



Emerson pursues 'ambitious' result from trade talks

John Kerin

Trade Minister Craig Emerson will hold talks today with United States Trade Representative Ron Kirk in Washington on reviving the stalled Doha trade liberalisation round and boosting bilateral trade.

Dr Emerson is also expected to discuss ways to revive the talks with World Trade Organisation director-general Pascal Lamy.

Revitalising the stalled nine-year effort to liberalise world trade further has been placed on the agenda of the Group of 20 leaders meeting in Seoul in October, but few analysts have given the talks any chance of short-term revival.

A key stumbling block has been a resurgence of protectionist tendencies after the global financial crisis. The US has been seen as demanding enhanced access to Chinese, Indian and Brazilian markets while stepping up protective trade measures and countries such as India and China have been reluctant to open up agricultural markets.

Dr Emerson has vowed to push for an "ambitious outcome" with a broad agreement promising to add an extra \$500 billion to the value of world trade. World Trade Organisation deputy director-general Alejandro Jara warned last week that "a rise

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in protectionist tendencies" was a threat to concluding the round.

Dr Emerson is also expected to discuss the US push to create a Pacific free-trade area through the Trans-Pacific Partnership. US President Barack Obama is keen to push the TPP as the foundation for developing an Asia-Pacific free-trade area.

The Trans-Pacific Partnership, which was backed by Asia-Pacific Economic Co-operation forum leaders in Singapore last year, includes Singapore, Brunei, New Zealand, Chile, Peru, Vietnam, Australia and the US. The negotiating rounds having already started.

The US is Australia's third-most important trade partner after China and Japan, with two-way-trade valued at \$51 billion in 2008-09. The US is also Australia's biggest source of foreign direct investment.

Foreign Minister Kevin Rudd, who is visiting New York for a series of United Nations meetings, will also meet his Indonesian counterpart Marty Natalegawa today to discuss furthering bilateral ties and Australia's plans to establish a refugee reprocessing centre in East Timor.

Prime Minister Julia Gillard unveiled this proposal before the election in an effort to neutralise anxiety in marginal seats over boat arrivals and align Labor's policy closer with the Coalition's hard-line approach. Indonesia was lukewarm about the proposal, but Jakarta, which co-chairs the regional consultations on asylum seekers, known as the Bali Process, did not reject it.

Mr Rudd said Australia could play a lead role in combating world poverty through its \$5 billion-a-year aid program. He said that providing primary schooling to 67 million children around the world would "transform" global poverty levels.

Improved literacy rates would enhance international security in both the Asia Pacific and Africa as people were put on a path to employment and economic stability, he said. "That's why Australia is there with our sleeves rolled up."