

Industrialists Resist Berlin's Russia Policy

by Our Wiesbaden Bureau

Nov. 27—The extraordinary tensions within Germany about its strategic orientation are now taking on proportions like those in September 2013 in the United States, when resistance from the military and Congress stopped President Obama's planned attack on Syria, and opened the door to direct U.S.-Russia collaboration on chemical weapons in Syria, as well as on Iran. The hopefully similar developments in Germany, coming from the high-tech small and medium-sized production firms (the *Mittelstand*) and related institutional figures, are as dramatic, and directly related to the fights in the U.S. seen in Obama's attack on the military by firing Defense Secretary Chuck Hagel.

Resistance to breaking economic ties to Russia has forced open warfare in the Berlin government, which became public when Chancellor Angela Merkel demanded the purging of Social Democratic Party leader and chairman of the German-Russia Forum Matthias Platzeck from the Petersburg Dialogue, in order to turn it over to anti-Russian NGOs and to neo-con Bundestag member Andreas Schockenhoff.

The charge of "*Nebenaussenpolitik*," or parallel diplomacy, has become an accusation against those who are trying to keep channels open to Russia—and the German *Mittelstand*, which is spread throughout the country, outside the capital Berlin, has been very active. Klaus Mangold, a senior institutional figure in German industry and finance, arranged for the Nov. 25 appearance of Russian Economic Development Minister Alexei Ulyukaev at meetings and a public event in Stuttgart with the local Chamber of Commerce and Industry.

'Rethink the Sanctions'

Sources have told *EIR* that this was a direct reproach to Chancellor Merkel and those in Berlin pushing sanctions against Russia, including the central trade association bureaucracy, which has succumbed to the official line. Mangold stated at Minister Ulyukaev's public speech, "We should rethink sanctions against Russia."

Ulyukaev addressed the fact of Russia's growing economic ties with China, while emphasizing that Russia wants good ties with Europe, too.

Germany's *Mittelstand*, heavily involved in China, is best positioned to promote a World Land-Bridge triad of Germany-Russia-China as a way out of the dead-end of confrontation over Ukraine.

In response to a question from *EIR* on Ukraine, Ulyukaev stressed the opportunity for economic cooperation that is being lost through the conflict, and what can be done to restore it.

Hartmut Bunsen, head of the Saxony Industry Association and spokesman for all the related associations in the eastern German states, has called on European Commission President Jean-Claude Juncker to stop the sanctions, and demanded "an immediate constructive dialogue between the EU and Russia." In October, the Chemnitz-based 1828 Saxony Industry Association presented the German government with a petition signed by 60 *Mittelstand* companies, calling for a quick end to the EU sanctions. The Association's members employ 50,000 workers and have a yearly turnover of EU16 billion.

At the end of September, despite Opposition from the pro-sanctions faction in Berlin, the state government of the eastern state of Mecklenburg-Vorpommern, on the Baltic Sea, sponsored a Russian Day in Rostock, well attended by local *Mittelstand* firms. Former Chancellor Gerhard Schröder (Social Democratic Party) gave the keynote speech.

Officials of the Chambers of Commerce and Industry in Germany's east will convene in Chemnitz the first weekend in December, to discuss how to end, or at least modify, the sanctions policy. There is, a source in Magdeburg said, outrage among the chambers, because the sanctions are destroying the *Mittelstand* companies, which in eastern Germany are generally more engaged in Russia, and therefore much more exposed than western German companies to the destructive effects of the sanctions.

These officials are also enraged that companies in other EU countries and the United States do not always stick to the sanctions decrees of their governments and continue to make deals with Russia, whereas the German government expects German companies to follow the sanctions decrees, even at great disadvantage vis-à-vis their competitors from other countries. This situation has to change, the eastern chambers insist.