
Airbus fears US trade blocks over Buy American steel clause

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Liverpool Daily Post reported that leading American exporters, including Airbus rival Boeing, fear a backlash from Europe if new US President Mr Barack Obama insists on a Buy America clause being inserted in his USD 825 billion economic stimulus package.

The American Steel First Act would ensure that only US made steel was used in USD 64 billion of federally funded infrastructure projects such as roads and bridges to kick start the economy. But the initiative by steelmakers, which secured support last week in the House of Representatives Appropriations Committee, is opposed by US exporters, including Boeing, Caterpillar and General Electric, who fear retaliation by foreign governments.

Eurofer said that it would urge the EU to challenge the Buy America clause at the World Trade Organization.

Mr Gordon Moffat director general of Eurofer said that the clause was a clear case of protectionism. He added that "It looks like they are trying to shut out imports. If we have the means to attack that under WTO rules, we would urge the Commission to do so."

Airbus, which makes wings at Broughton and Boeing are fighting to sell their aircraft as airlines around the world cancel or defer orders.\

(Sourced from www.ldpbusiness.co.uk)

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