



## **Britain Won't Sign Trade Deal with US That Is Not in Its Interests**

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Britain will not sign a trade agreement with the United States that is not in the country's best interests, Trade Minister Liam Fox said Saturday after European Union officials filed a complaint with the World Trade Organization over stiff U.S. tariffs on steel and aluminum imports.

"If we can't come to an agreement that we believe is in the interests of the United Kingdom, then we wouldn't be signing any trade agreement," Fox said Saturday in an interview with BBC radio.

Fox's comments came one day after European Union officials submitted a formal complaint to the WTO, the first in a series of retaliatory actions, including possible tariffs, against the U.S. Fox said the tariffs are "illegal" and that British Prime Minister Theresa May would raise the issue at the Group of Seven meeting next week in Canada.

Trans-Atlantic and North American trade tensions escalated when the U.S. imposed on Friday a 25 percent tariff on steel imports and a 10 percent tariff on aluminum imports from the European Union, Canada and Mexico. The U.S. also negotiated quotas or volume limits on other countries, such as South Korea, Argentina, Australia and Brazil, instead of tariffs.

In a separate dispute, China is prepared to target billions of dollars in U.S. products, many of which come from America's agricultural heartland, where Trump enjoys strong voter support.

Commerce Secretary Wilbur Ross arrived in Beijing Saturday in an attempt to avert an all-out trade war between the world's two largest economies. On China's target list are U.S. soybean farmers, who export about 60-percent of their soybeans to China.

A dairy farmer who also grows soybeans in the midwestern state of Nebraska, Ben Steffen, is angry about the U.S. tariffs "because it hits me in my pocketbook from multiple angles."

California farmer Jeff Colombini, who grows walnuts, cherries and apples, is concerned about the financial damage a trade war could bring.

"With these tariffs, its going to make the product[s] too expensive for the consumers in Mexico and in Canada and in the EU," he said. "I have 200 employees, and they depend on the success of this operation for their jobs and to feed and clothe their families."

The imposition of the tariffs is also not popular with some members of Congress, including those from Trump's own party, whose states are dependent on exports.

“Imposing steel and aluminum tariffs on our most important trading partners is the wrong approach and represents an abuse of authority intended only for national security purposes,” said Bob Corker of Tennessee, who is the chairman of the Senate Foreign Relations Committee.

“You don’t treat allies the same way you treat opponents,” Republican Senator Ben Sasse of Nebraska said on Twitter. “Blanket protectionism is a big part of why we had a Great Depression. 'Make America Great Again' shouldn’t mean 'Make America 1929 Again.’”

Tennessee has three major auto assembly plants. Nebraska is a significant exporter of cattle, corn, soybeans and hogs.

Mexico said, in response, it will penalize U.S. imports, including pork bellies, apples, grapes, cheeses and flat steel.

“There’s a reason why” the countries are carefully selecting which American products to target in response, said William Reinsch, senior adviser at the Center for Strategic and International Studies.

“Most of bourbon is made in Kentucky, which is the state of the Senate majority leader. Harley Davidsons are made in Wisconsin, which is the state of the speaker of the House,” Reinsch told VOA News. “Usually when other countries retaliate, and the Chinese have done something similar, is they’re good at maximizing political pain by picking out products that are made in places where people are politically important.”

“Tariffs on steel and aluminum imports are a tax hike on Americans and will have damaging consequences for consumers, manufacturers and workers,” said Republican Orrin Hatch, who chairs the Senate’s finance committee and is a longtime advocate of breaking down trade barriers.

Expected higher prices for U.S. consumers on some products is only one side of the equation, said Ross, who noted that steel and aluminum makers in the U.S. are adding employment and opening facilities as a result of the U.S. government action.

“You can create a few jobs, however, you’re going to lose more in the process,” as consuming industries will be placed at a disadvantage of paying more for raw materials compared to their foreign competitors, Simon Lester, trade policy analyst at the libertarian Cato Institute, told VOA News.