

China crackdown on disc pirates

Reuter

BEIJING—The government said Monday that it will begin a crackdown on compact disc piracy during the Chinese New Year festival that kicks off Jan. 31, addressing a concern of the United States that has threatened to unleash a trade war.

A senior U.S. trade official said in Hong Kong that a new Chinese proposal on protecting intellectual property rights had narrowed the gap between the sides less than three weeks before the United States had threatened to retaliate.

But the countries remain far apart on details, said the official, who asked not to be identified.

China's announcement came just two days before U.S. and Chinese officials are to meet in Beijing to try to resolve the dispute over U.S. charges that China has done too little to enforce intellectual property rights protection.

Washington on Dec. 31 threatened to punish China by

slapping stiff tariffs on \$2.8 billion (¥280 billion) worth of goods China exports to the United States unless Beijing acted to enforce protection. Washington gave Beijing until Feb. 4 to take action.

China pledged tit-for-tat sanctions against U.S. goods if U.S. tariffs are imposed, raising the specter of a trade war that would damage both countries.

Among Washington's chief complaints has been Beijing's failure to close 29 south China plants, some state-owned, that have been pressing 75 million pirated compact discs a year.

As a first step in a new effort to combat pirate discs, officials this month sent a high-level team to the prosperous southern province of Guangdong to gather evidence, Xinhua quoted State Copyright Administration official Gao Linghan as saying.

The campaign was also aimed at examining compact disc production lines, Gao said.