

German chancellor travels to Washington amid trade and geopolitical tensions

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German Chancellor Angela Merkel will meet President Donald Trump today in Washington for a working meeting and a lunch amid growing political and economic tensions between Germany and the United States.

Two questions stand in the foreground: The future of the nuclear deal with Iran, which Trump has sought to revoke, and Berlin wants to maintain, and a threat of trade war if the US imposes punitive tariffs on steel and aluminum imports from Europe on May 1 as planned.

“If there is no sensible, lasting solution in the trade dispute and the nuclear conflict with Iran flares up with new intensity, then the European-American relationship will be shaken by severe turbulence,” commented the *Frankfurter Allgemeine Zeitung* on Monday.

Merkel’s working visit was preceded by a pompous, three-day state visit by French President Emmanuel Macron, which the German media reported with a mixture of mistrust and hope.

Some suspected that Macron was using his personal relationship with Trump to become the dominant foreign policy figure in Europe, pushing Germany “back into a foreign policy niche” while “the big boys agree things among themselves” (*Der Spiegel*). Others praised Macron’s genuflection toward Trump as a clever tactic for getting a vain American president to make concessions.

Peter Beyer, who is responsible for cooperation with the US in the German Foreign Ministry, told the *Kölner Stadt-Anzeiger* that there were “common goals and a coordinated approach” by Macron and Merkel, even if they “play different roles.” The two could “work very well in tandem”.

But Macron did not achieve anything. Although he promised—in a proposal agreed with Germany, the United Kingdom, and the US State Department—to

renegotiate the nuclear deal with Iran and continue to militarily support the US wars in the Middle East, Trump was unwilling to commit to abiding by the Iran Treaty. Although the US president had not made a final decision, he did not believe that Trump would keep to the treaty, Macron said before his return flight.

On Thursday, shortly before Merkel’s departure to the United States, it was said from German government circles that the decision about punitive tariffs had already been made in Washington. From May 1, steel imports from the European Union would be taxed at 25 percent and aluminum at 10 percent.

Above all, German business fears serious consequences. In 2017, European exports of steel and aluminum to the US totaled €6 billion, of which €1.7 billion was accounted for by German steel exports. The EU’s plans to impose trade countermeasures threatens a widening trade war.

With a total annual volume of €112 billion, the US was the most important export market for German products last year, just ahead of France and well ahead of China with €86 billion. The US also holds a top spot in German foreign investment, amounting to \$225 billion in 2015.

In particular, German car companies fear the escalation of the trade war between the US and China. For example, BMW sells about one-fifth of the cars it produces in the US to China. The same applies to Daimler.

In view of these conflicts, it is expected the meeting between Merkel and Trump will be tense. It is expected that Trump will demand compensatory measures in return for concessions.

For example, *Spiegel Online* reports that the official in the State Department responsible for Europe, Wess Mitchell, traveled to Berlin a few days ago and filed a

“kind of warning”. Trump would bring a halt to the German-Russian pipeline project Nord Stream 2 and demand a faster increase in German military spending towards NATO’s target of 2 percent of GDP. Trump’s new security adviser, John Bolton, has also advised Berlin that the increase in Germany’s NATO contribution is particularly important for Trump.

Although the grand coalition has agreed on a massive military upgrade program and wants to nearly double defence spending in the coming years, military spending still stands at 1.21 percent of GDP despite an increase of €9 billion. Berlin does not want to abandon the Nord Stream pipeline because otherwise it sees the security of Germany’s energy supplies being endangered.

How the conversation between Trump and Merkel will ultimately unfold cannot be predicted in light of the conflicts in the US government and the unpredictability of the Trump administration. But it is clear that the growing tensions between Washington and Berlin are not simply the result of personal whims. Their cause lies in the deep crisis of world capitalism and the struggle of the imperialist powers for the re-division of the world.

The US has sought to defend its global hegemony by offsetting its economic decline with military force. Since the dissolution of the Soviet Union in 1991, Washington has conducted an almost unending series of wars. In doing so, the US increasingly has the rising economic power of China and the second-largest nuclear power, Russia, in its sights. The new US National Defense Strategy, which was unveiled in January, no longer focuses on the “war on terror” but on “great-power competition.”

This poses a dilemma for German imperialism. It can no longer pursue its global business in the shadow of the US. Should it subordinate itself to the US in the fight against Russia and China? Should it rely on a European great power policy, independent of the US and under German hegemony? Or should it move closer towards China or Russia?

The dispute over these issues runs through Germany’s parties and government. All camps agree that Germany must return to militarism, massively increase military spending and even wage war, in order not to stand on the sidelines in the struggle for the re-division of the world.

For example, the cover story of the last edition of newsweekly *Der Spiegel* accuses the German government of foreign policy failure: “How should a country defend the West, which must first engage in long debates in the Bundestag [parliament] before it can set a single soldier marching?”

In a guest contribution for the *Süddeutsche Zeitung*, Constanze Stelzenmüller, who works for the Brookings Institution in Washington, demands the German government finally take more responsibility “in line with its increased power in the world” in order “to re-establish our relationship with America, which remains indispensable, as one of equals,” as promised four years ago.



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