

Report from Germany by Rainer Apel

Schröder Revives Mideast Diplomacy

Though not equalling Asia, Arab countries have become a growing export market for Germany.

Whereas German exports to the depressed United States market dropped by 5% during the first half of 2003, exports to the Mideast-Gulf region increased by more than 10% during the same period. With that, the Mideast-Gulf region is still far away from the other booming market for German exports, Asia (China, especially). But to promote its upward trend, German Chancellor Gerhard Schröder visited three Arab countries from Oct. 4-7: Egypt, Saudi Arabia, and the United Arab Emirates. The visit also reiterated to Arab audiences, Germany's opposition to the Iraq War, and its insistence on the earliest possible return of Iraq to civilian rule and political-economic sovereignty.

In Cairo, Schröder's first stop, he inaugurated a novelty in German international relations—the German University of Cairo (GUC), a project jointly funded by German and Egyptian investors. It will train up to 10,000 students annually, in pioneer scientific-technological disciplines such as materials processing, biological and pharmaceutical engineering, and other of the natural sciences. The GUC, which will begin with 1,000 students, is designed as a private university, but may serve as a model for other, state-administered institutions.

Schröder's stay in Egypt was overshadowed by Israel's air raid on a Palestinian refugee camp in Syria, and at his Cairo press conference Oct. 5 with Egyptian President Hosni Mubarak, the Chancellor denounced the Israeli attack as "unacceptable, because the diplomatic process turns even more complicated, if, as has occurred now,

the sovereignty of another country is violated."

Concerning Iraq, Schröder shot down the latest U.S. draft UN resolution trial balloon, saying in Cairo that "what is being discussed in New York right now, is not yet sufficient. We agree with the Secretary General of the United Nations that especially the role of the UN has to be visibly strengthened, if one wants a process leading to stability and democracy." The transfer of sovereignty back to the Iraqi people is an essential aspect that still needs to be defined, Schröder added. During his talks in Saudi Arabia and in the Emirates, he made similar public statements and announced that Germany, the Emirates, and other Arabian states would cooperate in a training program for Iraqi police—under a UN umbrella.

In an Oct. 6 interview with the English-language Emirates daily *Gulf News*, Schröder said: "In order to bring peace to Iraq, the role of the UN must be further enhanced. Iraq needs a real prospect of regaining its sovereignty and having political responsibility transferred to a legitimate Iraqi authority. It is additionally important to restore the ruined infrastructure and improve the living conditions of the people. We believe that security in Iraq cannot be restored through military action and increasing the number of soldiers alone."

Schröder announced at the conclusion of his visit to Saudi Arabia on Oct. 6, that German and Saudi authorities would begin close cooperation in the fight against Islamic terrorists and their financial life-lines. Ulrich

Kersten, director of the BKA, Germany's equivalent to the FBI, will visit Riyadh in mid-October to work out details. In Riyadh, and in the *Gulf News* interview, Schröder also endorsed plans for a profound reform of the United Nations, especially the Security Council, to grant more say to Islamic nations.

As far as economic cooperation is concerned, German Economics Minister Wolfgang Clement will visit Saudi Arabia next Spring with a big delegation of industrial managers, to sign deals in the three main spheres of communication, transport, and environmental affairs (such as water supply). During his stay in Dubai on Oct. 7, Schröder called on the Saudis and on businessmen of the Emirates to invest in German industry, notably in Germany's eastern regions.

"Germany, for its part, has a top-class economic and technological potential that should be used for the development of the region," Schröder told *Gulf News*. "To further trade and investment, we are interested in intensifying cooperation in cultural and scientific areas, in the health sector, and in the fields of the environment and transport."

A special emphasis will be put on the transition of such Arab countries as Saudi Arabia, from an oil-producing economy to one that develops manufacturing centers, not only in the petrochemical sphere. Being rich in minerals resources, Saudi Arabia could also, German experts say, become a leading producer of agricultural fertilizers. German railway engineers could also play an important role in the realization of several railway development projects in Saudi Arabia—from Riyadh to Mecca, from Mecca to the border with Jordan, and from Riyadh to the minerals and gas and oil fields in the Northeast, for example.