

Japan takes US steel tariffs to WTO

AFP, Geneva

Japan has lodged an initial complaint with the World Trade Organisation (WTO) against US measures to impose tariffs on imported steel, the trade body said on Friday.

Japan has requested consultations with the United States with a view to claiming compensation under the first step of a procedure laid down in the WTO's agreement on safeguards.

If the talks fail Japan could be allowed to withdraw concessions granted to the US under certain conditions.

However, no request has been filed yet by Japan for the WTO to launch a procedure over the US steel tariffs in its dispute settlement body, an official said.

This could involve a panel of experts examining whether the US measures conform to WTO rules.

On Thursday, the European Union launched a double counter-attack seeking consultations under the safeguard agreement and a case to be started in the dispute settlement body.

Bush unveils plan to boost corporate disclosure

AFP, Washington

US President George W. Bush unveiled a plan Thursday aimed at improving corporate disclosure of key financial data in an effort to boost investor confidence following the Enron collapse.

The 10-point plan released by Bush came from an interagency working group on financial markets created in the wake of the Enron meltdown.

"The whole design of free market capitalism depends upon free people acting responsibly," Bush told a business group here.

"Business people must answer not just to the demands of the market or self-interest but to the demands of conscience," he said.

Among its recommendations, the plan calls for corporate officers to disclose their purchases and sales of company stock within two days.

White House sees no trade war over steel tariffs

AFP, Washington

The White House denied Thursday that President George W. Bush's controversial decision to slap tariffs on steel imports will spark a trade war or sap key allies' support for the US-led war on terror.

Asked whether an international outcry over the decision, which was announced Tuesday, would lead to either outcome, Bush spokesman Ari Fleischer told reporters: "the answer is no, on both."

Bush "believes that this was a situation that is permissible under the World Trade Organization rules, and the World Trade Organization rules are set up to help nations deal with what is inevitable: frictions and differences as we engage in free

trade," the spokesman added.

The European Union has already officially launched a counter-attack after Bush announced eight-30 per cent tariffs on a wide range of steel imports, lodging a formal complaint with the WTO, a WTO official said in Geneva.

Asked whether the president sought input from outside the United States before he made his decision, Fleischer would only say: "I think it's fair to say he heard from foreign leaders, yes."

The US leader's decision was taken under Section 201 of the 1974 trade law, which lets the president impose punitive tariffs on imports found to have caused injury to the domestic industry. No proof of unfair trade is required.

The European Union launched a counter attack on US steel tariffs on Thursday, officially

lodging a complaint with the World Trade Organisation, a WTO official said in Geneva.

Japan has said it wants to join the EU action, and other nations hit by the measures -- such as China, South Korea, Ukraine, Brazil, India and Australia -- could opt to do so as well.

"Other nations, including Europe, have the right to challenge that under the WTO rules," said Fleischer. "So that's a matter that will get taken up, likely, by the World Trade Organization."

Fleischer also downplayed the apparent conflict between Bush's decision and his much-advertised support for free trade, saying the president "believes the best way to have additional free trade is by enforcing the laws we have on the books."

Greenspan disagrees with US steel tariffs

AFP, Washington

US Federal Reserve chairman Alan Greenspan said Thursday he disagreed with President George W. Bush's decision to slap tariffs on steel imports.

"I understand the difficulties any president has in trying to come to grips with our trade laws and conditions such as exist in our steel industry," he told a Senate panel.

"I happen not to agree with the particular judgment. But I recognize that it is a very, very tough judgment that the president had to make," Greenspan said.

The powerful head of the US Federal Reserve said the United States had benefited "more than anybody" from the fruits of the international free trading system.

Bush announced Tuesday tariffs ranging from eight to 30 per cent on a wide range of steel imports.

The decision was taken under Section 201 of the 1974 trade law, which lets the president impose punitive tariffs on imports found to have caused injury to the domestic industry.

No proof of unfair trade is required.



PHOTO: AFP

Two South Korean models introduce the latest Hyundai Grandeur XG in Seoul Thursday during its official launch. The latest luxury model from Korean car manufacturer Hyundai will feature three V-6 engine versions, 2-litre, 2.5-litre and 3-litre for a price range starting at US\$ 14,800 to US\$ 24,615 on the Korean market.

Malaysia accuses US of hypocrisy, double standards

AFP, Kuala Lumpur

Malaysian Trade Minister Rafidah Aziz on Friday accused the United States of hypocrisy and double standards over its controversial move to increase steel tariffs.

The major world power preached free trade on the one hand but had now instituted "the worst" kind of tariff protection, she told reporters.

"Every country now is in a difficult position because of the surplus and the glut and the prices going down, so they are now instituting all kinds of tariff protection but the US is the worst of all," Rafidah said.

"That's quite normal, what they say is not exactly what they do. Most major players of the world do not practise what they preach and that is why Malaysia always adopts its own pragmatic position."

Rafidah said Malaysia also had "very small interim protection measures" for its steel industry but this was in line with its approach to gradually liberalising the market.

"We don't want to subscribe to free trade and do something else...

we are not free trade preachers," she said.

"We believe in market liberalisation to a point that doesn't jeopardise our own economy but for some other countries like the US, free trade is their philosophy but their practise is protectionism."

Rafidah said the US imposition of tariffs of between eight and 30 per cent was a "double standard" because countries which have free trade area (FTA) agreements with Washington were exempted.

"It is double standard because those with FTAs with them, they give discriminatory treatment such as Mexico, Canada..." she said.

Rafidah said she would write a letter to US Trade Representative Robert Zoellick to express Malaysia's concerns over the matter.

"The EU (European Union) is going to the WTO, I will write a letter to Bob Zoellick expressing our concern about this trend... Malaysia feels very strongly about it," she added.

PC shipments fall 5.4pc in Japan

AFP, Singapore

Shipments of personal computers (PCs) in Japan declined 5.4 per cent to 13.36 million units in 2001 from a year earlier, pulled down by a 14.5 per cent drop in domestic demand, an industry monitor said Friday.

"Consumer demand was the driving force for the high growth Japanese PC market in 1999 and 2000," said Kumi Shingyouchi, a senior market analyst for PC research at International Data Corp. (IDC) in Japan.

The effect of the severe recession in the world's second-largest economy was reflected in the falling demand for computers.

Home demand plunged 14.5 per cent and commercial shipments declined every quarter during 2001, Shingyouchi said.

Shipments of desktop computers dropped 16.5 per cent to 6.28 million units while portable computers rose 6.7 per cent to 6.70 million with the introduction of small and lightweight products, with features for wireless technology.