Trump signs one-week funding stopgap, averting shutdown

Lawmakers can continue talks over getting pandemic relief to millions

WASHINGTON: The US Senate approved and President Donald Trump signed a one-week budget stopgap Friday that avoids a government shutdown and allows lawmakers to continue negotiations over getting pandemic relief to millions of Americans.

The Senate passed the measure by voice vote days after the House of Representatives approved the so-called continuing resolution, which extends current funding for all federal agencies through December 18. Trump signed it Friday evening, the White House said, hours ahead of a midnight deadline that would have seen funding for federal operations dry up.

The one-week reprieve averts-for now-the stunning prospect of a government shutdown even as the country endures spiking COVID-19 infections and deaths without new economic relief for families and businesses struggling through the pandemic.

Lawmakers now have extra time to craft a rescue package, which many have sought to include in a sweeping omnibus spending bill. But bickering over reaching a deal on pandemic relief and federal funding for fiscal year 2021, which began October 1, is setting up an intense final few days of legislative work before the Christmas holiday.

The temporary fix had faced multiple procedural threats, including from an unlikely duo, conservative Senator Josh Hawley and far-left Senator Bernie Sanders. Both are seeking a new round of rebate checks sent directly to Americans as part of any pandemic relief package.

Sanders on Friday backed off his threat to delay the stopgap unless it includes rebate checks of $1,200 per adult and $500 per child. "I am prepared to withdraw my objection for this moment, but I will not be prepared to withdraw my objection next week," Sanders warned colleagues on the floor.

"We're not going to go home for the Christmas holidays" unless direct payments to households are agreed to, he added. A bipartisan group of lawmakers has been working to finesse a $908 billion stimulus plan that includes new unemployment aid, help for state and local governments, and limited liability protections for businesses. But party leaders remain at loggerheads over the package, with Senate Majority Leader Mitch McConnell insisting the current package is unworkable because he wants a broader liability shield for businesses vulnerable to coronavirus-linked lawsuits.

Top Senate Democrat Chuck Schumer said it was "mindboggling" for McConnell to make such a demand as millions of Americans face the worst economic downturn in decades and the greatest public health crisis in a century. Meanwhile House Speaker Nancy Pelosi signalled Thursday that she might keep lawmakers in Washington, even beyond Christmas if needed, until a stimulus deal is reached. —AFP

WASHINGTON, DC: Senate Majority Leader Mitch McConnell wears a protective mask while departing the US Capitol Friday in Washington, DC. The Senate passed a one week stop-gap bill on Friday, avoiding a partial government shutdown. —AFP

Reining in the tech giants

PARIS: Tech giants have changed our daily lives, but governments around the world are worried that they are getting out of control. Dubbed the GAFAM-Google, Apple, Facebook, Amazon and Microsoft-they are accused of not paying enough taxes, unfair competition, stealing media content and spreading fake news.

As the European Union prepares to present measures to rein them in on December 15, here is a global overview of the attempts to regulate the companies.

Taxation

The 27-nation EU has not yet agreed to tax the digital giants, but some of its member states have forged ahead. France and Italy have imposed a three percent tax on their turnover, while Austria is imposing a five percent tax on their advertising revenues and Spain a three percent charge on some activities. Outside the EU, Britain has imposed a two percent tax on some digital services.

Beyond Europe, in 2016 India imposed a tax on online advertising, while Australia slapped a 10 percent VAT rate on some digital services, such as streaming, downloading games and applications for mobile streaming, e-books and data storage. These moves have fallen foul of the United States, the home of the digital giants. It has threatened tit-for-tat customs duties. Negotiations on a worldwide tax on multinationals led by the Organization for Economic Co-operation and Development broke down in October.

Nobbling competition

The digital giants are regularly criticized for dominating the market by elbowing out rivals. The EU slapped 8.25 billion euros ($10 billion) in fines on Google between 2017 and 2019 for dominating the market via its Android system, which Google is now challenging in court. Microsoft was fined 561 million euros by the EU in 2013 for imposing its search engine Internet Explorer on users of Windows 7.

Amazon and Apple are also being probed for alleged violations of EU fair competition rules.

But the US is also acting on competition concerns, with US federal and state antitrust enforcers filing suits against Facebook on December 9 seeking to overturn its acquisitions of Instagram and WhatsApp.

In October the Justice Department and 11 states launched proceedings against Google, accusing it of having illegally strengthened its monopoly on online searches and advertising.

Personal data

Tech giants are regularly criticized over how they gather and use people's personal data.

Brussels has led the charge to rein them in with its 2018 General Data Protection Regulation, which has since become an international reference. They must ask for consent when they collect personal information, be transparent about how the data will be used, and allow users to delete the data, with failure to do so punishable by heavy fines. —AFP

Virus bites into profits at Europe's top restaurants

MADRID: An elegant Madrid institution known for exquisite souffle potatoes, Zalacain closed its doors last month, the latest top European restaurant to have its fate sealed by the coronavirus pandemic.

"We did everything we could," said Carmen Gonzalez, manager of Zalacain that opened nearly five decades ago and became the first Spanish restaurant to obtain three Michelin stars in the early 1980s. Other prestigious European eateries are in the same predicament, with the closure in June of two iconic London venues, The Greenhouse and The Ledbury, both of which held two Michelin stars.

"If (the crisis) continues in 2021, it will be very difficult for the sector to survive," warned Mauro Colagreco, the celebrated Argentine chef who runs the three-starred Mirazur in Menton on the French Riviera. Like other French restaurants, Mirazur will not be able to reopen until January 20 at the earliest due to the ongoing virus restrictions.

Running a prestigious restaurant "is often the project of a lifetime," explains Gwendal Poullennec, international director of the Michelin Guide.

He said that only 15 to 20 percent of Europe's top eateries are open, with the rest closed by COVID restrictions or financial difficulties. For now, the number of permanent closures remains "comparable to previous years", Poullennec said, while noting that European restaurants are dependent on international tourists, leaving them far worse off than those in Asia where "the local clientele carries the restaurant business".

'A huge crisis'

In the kitchens at his two-starred Terraza del Casino restaurant in central Madrid, chef Paco Roncero is preparing a dish of clams with "a hint of coffee". "We are a hugely important sector for the survival of a country which is basically dependent on tourism... if we fall along the way, what will be left?" wondered the 51-year-old chef who has shelved several menus to cut costs after a 70-percent drop in numbers.

Claude Bosi, a French chef who runs the two-starred Bibendum in London that was closed for months, thinks himself lucky his landlord agreed to lower the rent and that the bank helped him out.

Even so, "this year, unfortunately, is lost," he shrugs. "With a bit of luck, we'll start up again and next year will be good."

Like most of her fellow chefs across Europe, Cristina Bowerman of the Glass Hostaria in Rome, which has one Michelin star, has had to furlough some of her team. "For me, this is a huge crisis. This year, my earnings will be 75 percent lower," says the pink-haired 54-year-old.

Luxury lunch boxes

Like others, she has thrown herself into creating a line of luxury lunch boxes to try and cut her losses, with each costing 90 euros per person-something of a revolution within haute cuisine. In Madrid, Roncero has been doing the same since September and thinks the idea has caught on for good.

But Pepa Munoz, the chef who heads the Spanish federation of chefs and pastry chefs, says it "doesn't solve anything" because since the first lockdown there have been far too many players in the market.

In the French port of Marseille, some star chefs have even branched out into cordon bleu food trucks, like Alexandre Mazzia, who holds two Michelin stars-an idea that could lure more local customers to his restaurant. For German haute cuisine expert Jorg Zipprick, the pandemic has highlighted the flawed approach of certain top chefs who shrugged off local customers as "not willing to pay enough, deciding instead to gamble on international tourism".

And it has exposed a "bubble" within the sector, "like the one in the property market in 2008", he says. "When you see how the offer (of the gourmet restaurant sector) has grown over the past 15 years, I don't think the number of food connoisseurs has grown quite that much." —AFP

Five things to know about the EU tech rule revolution

BRUSSELS: The European Union will unveil major proposals to regulate Big Tech on Tuesday, in what could force a revolution in the way Google and Facebook do business. The rules, packaged in a so-called Digital Services Act, will not only attempt to crack down on disinformation and hate speech, but restrain Silicon Valley's giants from making undisputed claims on new markets.

The proposal marks the start of a long process to legislation, which will include a bruising phase of negotiations with lobbyists, member states and the European Parliament that could take years. Here is a first look at what the EU executive is likely to propose on December 15.

Gatekeepers

If the world's biggest banks are too big to fail, the internet will now have "gatekeepers", digital superstars more powerful than many governments, seen as urgently needing their own rules. The EU believes that Google, Facebook, Apple and Amazon hold all the keys in the online world, with an ability to dictate their own rules and to snuff out potential rivals as soon as they emerge.

To end this, the EU is writing up a set of dos and don'ts specifically for the gatekeepers. This could stop a company like Google "self-preferencing" Google Maps in search results. It could stop Apple from forcing app-makers to use its store for payments, denying the iPhone-maker its huge cut in the proceeds. "For the world's biggest gatekeepers, things are going to have to change. They are going to have to take more responsibility," said the EU's executive vice president Margrethe Vestager.

Stop the hate

From Twitter to TikTok, all the major online actors are signed up to the EU's codes of conduct for hate speech and disinformation, but playing by the rules is voluntary. This would change with the EU's proposal: if the likes of YouTube or Snapchat are caught allowing terrorist or criminal content to spread, this could be punished with hefty fines levied by a new European agency.

But, in a disappointment to some, the EU will not make platforms fully liable for this illegal content. Brussels fears that big tech would limit free speech to simply stay out of court.

Competition

Big tech moves very quickly, but EU competition enforcement moves very slowly. In a series of cases, it was only after nearly a decade of EU procedures that Google was slapped with billions of euros in fines, long after many of the complainants were crushed by the search engine juggernaut. "There's one thing that competition law cannot do and that is revive the dead," said Olivier Guersent, a senior EU official.

Under the rubric called the Digital Markets Act, the EU is seeking to give Brussels new powers to enforce competition laws more quickly, and also put a stop to buyouts even if the evidence is not yet entirely clear. At the back of everyone's mind are Facebook's "killer app" purchases of WhatsApp and Instagram, small companies that in hindsight could have challenged the social network's supremacy.

No black box

The proposal will also seek to open the black box of how big tech chooses the content it displays and to whom. Big tech's secret sauce for algorithms has become a growing concern, with governments seeing platforms encouraging bias, amplifying sensational or fake news and more generally posing a threat to a stable society. "One of the main goals of the Digital Services Act... will be to protect our democracy, by making sure that platforms are transparent about the way these algorithms work — and make those platforms more accountable for the decisions they make," Vestager said.

Fair shopping

In a direct shot at Amazon, the proposal will also seek to curb how gatekeepers use the business data of companies operating on their platforms. What stops Amazon from proposing its own products when it sees the success of others sold via its website? With privileged insights into transactions and communication, platforms can use that information to fine-tune their own products, conquering new markets unfairly. —AFP

Cuba to increase minimum salary fivefold from 2021

HAVANA: Cuba will increase its minimum wage fivefold as part of reforms due to come into effect on January 1 as it unifies its two official currencies, the official gazette said on Friday. The large-scale reform of salaries and pensions had been promised for years before President Miguel Diaz-Canel announced it late on Thursday. It will see the minimum wage increase from 400 to 2,100 pesos ($17 to $87.) The reform will also see the convertible peso, which is pinned to the dollar and was introduced in 1994 to replace the US currency, phased out over the next six months. It will leave only the regular peso that is worth 24 times less. The idea is to make the Cuban economy more efficient and easier to understand for foreign investors.

It comes at a time when the country is reeling from toughened sanctions imposed by the administration of US President Donald Trump and from the drop in tourism and remittances due to the coronavirus pandemic. Inflation is expected to soar so "it's necessary to establish a minimum salary in the country that guarantees the satisfaction of basic necessities for the worker and his family, as well as the scale of salaries applicable to all workers," said the Labor Ministry in a resolution published in the official gazette. —AFP