

Sections

- News
- Letters
- Pulse
- Sports
- Stripes Accent
- Stripes Travel
- Sunday magazine

Information

- About us /
Contacts
- Archive highlights
- Archive Photo of
the Day
- Classified ads
- Library research
- Links
- Print Shop
- Stripes Lite

Search Stars & Stripes

Current Articles
Archives

STARS AND STRIPES.

Wednesday, June 16, 2004

Business leaders unfazed by planned U.S. troop cut

By [Jeremy Kirk](#), Stars and Stripes

Pacific edition, Tuesday, June 15, 2004

SEOUL — The verdict appears unanimous: In general, U.S. businesses — many with multimillion-dollar investments in South Korea — don't care how many U.S. troops are stationed here.

Nor does it matter where in South Korea those troops are based, said Tami Overby, executive vice president of the American Chamber of Commerce in Seoul.

Overby was reporting on her recent informal talks with some two dozen businesses after troop reductions were suggested.

What matters most, she said, is that the United States continues its security commitment to South Korea. "Having a U.S. commitment to Korea's defense is absolutely vital to Korea's economy," she said.

On the ground, that commitment has been 37,000 mostly Army and Air Force servicemembers, designated as a deterrent to a potentially nuclear-armed North Korea. The oft-cited justification for that presence amid a tangible anti-American military sentiment has been economics: The United States and South Korea had about \$61 billion in two-way trade in 2003.

Gen. Leon LaPorte, who would have operational control over both U.S. and South Korean forces in a conflict, told Congress in March that U.S. investment in the region is "substantial and projected to continue growing in the near term."

But his troops also have been a rub for many younger South Koreans, who have indicated they see a large U.S. military presence as an affront to national sovereignty and impeding Korean unification. The United States will move about 3,600 2nd Infantry Division troops to Iraq by the end of summer — about the

same number of troops South Korea committed to send but has yet to deploy.

That the troop numbers almost match is no coincidence, said Rodger Baker, senior analyst and special operations director for Stratfor, a Texas-based think tank. But “ultimately the alliance is strong. The U.S. is not going to abandon Korea. ... In every relationship you have a time when you re-establish your priorities.”

The broad vision is to consolidate U.S. troops into two southern hubs, moving the 2nd Infantry Division south of the Han River and troops out of Yongsan Garrison, a 630-acre post in central Seoul. The United States has said it also wants to pull out 12,500 troops by the end of 2005 while investing \$11 billion in new defense systems.

“Quite honestly, all the discussion that has occurred from a business perspective really does not affect us at all,” said James Blaszczyk, president of Owens Corning Korea. “It’s not creating any grave concerns. It’s kind of a non-issue for us.”

The fiberglass maker came to South Korea 10 years ago and has a \$100 million manufacturing facility here, Blaszczyk said. As South Korea’s gross national product has increased, so have people’s incomes, increasing demand for high-quality building materials that improve living conditions, Blaszczyk said.

Similarly, U.S. banking powerhouse Citigroup announced plans in February to buy KorAm Bank for \$2.6 billion, the largest foreign direct investment ever in South Korea. In 2003, the combined direct American investment in 2003 was about \$1.2 billion, according to LaPorte’s testimony.

On March 11, General Motors announced a \$1.4 billion investment to make South Korea its manufacturing hub in Asia, just a day before South Korean President Roh Moo-hyun was impeached for an election law violation. Even with South Korea’s turbulent political history of military dictatorships and coups, the impeachment barely registered in the financial world.

“These (investments) are huge signs of confidence in the Korean economy,” Overby said.

Or, as Baker said, the U.S.-South Korean relationship is analogous to a happily married couple: “We have no interest in breaking up and getting divorced.”

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