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What's News

BP insisted it could continue to invest in future production and pay dividends to shareholders despite a falling oil price that is squeezing the finances of some of the West's biggest oil companies. Page 3

The U.S. launched a program aimed at generating up to \$1 billion in consumer and small-business loans. Page 7

Bernanke appeared to back the White House's efforts to stimulate the U.S. economy, saying aggressive action is needed. Page 7

Obama and Brown began crafting a framework for re-regulating world financial markets before next month's G-20 summit in London. Page 8

U.S. market indexes hovered near their lowest closes in almost 12 years, as Europe shares dropped again. Page 16

The ECB opposes changing the criteria for euro adoption to let struggling Eastern European nations join the common currency early. Page 15

The IMF said the world's poorest nations may need a total of \$25 billion more in funding this year. Page 8

Luxury-car makers BMW, Daimler and Audi said sales remained weak last month, but the market could start recovering late this year. Page 4

The EU voted to place punitive antidumping tariffs on imports of U.S. biodiesel for six months. Page 3

A Russian official moved to quell speculation the economic crisis could lead the Kremlin to loosen its tight control over politics. Page 2

A new trial started for tycoon Khodorkovsky in Russia. Police arrested 10 supporters shouting "freedom for political prisoners."

Ukraine's Parliament dismissed the foreign minister, risking a further split between the country's president and prime minister.

The U.S. is boosting efforts to isolate Iran, sending envoys to Syria and wooing Russia for help in blocking Tehran's nuclear ambitions. Page 28

Lufthansa is set to unveil new Italian routes Wednesday, stepping up competition against Air France-KLM.

A building housing archives collapsed in the German city of Cologne, and at least three people were missing.

EDITORIAL OPINION

The Obama drop
Falling markets suggest the new president is part of the problem. Page 9

Breaking news at europa.WSJ.com



U.S. President Barack Obama, who has won wide support of the American public in a new poll, and British Prime Minister Gordon Brown after their meeting in Washington on Tuesday. See article on page 8.

Optimistic signs from U.S.

Obama's popularity lifts mood despite economic crisis

By LAURA MECKLER

WASHINGTON—President Barack Obama enjoys widespread backing from a frightened American public for his ambitious agenda, a new poll shows.

But there are also early warning signs in the Wall Street Journal/NBC News poll that show downside risks if his plans don't produce signs of progress by the end of the year. The president's support, while deep, looks increasingly partisan as Republicans move away from him. Americans have more confidence in the president himself than in some of his initiatives,

such as the economic stimulus package. And some groups that came to support Mr. Obama late in the campaign—such as senior citizens—are starting to look a little more wobbly in their backing.

The White House is betting that the president can bring the public along on an agenda that includes overhauling the U.S. health-care system, controlling carbon-dioxide emissions to halt global warming, and raising taxes on the wealthy and lowering them for others.

"The American people trust him and like him. That's how you make change possi-

ble, because it's not threatening but accessible," Rahn Emanuel, the White House chief of staff, said in an interview.

To that end, the president emphasizes the aspects of his program that are easiest to support. On energy, he focuses on the upsides of alternative energy and the need for efficiency, glossing over the impact of punishing polluters. On health care, he focuses on the need to reduce the cost of care, with the need to help the uninsured often cast as almost an afterthought.

He will attempt to sell his
Please turn to page 27

Car makers widen scope of aid search

By JOHN D. STOLL AND TAKASHI NAKAMICHI

The auto industry crisis that started in Detroit is rapidly expanding into a global problem, pressuring governments around the world to join the U.S. in providing aid to struggling auto makers.

On Tuesday, General Motors Corp. warned its European operations could run out of money as soon as April of May if Germany and other European countries don't grant its requests for help. GM also said it is now willing to consider selling a majority stake in its Opel unit, the core of its European business, in order to secure governmental aid.

At the same time, in Japan, Toyota Motor Corp. appealed to its government for a \$2 billion loan for its finance arm.

At the Geneva auto show, GM Chief Operating Officer Frederick "Fritz" Henderson said the company's European business could be out of money by "the first half of the second quarter" if it doesn't get loans or other financial assistance.

He added GM is "open to ideas and opinions," including the sale of a significant majority stake in Germany-based Opel if that would help clear the way for aid.

So far the U.S. has agreed to provide at least \$42 billion in loans and other financial help to GM, Ford Motor Co.,

Chrysler LLC and their suppliers. Canada has agreed to provide additional help to the Big Three, and France is offering aid to French car makers Renault SA and PSA Peugeot Citroën SA.

GM has gotten an agreement to have Spain guarantee €200 million in loans, and has sought help from Germany, Britain and Sweden—all nations where it has plants. In Geneva, GM's top European executive, Carl Peter Forster, said the company may also appeal to Poland, where it makes small cars.

Driven lower

U.S. auto sales plunged in February, stoking concerns4

Toyota requested aid from Japan after the Tokyo government said it will lend some of its foreign-exchange reserves to Japanese firms that operate overseas and are struggling to raise foreign-currency funds. Finance Minister Kaoru Yosano said the government plans to lend \$5 billion of its \$1 trillion reserves—the second-largest reserves in the world after China's—to the Japan Bank for International Cooperation by the end of March, so the bank can make dollar loans to cash-strapped companies.

Toyota, which lost \$1.8 billion in the quarter ending Dec. Please turn to page 27

Gunmen kill seven people in Pakistan strike

By PETER WONACOTT

Gunmen in Pakistan attacked vehicles carrying Sri Lanka's cricket squad Tuesday, killing six policemen and a driver in the latest sign of the government's weakening grip on the country's security.

About a dozen men fired assault weapons at the convoy carrying the Sri Lankan team to a match in the cosmopolitan city of Lahore, according to Pakistani and Sri Lankan officials. A bus carrying the players was able to escape into the cricket stadium, while police guards engaged in a gun battle with the attackers.

Seven players, an umpire and a coach were wounded, none with life-threatening injuries, the Associated Press reported.

Haider Ashraf, a police officer,



Pakistani police stand guard outside the National Stadium after gunmen attacked the Sri Lankan cricket team in Lahore on Tuesday.

said in addition to the six policemen, a driver of a Pakistan Cricket Board vehicle was killed, according to the AP.

Lahore's police chief, Haji Habibur Rehman, said none of the attackers was killed or captured, AP reported.

Police arrested four suspects, but didn't offer details about who carried out the ambush armed with Kalashnikovs, grenades and rocket launchers. No group claimed responsibility immediately after the attack.

By early afternoon, the Sri Lankan team departed by helicopter from the cricket stadium and announced it was cancelling the tour.

"They were our guests," Pakistan's Sports Minister Aftab Shah Gilani told NDTV, an Indian channel. "We are very sorry about this. It's really shocking."

The incident dealt another blow to a government reeling from security setbacks and other crises. Tuesday's assault is likely to heighten international worries about the nuclear-armed nation, as it reinforces an Im- Please turn to page 27

Inside



Local hero

China embraces buyer who bid on sculptures in protest Marketplace, page 26

Markets

4 p.m. ET

	CLOSE	PCT CHG
DJIA	6726.02	-0.55
Nasdaq	1321.01	-0.14
DJ Stoxx 600	181.34	-1.80
FTSE 100	3512.09	-3.14
DAX	3690.72	-0.52
CAC 40	2554.55	-1.04
Euro	\$1.2563	-0.23
Nymex crude	\$41.65	+3.74

LEADING THE NEWS

EU officials vote to put tariff on U.S. biodiesel

BY JOHN W. MILLER

BRUSSELS—The European Union voted to slap punitive anti-dumping tariffs on imports of U.S. biodiesel for six months, according to EU officials, threatening an industry that saw \$1.5 billion in sales to Europe last year.

The goal of the duties is to erase the advantage from a U.S. tax credit industry brokers say allows U.S. exporters to sell biodiesel in the EU for \$800 a ton, compared with the average \$1,000 charged by EU producers over the past six months.

The duties will amount to \$400 to \$500 per ton of biodiesel imported from the U.S., EU officials said.

U.S. producers "will get shut out of the EU market while the duties last," says Kevin McGeeney, CEO of Starsupply Renewables SA, a Geneva-based broker. Several of his U.S.-based sellers could go out of business as a result, he said.

U.S. producers have already been hammered by a collapse in crude oil prices that has made biodiesel more expensive to buy than regular fossil fuel, as well by an excessive buildup of plant capacity.

Officials in the U.S. biodiesel industry say they plan to ride out the provisional phase of the high import tariffs. The EU is due to decide later this year whether to extend the duties for a period of five years.

U.S. companies say they hope to get the duties reduced, arguing that the \$300 per ton U.S. tax credit didn't injure a sufficient number of European producers during the period surveyed, as required to justify

Buying biodiesel

The European Union is the world's biggest consumer of biodiesel. Major suppliers to the EU in 2008, in millions of tons:



Source: Starsupply Renewables

extra duties under World Trade Organization rules. In this case, the reference period is parts of 2007 and 2008, a time of high oil prices during which most biodiesel companies prospered, regardless of the U.S. subsidies, because biodiesel was cheap by comparison to regular fuel.

"We think we have a case for either eliminating the duties, or getting them substantially cut," says Manning Feraci, vice president of the National Biodiesel Board in the U.S.

A committee of trade officials from the EU's 27 member states voted Tuesday to approve the temporary extra tariffs, the EU officials said.

Brokers say the new tariffs won't necessarily be a boon to European producers because Argentinean and Asian biodiesel is \$50-\$100 cheaper than fuel produced in the EU.

The new antidumping tariffs will be announced March 12.