

German industry says please don't cut tax

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[FT.com / Germany - German industry warns on tax cuts.](#)

Germany's main industry lobby group has sounded the alarm over the tax cutting plans of chancellor Angela Merkel's new government, warning that priority should be given instead to bringing the country's spiralling deficit back under control.

The comments on Sunday by the president of the BDI business association highlight growing concern that the centre-right coalition in Berlin will jeopardise Germany's reputation for fiscal prudence by pushing ahead with sweeping tax cuts.

Two things:

- 1) Soend, don't cut - it will work better
- 2) Germany has to spend - it's surplus is a problem for Europe as a whole

But good either way to see sanity from business. Will the politicians listen?