

# Malaysia unhappy with high steel tariff

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## We have to do something about it, says Mahathir

**KUALA LUMPUR:** Datuk Seri Dr Mahathir Mohamad expressed unhappiness yesterday over the recent high tariff increase on the import of steel into the US and said other countries which felt the same should band together in retaliation.

"Of course, we are not happy with this tariff," the prime minister said during a dialogue session at the Asia Economic Summit here.

Noting that Europe and Japan shared the same feeling over the tariff, he said: "If we are not happy, we have to do something about it because alone, we can't do anything."

"But together we can do something," added Mahathir, who is also the finance minister.

The US is imposing tariffs of up to 30% for three years on a wide range of steel imports. The move has triggered global protests with some intending to file complaints with the World Trade Organisation (WTO) over the violation of free trade rules.

The tariff, seen to be a US protectionist measure against steel imports, has been criticised as being clearly driven by its domestic political agenda.

Acknowledging the fact that countries are sometimes pressured to "protect the interest of their own people", Mahathir said similarly, Malaysia would like to impose tariffs on certain products under the Asean Free Trade Area.

"It's a question of give and take. If you protect too much,

your (market) access to other countries may face problems."

To a question, Mahathir said Malaysia believed in an open economy as it could not depend entirely on domestic consumption for economic growth.

He said Malaysia adopted the Asian model whereby for economic prosperity, external trade, foreign investment and investment overseas were needed. "We grow because of foreign direct investments. We don't believe in isolation."

Moving to the issue of a free market and deregulation, he said a free-for-all environment would cause disruption and create a situation of anarchy.