
GERMAN ECONOMY MINISTER ALTMAIER WARNS AGAINST TRADE WAR AHEAD OF TRIP TO US

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German Economy Minister Peter Altmaier said it's important to begin a dialogue with the US about its planned trade tariffs on steel and aluminum.

He didn't promise positive results during his interview with German public broadcaster ARD, but he vowed that Germany and the European Union would not allow themselves to be divided by Washington.

European Union Hopes to Avoid Trade War with USA

US President Donald Trump has called for imposing tariffs on all imports of steel and aluminum — 25 percent on the former and 10 percent on the latter — into the US.

A trade war "would end up to the detriment of the citizens in both regions," Altmaier said on the ARD program "Report from Berlin," which was broadcast on Sunday.

Altmaier will be making his inaugural trip to Washington as economics minister just days after taking office. He will meet, among others, with his US counterpart Wilbur Ross.

Nobody knows if "we will come to a conclusion by the end of the week," he said.

In line with the EU

But it's crucial that the thread of conversation is maintained and that "we represent our European and German interests confidently and in a friendly manner," he added.

"I want us to continue to produce steel in Germany at competitive prices," Altmaier continued, making clear that his views are closely in line with those of the EU Trade Commissioner Cecilia Malstrom, who will also be traveling to Washington this week for trade-related meetings with Ross and other US officials.

Europe Delivers Potential Tariff Hit-List to USA

The problem with the current situation is that "there's a danger that we will enter into a spiral of unilateral measures," Altmaier warned. This is at odds with the idea of free trade, he added, and continued to push for dialogue.

"We do not have to criticize ourselves publicly, we have to try to find compromises," he said.

The EU has already published a list of American goods it will tax if Trump goes ahead with his plan to tax European steel. Brussels maintains that it follows fair trade practices and that the problem lies with China's overproduction.

Both Germany and the US should be able to produce steel competitively without others selling it at what amounts to "dumping prices," Altmaier said

Separately, he was asked about the US demand for Germany and other NATO members to increase their respective military commitments. He said that Europeans had committed in 2014 to increasing their defense spending to 2 percent of Gross Domestic Product (GDP) by 2024.

Altmaier said: "We feel bound to it."

Kaynak/Source: