

Russia will respond to US protectionism affecting China & global economy - Kremlin



Maksim Blinov / Sputnik

US tariffs on Chinese goods is all about US protectionism, which can hurt the global economy as a whole, according to Russian presidential spokesman Dmitry Peskov.

"We are now seeing a number of measures exclusively of protectionist nature, which are being imposed by the United States of America and the retaliatory measures taken by various partners in trade and economic activities, in this case by China," said Peskov.

Russia is closely observing the escalation of a trade war between the world's two largest economies, according to the Kremlin spokesman.



Read more: Trade War Begin: China retaliates with 25% tariffs on \$34 billion worth of US imports.

“Of course, it will lead to consequences in specific sectors of the global economy. This dictates our interest in this. Naturally, Russia is and will continue to take measures necessary to protect its own interests. Moreover, such measures are stipulated by the norms of the World Trade Organization,” said Peskov.

The US initiated a trade war with China on Friday by imposing 25 percent trade tariffs on \$34 billion worth of Chinese imports. Hours later, Beijing retaliated with reciprocal measures against US goods. US President Donald Trump warned earlier he would consider imposing additional levies on \$500 billion in Chinese goods, should Beijing retaliate.

Analysts are saying that neither the WTO, nor retaliation would stop Trump from imposing further sanctions, and the European Union can be the next target of Washington’s aggressive trade policy.

“The next step could be introducing tariffs on cars coming from Europe. A number of economists have said it will hurt the global economy. The US is not scared of it and is ready to leave the WTO, which was originally created in the interest of the US,” Roman Blinov, head of the analytical department of the International Financial Center in Moscow told RT.

The analyst predicts that in the long-term, US protectionism is likely cut 1.5 percent of the global gross domestic product (GDP) each year, totaling \$1.3 trillion.

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