

China warns US to stop 'wrong' trade actions or face consequences

China said on Saturday it strongly opposes Washington's decision to levy additional tariffs on \$550 billion worth of Chinese goods and warned the United States of consequences if it does not end its "wrong actions".

The comments made by China's Ministry of Commerce came after the US President Donald Trump announced on Friday that Washington will impose an additional 5% duty the Chinese goods, hours after Beijing announced its latest retaliatory tariffs on about \$75 billion worth of US goods, in the latest tit-for-tat moves in their bilateral trade dispute, Reuters reported.

"Such unilateral and bullying trade protectionism and maximum pressure violates the consensus reached by head of China and United States, violates the principle of mutual respect and mutual benefit, and seriously damages the multilateral trade system and the normal international trade order," China's ministry said in a statement on Saturday.

"China strongly urges the United States not to misjudge the situation or underestimate determination of the Chinese people," it added.

Trump's latest tariff move, announced on Twitter, said the United States would raise its existing tariffs on \$250 billion worth of Chinese imports to 30% from the current 25% beginning on Oct. 1, the 70th anniversary of the founding of the communist People's Republic of China.

The intensifying US-China trade war stoked market fears that the global economy will tip into recession, sending US stocks into a tailspin, with the Nasdaq Composite .IXIC down 3%, and the S&P 500 .SPX down 2.6%.

US Treasury yields also declined as investors sought safe-haven assets, and crude oil, targeted for the first time by Chinese tariffs, fell sharply.

Trump's tariff response was announced after markets closed on Friday, leaving potentially more damage for next week.

"Sadly, past Administrations have allowed China to get so far ahead of Fair and Balanced Trade that it has become a great burden to the American Taxpayer," Trump said on Twitter. "As President, I can no longer allow this to happen!"

US companies pressed to quit China

Also, Trump said on Friday he was ordering US companies to look at ways to close their operations in China and make more of their products in the United States. Instead, sending US markets down sharply in the new rhetorical strike at Beijing as trade tensions mounted.

Trump cannot legally compel US companies to abandon China immediately. He gave no detail on how he might proceed with any such order.

"Our great American companies are hereby ordered to immediately start looking for an alternative to China, including bringing your companies HOME and making your products in the USA," Trump wrote on Twitter. "We don't need China and, frankly, would be far better off without them."

The US Chamber of Commerce rebuffed Trump's suggestion and urged China and the United States to quickly reach a deal in the long-running trade issue. "While we share the president's frustration, we believe that continued, constructive engagement is the right way forward," the group said.

Experts said tax policy changes and sanctions could be used to restrict or reduce US business activity in China, but it would take years to disentangle the world's two largest economies. The consequences of a complete break to the world economy would be severe, they said.

China, for instance, holds \$1.11 trillion in US Treasury securities.

For many products sold in the United States, there are few alternatives to Chinese production, and shifting production for major goods produced there could take years and be expensive.

American companies could also sue the US government in response to any order to shutter plants in China. The most effective option for Trump would be to restrict federal procurement from any companies that do business in China.

That would hit companies like Boeing Co (BA.N), Apple and General Motors (GM.N), which are both big US contractors and have large business interests in China. Many US companies have already begun moving some operations out of China due to rising labor costs. But others, including General Motors, have large plants there to supply the Chinese market. They would resist any pressure to close their facility there, given the size and importance of the Chinese market, Reinsch said.

Last week, Trump backed off his Sept. 1 deadline for 10% tariffs on remaining Chinese imports, delaying duties on cellphones, laptops and other consumer goods.

The US Trade Representative's Office delayed tariffs on more than half the \$300 billion in Chinese-made goods telling companies the delay covered product categories where China supplies more than 75 percent of total US imports.



Containers are seen at Yantian port in Shenzhen, Guangdong Province, China, on July 4, 2019.

Iraq summons US diplomat over alleged Israel airstrikes

International Desk

Iraq summoned a US diplomat in Baghdad amid reports suggesting that Israel launched several airstrikes on weapon caches belonging to Iraq's Popular Mobilization Forces (PMF) last month.

Iraqi Foreign Minister Mohammed Ali al-Hakim told the charge d'affaires at the US Embassy in Baghdad Brian McFeeters that Iraq is committed to the principle of establishing good relations with neighboring countries to preserve the security of Iraq and the region, and that Iraq is not an arena for conflict, but for construction and development, Iraq's Foreign Ministry said in a statement on Saturday.

Iraq also urged the US to stay committed to a strategic security agreement signed between the two countries.

The meeting came after two US officials confirmed on Friday that Israel was responsible for the bombing of a weapons depot in Iraq last month.

The mystery attacks have not been claimed by any side and have left Iraqi officials scrambling for a response, amid strong speculation that Israel may have been behind them.

Earlier this week, the deputy head

of the Iraqi militias openly accused Israel of carrying out the attacks, but ultimately blamed Washington and threatened strong retaliation for any future attack.



There have been at least three explosions at Iraqi militia bases in the past month. American officials now confirm Israel was responsible for at least one of them.

The two American officials said Israel carried out an attack on a weapons depot in July that killed two commanders. The US officials spoke on condition of anonymity because they were not authorized to discuss the matter with the media.

On Friday, former Iraqi prime minister Nouri al-Maliki warned of a "strong response" if it is proven that

Iraq was behind the airstrikes in Iraq.

In statements issued by his office, he also said that if Israel continues to target Iraq, the country "will transform into a battle arena that drags in multiple countries, including Iran," according to.

Maliki was Iraqi prime minister for eight years and now heads a Shia bloc in parliament.

The July 19 attack struck a militia base in Amirli, in Iraq's northern Salaheddin Province, causing a huge explosion and fire.

On August 12, a massive explosion at the Al-Saqr military base near Baghdad shook the capital, killing one civilian and wounding 28 others. The base housed a weapons depot for the Iraqi federal police and the PMF. The most recent of the explosions came Tuesday night, at a munitions depot north of Baghdad.

There have been weeks of speculation in Iraq that the army is attacking targets in Iraq.

In an interview with a Russian-language TV station on Thursday, Netanyahu indicated the speculation is true. The attack would be the first known Israeli airstrike in Iraq since 1981, when Israeli warplanes destroyed a nuclear reactor being built by the Arab country's former dictator Saddam Hussein.

US Secretary of State Mike Pompeo on Friday, saying: "We are ready for both dialogue and stand-off."

Those remarks came after US envoy on North Korea Stephen Biegun was in Seoul this week to discuss ways to get negotiations back on track.

The North kept up its harsh criticism of sanctions imposed because of its nuclear and missile programs.

"The US should clearly understand that we do not have a lingering attachment on sanctions relief and that we will never barter the strategic security of the country for the sanctions relief," a commentary on North Korea state media KCNA said on Saturday.

South Korea's NSC called for North Korea to stop escalating military tensions and agreed to make diplomatic efforts to bring it to the negotiating table with the United States as soon as possible. South Korea's presidential office said in a statement.

North Korea launches more short-range missiles

North Korea fired what appeared to be two short-range ballistic missiles into the sea off its east coast on Saturday, the South Korean military said, the latest in a series of launches in recent weeks amid stalled denuclearization talks.

Saturday's launch was the seventh by North Korea since US President Donald Trump and North Korean leader Kim Jong Un met at the inter-Korean border in June. The launches have complicated attempts to restart talks between US and North Korea negotiators over the future of Pyongyang's nuclear weapons and ballistic missile programs, Reuters reported.

The two leaders agreed in June to restart working-level negotiations but the United States has so far been unsuccessful in its attempts to get the talks going again. The process has been stalled since an unsuccessful second summit between Trump and Kim in Hanoi in February.

Trump said earlier this month Kim told him he was ready to resume talks on North Korea's nuclear and missile programs and would stop missile testing as soon as US-South Korea military exercises ended.

However, while the joint military drills are over, North Korea's continued launches caused "strong concern", South Korea's National Security Council (NSC) said on Saturday.

Trump said after the latest launches the United States has a good relationship with North Korea. "Kim Jong Un has been ... pretty straight with me," Trump told reporters at the White House. North Korea has repeatedly criticized the mostly computer-simulated drills in recent weeks, as well as South Korea's import of high-tech weapons such as F-35 stealth jets and the US testing of its intermediate-range cruise missile as threatening and hindering dialogue.

North Korea's top diplomat called

EU's Tusk asks: Does UK's Johnson want to be 'Mr. No Deal'?

European Council President Donald Tusk said he would meet Britain's new prime minister on the sidelines of a G7 summit in France today and was ready to hear ideas on how to avoid a no-deal Brexit.

"Tomorrow I meet PM @BorisJohnson. I hope that he will not like to go down in history as 'Mr. No Deal'", Tusk tweeted, Reuters reported.

"The EU is ready to listen to operational, realistic ideas acceptable to all Member States including Ireland, if and when the UK government is ready to put them on the table."



CHRISTIAN HARTMANN/REUTERS

European Council President Donald Tusk speaks during a news conference on the margins of the G7 Summit in Biarritz, France, on August 24, 2019.

Boris Johnson has insisted Britain will leave the EU on Oct. 31 with or without a deal, and has told the bloc there is no point in new talks unless negotiators are willing to drop the so-called Northern Irish backstop agreed with his predecessor, Theresa May.

Flights suspended at Libya airport after rocket fire

Flights were temporarily suspended Saturday at the Libyan capital's sole functioning airport after it was hit by a rocket as two civilian flights were landing, airport authorities said.

"Flights are suspended until further notice due to rocket fire," the Mitiga International Airport said on its Facebook page, AFP reported.

After a pause of several hours flights resumed around midday, airport authorities announced in a later post.

Located east of Tripoli, Mitiga is a former military airbase that has been used by civilian traffic since Tripoli International Airport suffered severe damage during fighting in 2014.

Authorities said a rocket hit just as two flights were landing — a Buraq Air flight from Istanbul and a Libyan Airlines flight inbound from Medina in Saudi Arabia carrying over 200 passengers, including pilgrims returning from Mecca.

Mitiga has previously been targeted in fighting between the Tripoli-based UN-recognized Government of National Accord (GNA) and forces loyal to eastern Libyan strongman Khalifa Haftar.



MAHMUD TURKIA/AFP

Haftar's self-styled Libyan National Army launched an offensive on April 4 to conquer Tripoli.

The two sides have since been embroiled in a stalemate on the capital's southern outskirts and Haftar's forces have allegedly repeatedly targeted Mitiga.

The origin of Saturday's rocket fire was not confirmed but the GNA forces blamed Haftar's forces.

The blast damaged a sidewalk outside the airport terminal and left cars parked nearby riddled with shrapnel, an AFP photographer at the scene said.

The UN mission in Libya said it is concerned by the "growing frequency" of these attacks, which have come close to hitting civilian aircraft.

Since April, the fighting has killed at least 1,093 people and wounded 5,752, while some 120,000 others have been displaced, according to the World Health Organization.

Libya has been mired in chaos since a NATO-backed uprising that toppled and killed former leader Muammar Gaddafi in 2011.