

China says trade war ‘has not made America great again’

Washington's escalating trade war with Beijing has not "made America great again" and has instead damaged the American economy, China said Sunday, warning that while it wants resolution through talks there will be no compromise on core principles.

Beijing's broadside is the latest act in a bruising conflict between the world's top two economies that has spooked markets and sparked fears about the global economy.

With trade talks stalled, the dispute has intensified in recent weeks with US President Donald Trump imposing fresh tariffs on imports from China and moving to blacklist Chinese tech titan Huawei over national security concerns.

"The (US) tariff measures have not boosted American economic growth. Instead, they have done serious harm to the US economy," the Chinese government said in a white paper, pointing to what it described as increased production costs and consumer prices in the United States and threats to economic growth.

"The trade war has not 'made America great again'," it said, referring to Trump's political slogan made famous during his 2016 presidential campaign.

The white paper's release came a day after China hit \$60 billion worth of US goods with new punitive tariffs ranging from five to 25 percent, in retaliation for Washington raising duty on \$200 billion in Chinese



US President Donald Trump

goods to 25 percent.

Trump launched the trade war last year in a bid to reduce the US trade deficit with China and force Beijing to undertake economic reforms, accusing it of seeking to dominate global industries with unfair state subsidies and of acquiring American technology through theft or forced transfers.

Since Trump fired the first shot, the two countries have exchanged tit-for-tat tariffs on two-way trade worth hundreds of billions of dollars.

The resulting conflict has gutted US farm exports to China, and weighed on the manufacturing sectors in both countries.

While both sides have sought to find a resolution through several rounds of negotiations, they appear to have stalled after the latest

meetings ended without a deal.

American negotiators have alleged their Chinese counterparts reneged on previous commitments, but China said Sunday the US should bear "sole and entire responsibility" for the setback in negotiations, accusing Washington of repeatedly changing its demands.

Despite the tensions, China has reiterated that it wants to resolve trade issues through talks.

"On the trade friction started by the US: if the US wants to talk, we will keep the door open. If they want to fight, we are ready," Chinese defence minister General Wei Fenghe told an international security dialogue in Singapore on Sunday.

And the white paper said: "China does not want a trade war, but it is not afraid of one and will fight one

if necessary."

With trade talks stalled, the dispute appears to be spreading beyond tariffs.

Beijing has said it will unveil its own list of "unreliable entities", apparently in response to the US blacklisting of Huawei over national security concerns, specifically over possible links to China's military.

The company has dismissed such fears, and Wei echoed that on Sunday.

"Do not think that because the head of Huawei used to serve in the military, then the company that he built is part of the military," he said.

China's deputy commerce minister Wang Shouwen said Sunday that Beijing's list will target companies that "violate market principles", cut supplies to or block Chinese enterprises, and "whose actions affect China's national security".

He did not say when the list will be published or what kind of penalties will be imposed on such firms.

Chinese state media have also dangled the threat of cutting exports of rare earths to the United States -- a key resource used in the production of everything from smartphones to military hardware.

There are hopes that Trump and Chinese President Xi Jinping will meet at the G20 summit this month to ease tensions and jumpstart trade negotiations.

But Wang said he had no information when asked about the meeting at a press conference on Sunday.

Space firm founded by billionaire Paul Allen closing operations

Stratolaunch Systems Corporation, the space company founded by late billionaire and Microsoft Corp co-founder Paul Allen, is closing operations, cutting short ambitious plans to challenge traditional aerospace companies in a new "space race," four people familiar with the matter said on Friday.

The company, a unit of Allen's privately held investment vehicle Vulcan Inc, had been developing a portfolio of launch vehicles including the world's largest airplane by wingspan to launch satellites and eventually humans into space.

Allen, who founded Seattle-based Stratolaunch in 2011, died at age 65 in October. Vulcan has been exploring a possible sale of Stratolaunch's assets and intellectual property, according to one of the four sources and also a fifth person.

A representative of Stratolaunch Systems Corp initially said the company did not "have any news or announcements to share at this time." Later, she said by phone:

"Stratolaunch remains operational" while declining further comment.

Efforts to reach Vulcan Inc for comment were not successful.

The four persons familiar with the matter all spoke on condition of anonymity, as did the fifth source, citing the confidential nature of the matter.

A spokesman for Northrop Grumman Corp, which owns Scaled Composites, the main contractor for Stratolaunch's carrier plane, declined to discuss the company's operations. Stratolaunch aimed to launch Northrop's small-payload Pegasus from Stratolaunch's carrier plane in 2020.

Allen's Stratolaunch had been compared to billionaire Richard Branson's Virgin Galactic - which is developing a similar high-altitude launch system - Jeff Bezos' Blue Origin and Elon Musk's SpaceX. They all seek to cash in on growing demand for satellite launch services and, eventually, space travel, a market long dominated by industry stalwarts such as United Launch Alliance - a partnership between Boeing Co and Lockheed Martin Corp.



The world's largest airplane, built by the late Paul Allen's company Stratolaunch Systems, makes its first test flight in Mojave, California.

Radisson, Prime Bank launch package offer

Radisson Blu Dhaka and Prime Bank have rolled out a joint campaign, offering the buy-one-get-one-room package at the hotel to the bank's cardholders.

The bank's cardholders who book one night-room package will get another night free under the Twice the Twist promotion, the hotel said in a statement yesterday.

Guests can avail the offer at Tk19,999 (VAT and service charge included) till June 30. Offer is valid for Bangladeshi citizens only.

The package includes a couple's stay at superior room, buffet dinner and breakfast for two on the first night. On the second night, the package will include a couple stay at a superior room and the buffet lunch, dinner and breakfast.

Other benefits include complimentary stay for children up to 12 years old, early check-in and late check-out facilities and 25 percent off on spa treatments and usage of swimming pool.

Children aged up to 12 years will also get 50 percent off on the hotel's food and beverage services.

Airlines want joint lifting of 737 MAX ban, but EU cautious

Airlines urged regulators on Sunday to coordinate on software changes to the Boeing 737 MAX in a bid to avoid damaging splits over safety seen when the aircraft was grounded in March.

The International Air Transport Association (IATA), whose 290 carriers account for 80 percent of world flying, said trust in the certification system had been damaged by a wave of separate decisions to ground the jet, with the US last to act.

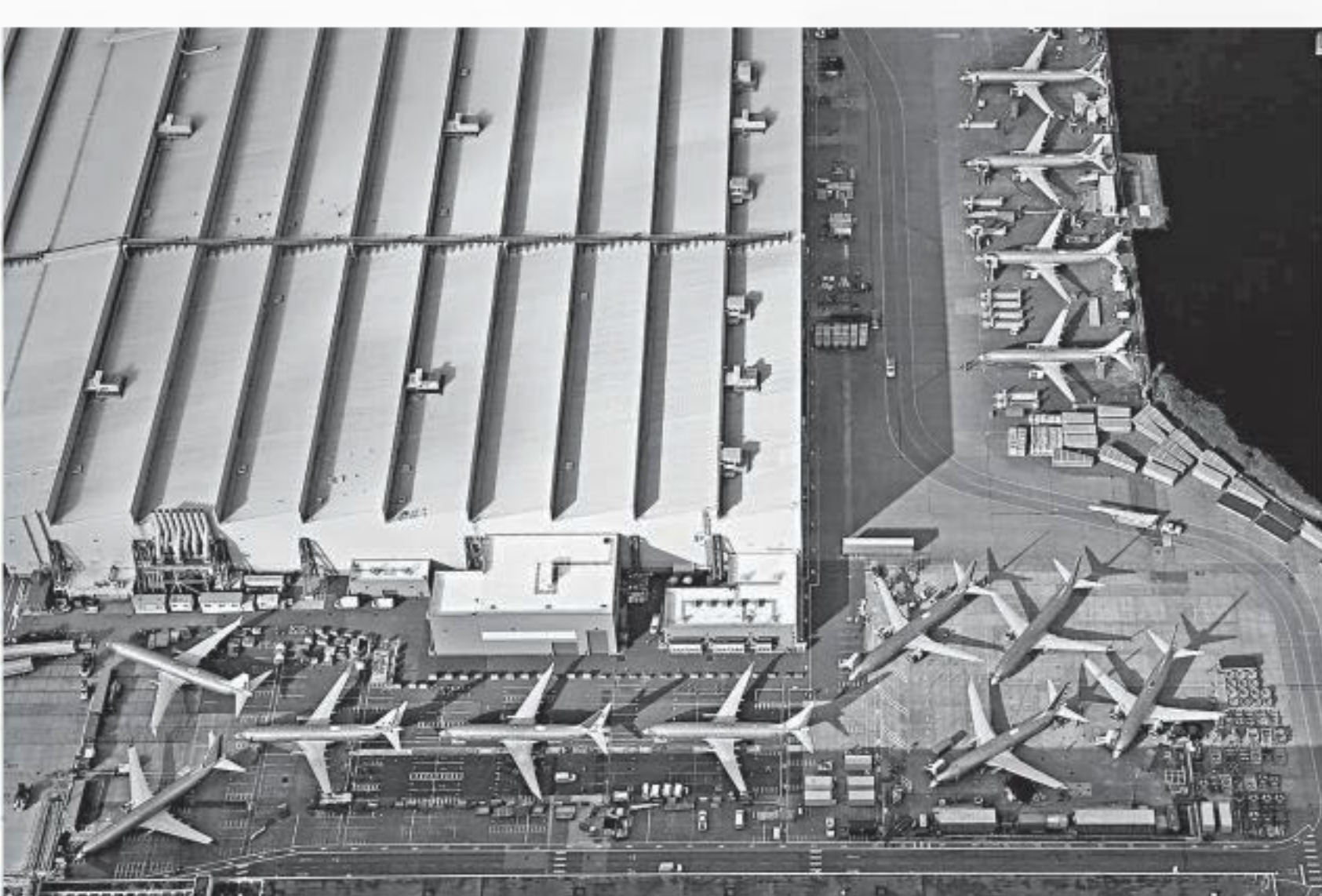
Airlines are worried further differences between regulators over safety could confuse passengers and cause disruption.

"Any rift between regulators is not in anyone's interest," IATA Director General Alexandre de Juniac told an annual meeting of the association in Seoul.

Boeing's best-selling jet was grounded after two crashes, in Indonesia and Ethiopia, over five months killed a total of 346 people. The Federal Aviation Administration initially resisted the decisions led by China, but later followed suit.

Airline officials say any new bout of staggered decisions could cause problems in operations and code-sharing.

"Obviously for us to operate the MAX, the approval from the Singapore authorities is not enough. We have to operate somewhere ... Indonesia and China are two important markets



An aerial photo shows Boeing 737 MAX airplanes parked on the tarmac at the Boeing Factory in Renton, Washington.

for us," Singapore Airlines CEO Goh Choon Phong told Reuters.

But the European Union's top transport official said bloc's regulator, the European Aviation Safety Agency, reserved the right to carry out its own separate review at its own pace. "Certainly EASA will take a very close look at the results (of proposed design changes) and then make a decision and that message was very clearly passed," Transport Commissioner Violeta Bulc told Reuters at the Seoul event.

"We always work together with other regulators and we certainly will take joint moves, but EASA will reserve the right to take an individual look at the results and then of course engage with the rest of the regulators."

Asked how long it would take to end the crisis, she said, "I hope as soon as possible, because we do need to restore order and trust and move on."

The 737 MAX crashes have thrown the spotlight on cockpit software and a certification system which relies on the US Federal Aviation

Administration (FAA) delegating some approval tasks to Boeing staff working on their behalf.

"I think the investigations ... will probably reveal that the FAA perhaps unwittingly let a little bit too much go," said Emirates president Tim Clark. "And I think that the other regulators didn't realise how much the FAA had empowered the manufacturing delegates," he added.

Clark warned it could take six months to restore operations as other regulators re-examine the US delegation practices - though US majors have only suspended MAX schedules to August.

"That is why it is going to take time to get this aircraft back in the air. If it is in the air by Christmas I'll be surprised - my own view," he told reporters.

Emirates' sister carrier flydubai is a major 737 MAX customer.

The FAA says it has no firm date but has indicated privately to other regulators that it aims to certify new software by end-June, after which it could take weeks to get planes flying.

A person familiar with the plans said the FAA wanted an "orderly" process, anticipating a sequence of approvals for software changes and training rather than one global decision.

If confirmed, that could see 737 MAX aircraft back in the air in some markets as early as the summer, the person said, barring further hitches or surprises in the ongoing review.

JAL to deepen ties with Malaysia Airlines

Japan Airlines Co Ltd (JAL) may expand a joint venture with Malaysia Airlines to cover US flights and other Asian routes in the future, the Japanese carrier's president said.

The pair signed a memorandum of understanding for a JV on Malaysia-Japan flights on May 27, but JAL President Yuji Akasaka said that was only part of a deepening partnership between the two, both members of the oneworld alliance.

The Malaysian government is considering whether to shut, sell or refinance its loss-making national carrier, Prime Minister Mahathir Mohamad said in March.

JAL, which undertook a successful turnaround after entering bankruptcy in 2010, could provide advice to Malaysia Airlines based on its own experience, Akasaka told reporters on the sidelines of an airline industry conference in Seoul on Sunday.

Mercantile Bank plans to set up venture capital firm

LankaBangla Finance and IDLC Finance, two leading non-bank financial institutions, have set up venture capital companies.

Reza said Mercantile Bank has a product named "Udayan" to bankroll startups. A startup company gets a maximum Tk 50 lakh as collateral-free loan.

"We have so far funded 24 startups. Now we want to give it an institutional shape," he said.

According to the Venture Capital & Private Equity Association of Bangladesh that started its journey in 2016, venture capital is a very important source of funding for businesses that do not have access to capital markets or banks.

Foreign fund in DSE on the decline

This is not the first time such lack of coordination has surfaced, the official of the brokerage house said.

In 2015, the energy regulator slashed the distribution charges of Titas Gas. As a result, the state-run gas utility lost more than Tk 3,000 crore in market value in the five months to February 2016, he said.

"These types of sudden decisions affect foreigners' confidence to a great extent."

The depreciation of the taka against the US dollar is another reason that caused the foreign portfolio investment to fall since March.

According to Bangladesh Bank data, the inter-bank exchange rate stood at Tk 84.50 per USD on Thursday, up from Tk 82.97 a year ago.

Online shops log Tk 120cr Eid sales

Monir Talukder, chief product officer of Pickaboo, another popular e-commerce platform for smart gadgets, said the company's sales rose three times compared to last year's.

The increasing demand of e-commerce across the country, traffic congestion in the capital and promotional offers from payment systems also played an important role in boosting online sales this Eid.

Like in the past, e-commerce platforms are not being able to cash in on the spending spree in the week to the Eid festival because of delivery challenges and lackadaisical response from merchants.

As a result, online platforms have not accepted orders since Friday, Mashroor, also a former president of the Bangladesh Association of Software and Information Services.

"Customers can make orders but we are clearly informing them that they will get the delivery after Eid," he said.

Most consumers complete Eid shopping in the last week of Ramadan after getting festival bonus.

Veterans in the industry such as Mashroor say if the delivery system becomes stronger, the business volume will be much higher.

In India, e-commerce order numbers more than 40 lakh to 50 lakh a day. Given the size of the economy and the population, Bangladesh's e-commerce industry deserves to receive at least four lakh to five lakh orders a day, he said.

There are 1,000 e-commerce entrepreneurs in Bangladesh, while another 1,000 run business via Facebook.

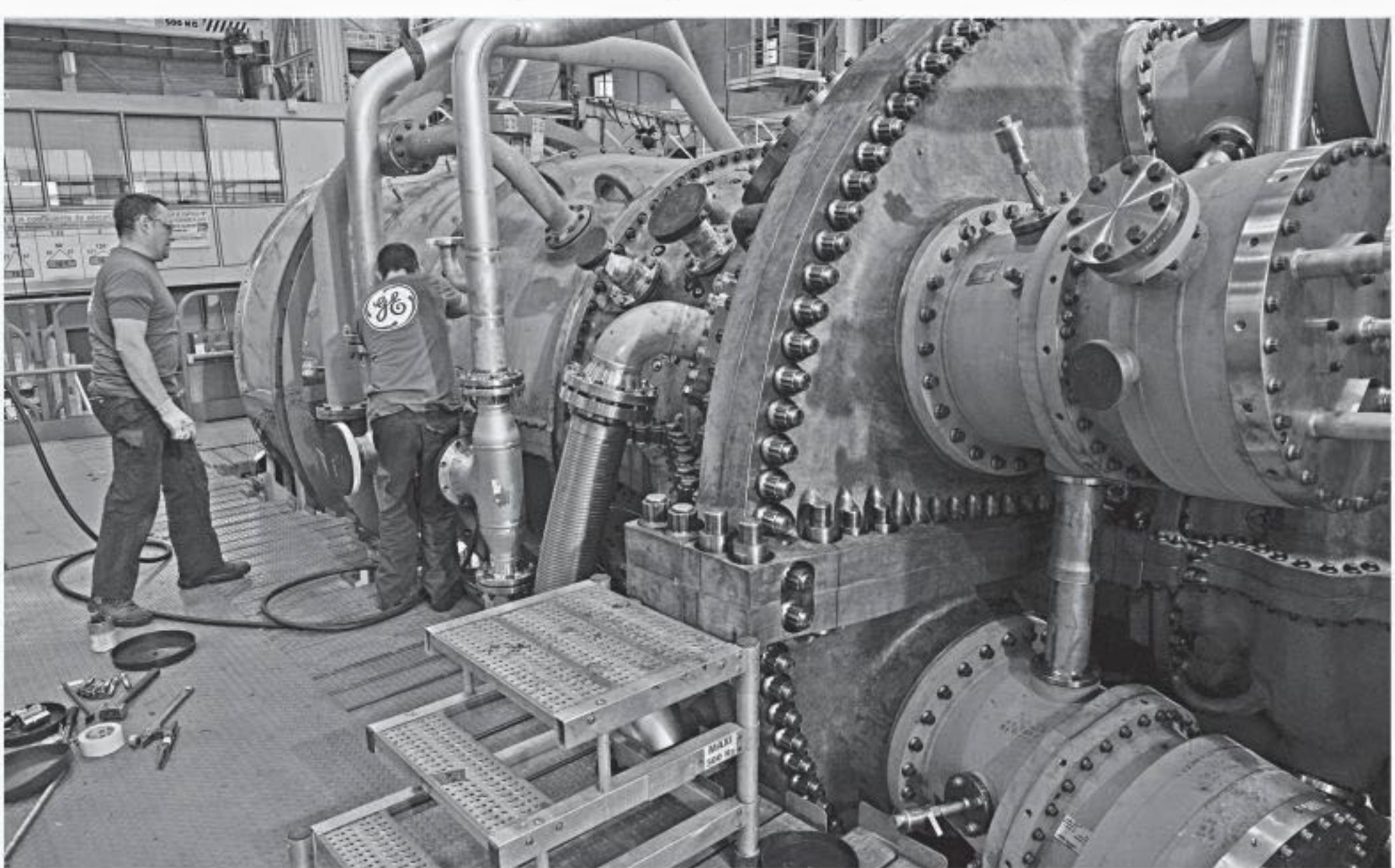
The e-commerce market is about Tk 1,500 crore a year and is growing at least by 50 percent, according to the e-Commerce Association of Bangladesh.

GE says French plant set for layoffs will not close down

A General Electric (GE) factory in eastern France where the US group is planning job cuts will not close down, and the firm is looking into alternatives there including building

aeronautical parts, GE's French boss said in a media interview.

The logo of US conglomerate General Electric is pictured at the company's site of its energy branch in Belfort, France, February 5, 2019. REUTERS/Vincent Kessler/Files



Employees of General Electric work on a gas turbine at the GE plant in Belfort, eastern France.

Plans announced last Tuesday for over 1,000 potential layoffs, mainly targeted at the Belfort plant, prompted France's Economy Minister Bruno Le Maire to say he would fight to save jobs at the site as negotiations kicked off with unions.

GE had said the move was aimed at making its operations more efficient in France in response to a shrinking market for power plants. Belfort handles gas, steam, nuclear and hydro technology.

In an interview published on Sunday in France's Journal Du Dimanche, Hugh Bailey, the general manager of GE in France, said Belfort's sales of gas turbines had halved between 2017 and 2018 and the group was struggling to remain competitive.

"That said, I want to be clear, Belfort will not close," Bailey was quoted as saying. "It will remain GE Power's number one industrial site in Europe," Bailey said gas power still had a future but added other areas that were developing rapidly - such as renewable energy and energy storage - could also be key.

He said GE businesses in other countries could be affected by the restructuring, though he did not give details.

"GE's difficulties in energy are well known. When it comes to this (job cut) project, the announcement is part of a global decision, which is then adapted on a European level, country by country," Bailey told the JDD.