

# 'China getting decimated by tariff war'

President Trump vows to slap more tariffs on Beijing if it does not accede to America's trade demands

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WASHINGTON

President Donald Trump has concluded that his tariff threat worked and forced Mexico to stop the flow of migrants. On Monday, he pivoted back to his trade fight with China and vowed to hit Beijing with more tariffs if it did not accede to America's trade demands.

"The China deal's going to work out," Mr. Trump said in an interview on CNBC. "You know why? Because of tariffs. Because right now, China is getting absolutely decimated by companies that are leaving China, going to other countries, including our own, because they don't want to pay the tariffs."

The President has long favoured tariffs as an immediate and unilateral policy tool. But his increasing confidence that the levies have helped accomplish his goals without harming the U.S. sets up an even more tumultuous period ahead for businesses, consumers and foreign countries.

Mr. Trump on Monday continued to attack the Federal Reserve for raising rates last year, saying it had put



**Ties resume:** In this June 7 photo, products are being transported to the United States from Mexico, which recently faced a tariff threat from President Donald Trump. •NYT

the U.S. at a competitive disadvantage to China, which has a fairly subservient central bank. "They devalue their currency. They have for years," he said. "It's put them at a tremendous competitive advantage, and we don't have that advantage because we have a Fed that doesn't lower interest rates."

The President insisted his tariffs were having their intended effect — pressuring other countries to make deals, prompting companies

to move factories back to the U.S. and generating an enormous amount of money, all without costing American consumers.

## Immediate threat

He said he was prepared to place 25% tariffs on another \$300 billion worth of Chinese goods and would do so immediately if a planned meeting with President Xi Jinping of China did not happen this month during the G-20 summit in Japan.

"We are scheduled to talk and meet," Mr. Trump said during remarks to reporters at the White House. "We always have the option to raise it another \$300 billion to 25%."

Mr. Trump has blamed China for "renegeing" on a trade deal with the U.S., and last month he raised tariffs on \$200 billion worth of goods as punishment. China has retaliated by raising tariffs on about \$60 billion worth of American products.

## We are not afraid: Beijing

REUTERS  
BEIJING

China will "resolutely respond" if the U.S. insists on escalating trade tensions, an official said. Foreign Ministry spokesman Geng Shuang said he would not be drawn into confirming a Xi-Trump meeting, saying information would be released once it was available to the Ministry. "China does not want to fight a trade war, but we are not afraid of fighting a trade war."

Mr. Trump said Monday that he saw no downside to taxing nearly everything China sends into the U.S. "We've never gotten 10 cents from China. Now we're getting a lot of money from China, and I think that's one of the reasons the GDP was so high in the first quarter because of the tariffs that we're taking in from China," he said, referring to the gross domestic product, which grew about 3.1% in the first three months of the year. •NY TIMES

# Zardari handed over to anti-graft body for 10 days

Charges politically motivated, says Pakistan People's Party

ASSOCIATED PRESS  
ISLAMABAD

A Pakistani court handed over the country's former President to a national anti-graft body on Tuesday for questions regarding a multi-million dollar money laundering case.

Asif Ali Zardari will be held for 10 days pending investigation on corruption charges. He will appear in court again on June 21, when the anti-graft body is expected to press or drop charges.

The court order came a day after Mr. Zardari was arrested after the rejection of his and his sister's bail applications. However, authorities did not arrest Faryal Talpur; no explanation was given.

Both the former President, currently a member in the lower house of Parliament, and his sister had been accused by the National Accountability Bureau of holding dozens of bogus bank accounts. They have denied any wrongdoing.

Mr. Zardari's Opposition Pakistan People's Party



Supporters protesting against the arrest of Asif Ali Zardari in Peshawar. •REUTERS

claims the charges against him were politically motivated, which the government denies.

Several prominent politicians and businessmen have been swept up on corruption charges since Prime Minister Imran Khan took office last year. Mr. Khan campaigned heavily on promises to root out graft among the country's elite.

## Hamza arrested

Also on Tuesday, the anti-graft body arrested Hamza Shahbaz, a politician who is the son of Opposition leader Shahbaz Sharif, after the re-

jection of his bail in a corruption case.

He is also the nephew of the former Prime Minister Nawaz Sharif, who is currently serving a jail term over corruption charges.

Mr. Sharif and Mr. Zardari are longtime political rivals but their parties recently joined together, vowing to launch a protest campaign against Mr. Khan's government over increasing inflation and a spike in prices of essential food items.

## MQM leader held

Meanwhile, the police in London on Tuesday arrested Altaf Hussain, the self-exiled leader of the ethnic-based Muttahida Qaumi Movement. Pakistan has sought his arrest since a televised speech in August 2016 condemning the country's politically influential army, state-run media reported.

It was not immediately clear why British authorities had detained Mr. Hussain. The London police said in a statement that the investigation was ongoing.

# Sri Lanka MPs defy President to resume Easter attack probe

Sirisena opposed public questioning of officials

AGENCE FRANCE PRESSE  
COLOMBO

Sri Lanka's Parliament on Tuesday defied President Maithripala Sirisena and resumed investigations into security lapses surrounding the Easter suicide bombings that killed 258 people, officials said, as a political crisis in the country deepened.

The Parliamentary Select Committee (PSC) began hearing testimony from Muslim leaders who claimed they repeatedly alerted the authorities to dangerous radicalisation, a parliament-



Maithripala Sirisena

Wickremesinghe's party, meant the government was at a standstill.

"The current standoff effectively means that there is no government in Sri Lanka from today," Sri Lanka Freedom Party leader Gamini Lakshman Peiris told reporters in Colombo.

There was no immediate word either from the President or the Prime Minister on why the scheduled Cabinet meeting was not held.

Mr. Sirisena had opposed public questioning of military, police and intelligence officials, saying it would compromise national security. The PSC maintains that witnesses were free to give evidence in camera.

# Kim's brother was a CIA informant, says report

AGENCE FRANCE-PRESSE  
SEOUL

Kim Jong-nam, the estranged half brother of North Korean leader Kim Jong-un who was killed in Malaysia in 2017, was a CIA informant, the *Wall Street Journal* reported on Tuesday.

Citing "a person knowledgeable about the matter", the paper said Kim Jong-nam had met with CIA operatives several times.

Kim Jong-nam, who was once seen as heir apparent to the North's leadership, died after having his face smeared with the outlawed VX nerve agent as he waited at Kuala Lumpur airport.

According to the *Journal's* source there was a



Kim Jong-nam

"nexus" between Kim Jong-nam and the CIA, but the paper said many details of his connection with the intelligence agency were unclear.

The source said Kim Jong-nam travelled to Malaysia in February 2017 to meet his CIA contact, but that may not have been the only purpose of his trip.

# 'UAE paid businessman to spy on Trump administration'

Report says Rashid al-Malik reported to UAE intelligence

AGENCE FRANCE-PRESSE  
WASHINGTON

A UAE businessman linked to a probe of illegal donations to Donald Trump's political campaign was paid by his country's intelligence agency to spy on the U.S. President's administration, *The Intercept* reported on Monday.

Rashid al-Malik received tens of thousands of dollars a month for gleaning information on Trump administration policy toward West Asia in 2017, the website said, citing a former U.S. official and documents.

He reported back to the

UAE's National Intelligence Service on topics of interest to the oil-producing Gulf state — including U.S. efforts to mediate a Gulf feud involving Qatar — as well as meetings between U.S. officials and Saudi Arabia's powerful Crown Prince Mohammed bin Salman, *The Intercept* said.

Late last year, *The New York Times* and *Wall Street Journal* reported that U.S. federal prosecutors were investigating whether foreigners illegally funnelled donations to Mr. Trump's inaugural committee and a pro-Trump fundraising sup-

er PAC. Mr. Al-Malik, chairman of the investment firm Hayah Holdings, was interviewed by special counsel Robert Mueller's office as part of the probe, according to the *New York Times*.

The *Times* cited people familiar with the inquiry as saying it focussed on whether people from Qatar, Saudi Arabia and the UAE used straw donors to make contributions in the hope of buying influence over U.S. policy. The report was denied by Mr. al-Malik's lawyer, who told *The Intercept* that his client was "not an intelligence operative."

## IN BRIEF



### U.S. submits extradition request for Assange

WASHINGTON  
The U.S. government has formally submitted an extradition request to the U.K. for WikiLeaks founder Julian Assange, an official said on Tuesday. Mr. Assange faces an 18-count indictment that accuses him of soliciting and publishing classified information. •AP

# France smashes neo-Nazi cell over plot against Jews, Muslims

AGENCE FRANCE-PRESSE  
PARIS

The French police have smashed a neo-Nazi cell accused of plotting attacks on Jewish or Muslim places of worship, legal sources said on Tuesday.

Five members of the group, who were "close in ideology to the neo-Nazi movement", were charged between September and May over the alleged plot, a

source close to the investigation said.

"The investigation suggested they were developing an ill-defined plot to carry out an attack, likely to target a place of worship," the judicial source said. The sources gave no details of specific targets or motives.

The police in the southeastern city of Grenoble first arrested a man on weapons

charges in September 2018.

The investigation led them to the four other suspects, two of them minors.

Anti-terrorism investigators took over the investigation in January and charged the suspects with terror offences, including making and transporting explosive devices and being part of a terrorist conspiracy.

# Fresh wave of protests against Hong Kong bill

REUTERS  
HONG KONG

Thousands braved thunderstorms in Hong Kong on Tuesday for a fresh wave of protests against a proposed extradition bill that would allow people to be sent to mainland China for trial.

However, the Chinese-ruled city's leader, Chief Executive Carrie Lam, said she would press ahead with the bill despite deep concerns across vast swathes of the Asian financial hub.

In a rare move, prominent business leaders warned that pushing through the extradition law could undermine investor confidence in Hong Kong and erode its competitive advantages.

# Pak. army tightens grip on tribal belt

Military cracks down on protesters in the northwestern tribal region

GRIP BEN FARMER  
PESHAWAR

With the Pakistani military's crackdown on protesters in the northwestern tribal belt in recent days, the security forces have asserted themselves as the true masters of justice in the region.

Commanders have said an alternative anti-terrorism court system will be used to prosecute leaders of an ethnic Pashtun protest movement that witnesses insist has stayed peaceful. Roads have been closed, and a curfew imposed.

But this is the year things were supposed to be different in the tribal belt, which has waited for something other than summary justice for decades and was promised it would finally happen.

Pakistan voted last year to merge those bor-



Manzoor Pashteen says the campaign by the forces had made a lie of the abolition of the colonial justice code.

derlands, once known as the Federally Administered Tribal Areas (FATA), into the country's political and legal mainstream.

## Frontier code

At a stroke, the move assigned the region's 5 million residents — the vast majority of them from the ethnic Pashtun minority — the same constitutional rights as other

Pakistanis, including access to the national civilian justice system.

Before, it had been run under a harsh frontier code set up long ago by British colonial masters, who put each tribal region under the near-complete power of a single Governor.

Residents were denied basic rights like access to lawyers or normal trials, and collective punish-

ment for the crimes of an individual was common.

Manzoor Pashteen, leader of the Pashtun civil rights movement, known as PTM, said the recent campaign by the security forces had made a lie of last year's abolition of the colonial justice code.

"It is very obvious now that FATA and its administrative strings are still in the hands of the army," he said.

Hopes for change were dashed over the past two weeks, when the army began moving more aggressively against the PTM.

The PTM has for the past year been a thorn in the side of the military, accusing the security forces of extrajudicial killings, of whisking away dissidents to secret jails and of various other abuses. •NY TIMES