

International Business News

Geithner eyes US investment on India visit

AFP, Washington

Timothy Geithner will begin his maiden visit to India as US treasury secretary on Tuesday, hoping to improve an economic relationship that is often eclipsed by Washington's trade with China.

Geithner will begin his two-day trip in Delhi -- a city where he lived while his father was working for the Ford Foundation -- holding meetings with Indian Prime Minister Manmohan Singh and Finance Minister Pranab Mukherjee.

The 48-year-old, who is an Asia expert and speaks fluent Mandarin, hopes to focus talks on global economic management, financial investment and building infrastructure, a senior treasury official said ahead of the visit.

"India is an emerging global power and one with which the United States has an increasingly vital economic and financial relationship," the treasury official said.

After years of lingering Cold War tensions, unease about Washington's close ties with Pakistan and Washington's displeasure at India's acquisition of a nuclear bomb, relations are blooming.

In mid-March the two countries signed a framework for cooperation on trade and investment in Washington, which US Trade Representative Ron Kirk said would tap the "almost limitless potential for growth in trade between our two countries."

US, Japan farm chiefs to meet over beef row

AFP, Tokyo

The US agriculture secretary heads to Japan this week in a renewed attempt to settle a long-running beef trade dispute that has created friction between the close allies.

Japan, once the biggest buyer of US beef, stopped the imports after mad cow disease was detected in an American herd in late 2003 and has only resumed limited imports since then.

US farm state senators have fumed that the restrictions are "scientifically unfounded", with no new cases of the brain-wasting cattle disease bovine spongiform encephalopathy (BSE) detected for years.

During the recent controversy about Toyota's faulty gas pedal systems, Republican Senator Mike Johanns from Nebraska charged that, by the same logic, the United States could halt all Japanese car imports.

He wondered aloud "what the response would be in Japan if I suggested... that until the Japanese government can assure us that all of the defects are out of these vehicles, we're just not going to accept any vehicles from Japan."



Indian commuters drive past a partially completed section of an under-construction elevated corridor of the Bangalore Metro Rail Project in Bangalore. The Bangalore Metro is being constructed by Bangalore Metro Rail Corporation Ltd. With nearly 25 percent of the work completed as of February, the first stretch between Bayappanahalli to MG Road is scheduled to open in December.

US delays currency report that could target China: Treasury

AFP, Washington

The US Treasury Saturday delayed a currency report, due later this month, that could accuse China of currency manipulation.

Treasury Secretary Timothy Geithner announced the delay in a statement, saying there were better venues to advance US interests.

"There are a series of very important high-level meetings over the next three months that will be critical to bringing about policies that will help create a stronger, more sustainable, and more balanced global economy," he said.

Geithner did not give a date for the release of the report, originally due April 15.

The United States has long-accused Beijing of manipulating the yuan's rate against the dollar, to boost Chinese exports.

Washington has recently ramped up pressure on China to let the yuan -- effectively pegged at about 6.8 to the US dollar since mid-2008 -- appreciate.

Iran annual inflation down by more than half

AFP, Tehran

Iran's year to March 2010 inflation fell to 10.8 percent, down by more than half from the previous year, the official IRNA news agency reported quoting the central bank.

IRNA said inflation in the previous year to March 2009 was 24.5 percent.

Inflation in the Islamic republic, OPEC's second biggest oil exporter, has been its greatest economic challenge and had peaked in September 2008 to 29 percent.

Iranian economists blame President Mahmoud Ahmadinejad for stoking inflation with his expansionary policies during his first four-year term.

They accuse Ahmadinejad, who was re-elected in June 2009, of directly fuelling price rises by ploughing huge amounts of cash into the economy for local infrastructure projects and by offering low-interest loans.

TECHNOLOGY

Fans touch and swipe first iPads

AP, Seattle

Now that the iPad is in the hands of early adopters, the hard work for Apple Inc begins.

Eager customers intent on being among the first owners of this new class of gadgetry stood in long lines across the country Saturday. They seemed willing to buy first -- and discover uses for the iPad later.

In some ways, it was reminiscent of the lines and hoopla surrounding the 2007 launch of the first iPhone. The difference: People knew then that the iPhone would replace their existing cell phone, an appliance that has become a must-have for everyone from uber-geeks to stay-at-home moms.

With the iPad, which fits somewhere between phone and computer, Apple must convince people who already have smart phones, laptops, e-book readers, set-top boxes and home broadband connections that they need another device that serves many of the same purposes.

Many of the earliest iPad buyers say they will have a better idea of what they'll use it for only after they've had it for a while.

That didn't stop them from imagining, though.

Beth Goza has had iPhones and other smart phones, along with a MacBook Air laptop, yet she believes the iPad has a place in her digital lineup. She likened it to a professional tennis player owning different sneakers for grass, clay and concrete courts.

"At the end of the day, you can get by with one or the other," she said outside an Apple store in Seattle's University Village mall.

But she clearly doesn't want to just "get by." She's already dreaming up specific uses for her iPad, such as knitting applications to help her keep track of her place in a complicated pattern.

Danita Shneidman, a woman in her 60s, wanted one to look at photos and videos of her first grandchild, born this week in Boston.

And then there's Ray Majewski, who went to an Apple store in Freehold, New Jersey, with his 10-year-old daughter, Julia. The iPad is partly as a reward for her straight A's in school, and partly a present for himself.

"I like the electronic books, and my daughter is really getting into them as well," Majewski said. "I was thinking of getting a Kindle (e-book reader) but then said to myself, 'Why not get an iPad because I can get so much more from that than just reading books?'"

The iPad is essentially a much larger version of Apple's popular iPhone, without the calling capabilities. Just a half-inch



thick, the device has a touch screen that measures 9.7 inches on the diagonal -- nearly three times the iPhone's. Also like the iPhone, it has no physical keyboard.

For now, Apple is selling iPads that only connect to the Internet using Wi-Fi. Those models start at \$499. Versions that also have a cellular data connection will be available by the end of the month. They will cost \$130 more, with the most expensive at \$829.

In Apple stores in Seattle and on New York's Fifth Avenue, the atmosphere was festive, with employees cheering and clapping as customers entered and left. One kid arrived at a San Francisco store in a home-made iPad costume.

Some analysts had predicted the gadget would sell out on Saturday. Although there didn't seem to be problems with supply at Apple stores, two Best Buy stores in the Washington, DC, area didn't have iPads in stock for sale when they opened.

People could also "pre-order" iPads online to arrive Saturday. Prasad Thammineni did just that, but had to chase the UPS guy down the block from his office in Cambridge, Massachusetts, to get his iPad.

After playing with it for a few hours, his impressions were mostly positive. Typing on the on-screen keyboard wasn't as com-

fortable as using a laptop with a regular keyboard, and Thammineni said he found himself using several fingers but not touch-typing normally. Still, he said, it was much easier to use than a Kindle keyboard.

But the weight of the device might keep him from typing on the go. Thammineni said that after about two minutes of holding up the device with one hand and typing with the other, it got too heavy, even at a mere 1.5 pounds.

Once the initial iPad excitement settles, Apple may have to work harder to persuade a broader swath of people to buy one. Many companies have tried to sell tablet computers before, but none has caught on with mainstream consumers. And while early adopters who pre-ordered an iPad in recent weeks have gushed about all the ways they hope to use it, sceptics point to all the ways the iPad comes up short.

They argue the on-screen keyboard is hard to use and complain that it lacks a camera and ports for media storage cards and USB devices such as printers. They also bemoan the fact that the iPad can't play Flash video, which means many Web sites with embedded video clips will look broken to Web surfers using Apple's Safari browser. And the iPad can't run more than one program at a time, which even fans hope will

change one day soon.

College student Brett Meulmester stood in line at an Apple store in Arlington, Virginia, to try one out without buying one yet because of cost.

Lower prices could push wider adoption, but when Apple slashed prices for the iPhone just months after its release, early buyers were irate. Tom Quinn, of Sea Girt, New Jersey, wasn't worried about paying a premium for being one of the first to have an iPad.

"When that happened with the iPhone, they gave out \$100 credit," he said. "If the same thing happens with the iPad, I'm sure they'll do something similar."

For others, cost was clearly not an issue -- nor convenience, it seemed. Siggi Manz, a software developer who lives near Frankfurt, Germany, was spending just 20 hours in New York to snag one. Manz, who already carries Apple's MacBook Pro and iPhone, said the iPad would be ideal for note-taking.

"Opening a laptop is sometimes impersonal because the monitor is between us, and the iPhone is too little to really honestly type," Manz said.

James Stuart trekked to Seattle from Canada, where the iPad won't be on sale for another month -- too long, in his mind.

WATER RESOURCES

Mekong fishermen left high and dry

AFP, Vientiane

Fisherman Phimmalang Sengphet paddles his boat to the sandy banks of the Mekong River in Laos and inspects his meagre haul. "We can't even catch enough to feed ourselves," he says wearily.

The 38-year-old was able to net more than 10 kilos (22 pounds) of fish a day this time last year, but now he is lucky to bring home just half that. He blames the unusually low water levels -- the most extreme he has ever seen.

"We want to know why. This is our life, catching fish to sell at the market. This is our business to provide for our families," he says as he wanders back to his village on the outskirts of the capital Vientiane.

Mekong River levels in parts of Laos have hit their lowest in 50 years.

The situation has alarmed the millions who depend on what is the world's largest inland fishery with an estimated annual catch of about 3.9 million tonnes, according to the Mekong River Commission (MRC).

"In Laos we don't have the sea, we only have the Mekong for water and for food, so it's very important to us," said another villager, 63-year-old Som Sirivath, as she waded waist-deep into the river in search of some supper.

The ebbing flows are not confined to land-locked Laos, one of Asia's poorest nations.

In the upper Mekong basin in China's southwest, more than 24 million people are short of drinking water as a result of the worst drought in a century. Downstream, the north of Thailand has also suffered five-decade river lows.

"Many people I know have changed to agricultural work because they can't live on income from the fishing industry," said Niwat Roykaew, head of a local conservation group in the northern Thai province of Chiang Rai.

The cause of the dwindling waterway is a matter of fierce debate, with activists pointing the finger upstream to China's



A fisherman inspects his fishing boat on the drought-hit Mekong River at Thatkhao village in the suburbs of Vientiane on March 27. A severe drought in Southeast Asia and southern China has caused the Mekong River to drop to a 50-year low, affecting farmers, fishermen living along it.

hydropower dams, which they believe channel water away from the upper reaches of the Mekong.

Pianporn Deetes, of campaign group International Rivers, said water levels were not just dropping but "fluctuating unnaturally", and that disruption to the ecosystem began after China built its first dam more than a decade ago.

"Local people experienced the loss of fish catch, the destruction of aquatic resources," the Thai environmentalist told a recent forum in Bangkok.

With a dozen dams proposed downstream as well as in China, she said locals were "worrying about the threats to the ecosystem, the livelihoods and food security. Definitely the impact on fisheries is our

main concern".

China, which has eight existing or planned dams on the mainstream river, insists that extreme dry weather conditions are to blame for the current shortage -- a claim backed up by findings of the intergovernmental MRC.

Whatever the reason, the problem concerns more than 60 million people who live in the lower Mekong basin and normally each eat 30 to 40 kilograms of fish every year, according to an MRC report released on Saturday.

People in southern Laos, for example, have relied "for generations" on diverse aquatic life for high-protein diets and have livelihoods "closely entwined with the seasonal rhythm of the river", the

report said.

The abnormally low levels are disrupting the vast fishery, raising fears over already endangered species such as the Mekong giant catfish that can weigh up to 350 kilograms, said MRC spokesman Damian Kean.

A shallower river can affect breeding and migration patterns, as well as the waterway's general ecological health, he said.

The MRC report urged caution over future developments in the basin, warning of dangers posed by both proposed dams and expanding populations.

"Over the past five years, significant changes have taken place in water-related resources and this is likely to continue, which may put livelihoods under threat," said commission adviser Hanne Bach.