

Tariff on penguin 'country' shows US didn't analyse plan properly: PM

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The US' move to impose tariffs on certain countries uninhabited by humans demonstrates a lack of proper considerations, said Prime Minister Anwar Ibrahim.

Speaking during a monthly assembly with the Prime Minister's Department's staffers, Anwar also asserted that the basis and methods behind determining the tariff rates were "very weak and questionable".

"We cannot take this matter (US tariffs) lightly, even though we know that it is quite odd because the US was among other rich nations which supported the spirit of free trade and the establishment of the World Trade Organization.

"Some of the countries (targeted by the tariffs) include an island which is only occupied by penguins, which shows that perhaps (the tariffs) were not properly analysed," Anwar said.

He was referring to how the Australian external territories of Heard and

McDonald Islands, which host penguin colonies but no humans, were among the places targeted by sweeping US tariffs announced by President Donald Trump last week.

The White House reportedly said the islands were listed as they are Australian territories.

Commerce Secretary Howard Lutnick told CBS News yesterday that the tariffs on the islands are also aimed at closing “loopholes” which could be utilised by certain nations attempting to go through other countries to do business with America.

Room to discuss

Noting that there is still room to discuss and negotiate the reciprocal 24 percent tariff imposed on Malaysia, Anwar said his administration will be taking on the task of engaging with other Asean nations to capitalise on international relations.

Anwar also said the stark drop and turmoil faced by global stock markets and US trade commodities could affect the implementation of the reciprocal tariffs, which are scheduled to take effect on April 9.

Last Friday, it was reported that all three major stock indexes in the US plunged

more than five percent, marking the worst week for the US stock market since 2020.

Asian markets also slipped at the week's opening this morning as fears intensified over a global trade war.

Anwar added that while Malaysia must be more prepared to face economic uncertainties, the government will not be taking any measures which could endanger the people's welfare and livelihood.

"In terms of fundamental economics, we're doing a lot better (as) previously announced figures are more convincing, but there are certain unpredictable developments beyond our expectations, including those concerning the US tariffs.

"Our (volume of) exports to the US is high, with the semiconductor (industry) itself may be reaching US\$100 billion at about 65 percent of our entire production," he said.

Yesterday, Anwar criticised the US' decision to impose "reciprocal" tariffs on Malaysia, arguing that the math is flawed while rejecting the US' claim that Malaysia had imposed a 47 percent tariff on US imports into the country.

"The basis for calculating this tariff is fundamentally flawed, which has

inaccurately resulted in Malaysia being imposed a reciprocal tariff of 24 percent,” he said.

It had earlier been suggested that the Trump administration may have used AI to determine its tariff formula, as multiple users found that platforms such as ChatGPT would furnish the same formula when asked how to calculate the reciprocal tariffs.

On April 2, Trump announced that all imports into the US would be slapped with a baseline 10 percent tariff effective April 5.

Starting April 9, the US will also impose higher tariffs at “half” the purported amount that are imposed by other countries on US exports.

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