

Antigua prods U.S. on Internet gambling

The Caribbean country of Antigua and Barbuda has asked for consultations with Washington over U.S. restrictions on Internet gambling, a step toward establishing a WTO panel to investigate whether the laws comply with international trade rules, according to a document made public Tuesday.

The communication from Antigua, dated June 8, asked the United States to suggest dates for holding talks within two weeks.

If no solution is agreed in by the two parties within the 15-day period, a World Trade Organization panel would be established to report on U.S. compliance within 90 days. That decision can then be appealed by either side.

The dispute centers on whether Washington should drop prohibitions on Americans placing bets in online casinos. A previous WTO ruling said that some U.S. laws were in line with international commerce rules, but others were not.

„Antigua and Barbuda considers that the United States has taken no measures to comply with the recommendations and rulings,“ the statement said.

The U.S. contends that Internet gambling should be prohibited because it violates some U.S. state laws, and told the WTO's dispute settlement body in April that it believed its laws were in line with trade rules.

Antigua says the offshore industry is a lucrative source of revenue and provides an income for hundreds of islanders. The prohibitions, it says, are hurting the island country's efforts to diversify its economy away from tourism.

In particular, Antigua cited three U.S. laws that effectively

prohibited their companies from providing gambling services to people in the United States: the Wire Act, the Travel Act and the Illegal Gaming Business Act.

„Neither during the reasonable period of time nor to date has the United States introduced, much less passed, any legislation that would amend or effect the Wire Act, the Travel Act or the IGBA in such a manner as to make those statutes WTO-consistent,“ Antigua’s communication said.

It also said two more bills now before Congress would also contravene the WTO ruling.

Antigua, a former British colony, filed the case before the WTO in 2003, contending that U.S. restrictions on Internet gambling violated trade commitments the United States made as a member of the 149-member WTO.

U.S. trade officials disagreed, saying that negotiators involved in the Uruguay Round of global trade talks, which created the WTO in 1995, clearly intended to exclude gambling.