognize much potential. Last century people looked at Africa, now people look at Asia. Asia is not only important to people but also to the rest of the world. However when we look at the world, we are being ruled over by neoliberalism. Many people are being kicked out of their land and being forced to become migrant workers. We need to bring about a change. The agricultural workers in Asia are being threatened with their lives. How do we bring changes to this situation? We need to come up with a common ground. This does not mean we should stop our own individual efforts. Via Campesina is focusing on resisting FTAs agreement. It is a very public organization. We keep on our efforts as well. We need to recognize that neoliberal agreements take many forms. After emerging from colonialism we became neoliberalist.

If we focus on ALBA we can see that the social movement came up and proposed alternatives. Also they were working not only domestically but also with neighboring countries. It is possible to stop unilateral US hegemony.

Via Campesina is active in Asia and particularly in Southeast Asia to stop all forms of FTAs. Last year the Japanese government asked the US government to continue with the TPP agreements. We had a meeting in Japan to talk about what to do. We came up with two parts. As regards the FTA we asked ourselves what is an alternative regional integration model. We realized and confirmed that conventional economic models (FTA and TPP) are only for the profits of the 1% and 99% of public are being locked out of the profits

The TPP is no different from the FTA. It is just a further expansion of the mode of the FTA. Many countries are engaging FTAs in a multilateral way. As for many ASEAN countries, their goal is to form an economic regional model by 2015 and increase cooperation in neighboring countries.

TPP and FTAs give negative impacts to the public. While FTA is agreed upon in bilateral terms, TPP in multilateral level is always tied to US strategy in political and economic interests. Ever since 9/11, the US has been engaged in wars in Middle East. Now it is turning its sites on Asia. The current deal on a military information secrecy act between Japan and South Korea is part of the US' strategy.

We should never forget that changes in Latin America came out of people uniting together. The current challenges we are facing with the TPP is that it has not yet been realized in any of the countries but there is a shortage of information. We need to attain more information and contact organizations with the same point of view.

In the 2<sup>nd</sup> strategy meeting held in Seoul, Korea, we, the participants agreed that

- 1. We strongly oppose the neo-liberal agenda as expressed in Free Trade Agreements (FTAs) already established such as those of the ASEAN economic community, the KORUS FTA as well as those under negotiation such as the China-Japan-Korea FTA. The FTAs of the ASEAN economic community have proved divisive and against the interests of the people of all of the countries involved. The KORUS FTA is already negatively impacting people, in particular the agricultural sector. Our opposition is strengthened through by the negotiation of the Trans-Pacific Partnership Agreement (TPPA).
- 2. The experiences from FTAs we could know how TPPA has huge negative effects and worsens the people's lives. Our experience of existing FTAs is that they have significant negative social and cultural impacts by destroying protected sensitive sectors. And where FTAs often cause the destruction of protected sensitive sectors, the TPPA goes beyond existing FTAs, the World Trade Organisation (WTO) agreements, international standards because it has no exemptions.
- 3. The negotiations on bilateral and regional agreements currently happening in the Asia and Pacific region has close relationships with US and China's economic, political, and military interests.
- 4. It's urgently needed the Asian social movements' solidarity and cooperation to make strong reaction to the current regional and international context.
- 5. The Asian social movement should work together to create alternative like that the constant discussion and efforts of the social movements in America along from Canada and Chile made ALBA and brought the political power for the progressive governments.

The principles of a trade agreement among the states would:

- \* Not compete for each other's markets but rather respect and make the best use of the resources and capacities of each participating state.
- \* Not take a 'trickle down' approach used in current FTAs which claim to increase GDP growth and provide a 'trickle down' effect where poor people receive substantive benefit. The reality of the implementation has proven even this promise to be false. There are numerous examples such as Mexico where GDP increased, but the increase went predominately to the rich at the expense of the poor; millions of farmers in Mexico lost their farms and moved into poverty in the city. In Australia the USFTA led to an increase of 2.5% in trade from Australia to the US however Australia's balance of trade suffered significantly as imports to Australia from the US increased by far more than this ensuring a widening balance of trade in favour of the US.
- \* Allow the active participation of the government as representatives of people, so as to ensure that trade agreements represent the needs of people and are fair and based on genuine co-operation utilizing regular ongoing dialogue.
- \* Ensure national sovereignty by allowing governments to implement the policies and laws appropriate for those that they represent and create space for policy development and response to crisis.
- \* Respect and ensure the rights of countries to develop and govern their people in a manner that they see fit and appropriate as opposed to the bullying of countries by those countries which currently dominate international trade.

Based on the common position, we have developed an action plan:

### 1. Strengthen the alliances

- Domestically: alliance between producers and consumers and different social sectors
- Regionally and internationally: we will make common efforts to map the organizations and individuals which are resisting and opposing against TPPA in the member countries of TPPA and make relation and network with them.

### 2. Education

- Make a plan for the training and education on FTA/TPP with LVC's educational materials which will be published at the end of August in English.
- To raise public awareness, we will work together to organize international seminar on FTA/TPP in one country. Until now we had public forums on this issue in Japan and Korea.

# 3. Strengthen our power to react

- Organize a core group with countries who are actively reacting against FTA/TPPA issue, keep updating and sharing info and public activities, and develop the strategy. The core group will be Korea, Japan, Australia, Indonesia and Thailand.

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