

War Would Accelerate Germany's Economic Fall

by Rainer Apel

Economic data published in Germany on Jan. 13, on the export performance of its export-centered economy, corroborate two basic trends: German exports to the other leading industrial nations of the Group of Seven are shrinking; whereas exports to rapidly developing “threshold” countries like China and India are expanding. In 2002, German industry exports to the rest of the European Union dropped slightly, by 0.4%; to the United States and Japan, they dropped drastically, by 3.0% and 8.3% respectively. But exports to China increased by 18.3%, to Russia by 13.8%, and even to the depressed Eastern European countries by 7.9%.

German industry now depends largely on the East of the Eurasian continent. And that is where exports must be increased greatly if it wants to re-employ what is actually 8 million jobless workers (the official, censored number was 4.25 million for December). Germany's economic depression is deepening, with both its retail and construction sectors in their worst crisis since World War II. Construction has plunged due to collapsing Federal, state, and municipal investments; German retail sales in November 2002 fell 6% from a year earlier; auto sales fell by 7%; consumer confidence to an eight-year low.

The depression makes opposition to the war against Iraq more difficult, but more essential; Eurasian Land-Bridge development, like the world's first maglev train line opened in Shanghai, China, is Germany's economic opportunity. A Persian Gulf war would send immediate, deep shocks into all neighboring regions—Mideast, Central Asia, South Asia—and disrupt economic processes. For an industrial nation with an export dependency of almost 36% of GDP (the United States and Japan, by comparison, each depends on exports for only 10% of GDP), such a perspective is a disaster. And that is why German industry, the government, and all other leading institutions, including the churches, are opposing plans for an Iraq invasion.

German Chancellor Gerhard Schröder has said so repeatedly, as at his first press conference of 2003, on Jan. 14. Knowing that the war-hawks profoundly dislike his view, Schröder said that his position has not changed over the past few weeks, that it has rather been strengthened by the United Nations process that has been launched with Resolution 1441, a mandate for inspections, not for military action. Germany opposes a war, would not play any role in a war, nor help fund it, Schröder said. And at the UN Security Council, where

Germany took a seat as a rotating member this January, the Germans will vote according to this position.

German-French Concert of Opposition?

The Chancellor called for convening another session of the UN Security Council—not the Jan. 27 session to receive the weapons inspectors' update, but another one—before any action is taken. He also made clear that he fully supported the view of inspector chief Hans Blix, that more time was needed to carry out the inspections in an efficient and thorough way, and that the inspection task force should be given that time. While reaffirming that he is working with other EU leaders to formulate a joint European position, Schröder voiced doubts that British Prime Minister Tony Blair (whom he had met three days earlier) would join, as the British considered themselves firmly on the side of the Americans. Germany, Schröder added, would consult and cooperate with France, most of all, to prevent the war from breaking out.

Schröder met with French President Jacques Chirac in Paris that day, Jan. 14, and with French Prime Minister Jean-Pierre Raffarin in Berlin on Jan. 16.

There is awareness in the Chancellor's office that the massive increase of political and other attacks, even of threats to his life, over the most recent weeks may be more than just coincidence. Especially the conduct of certain media that are calling for his overthrow, or “predicting” his fall: for example, the London tabloid, *Mail on Sunday*, ran allegations on Jan. 5, that Schröder had an extramarital affair with a German TV personality. The story, spiced with bitter and sarcastic remarks from his former wife Hillu, included her “forecast” (which she later denied having made) that if there was such an affair, it would mean the end not only of his present marriage (with Doris Schröder-Köpf), but also of his political career.

No less nasty was a Jan. 9 editorial in the London *Times* headlined, “Germany Falling,” targetting Schröder directly. The *Times* wrote that not least because of the bad economic situation, “senior figures in his Social Democratic Party (SPD) are asking how and when he can be replaced. . . . Herr Schröder is being squeezed on all sides now, largely because of his failure to chart a clear course. He is having to modify Germany's opposition to war on Iraq, because of the need to rebuild relations with America.” The party and Germany “need leadership to save the SPD from defeat in Hesse and Lower Saxony” (the two states hold elections on Feb. 2). “If Herr Schröder cannot provide this guidance, the party should dump him for its own sake and for the future of Germany.”

There are not just psywar attacks of that kind, but also death threats against the Chancellor and his family, in the most recent period. These threats are taken very seriously by the German anti-terrorist agencies: Security protection of the Chancellor—for example, during election campaign events in Hesse and Lower-Saxony these days—and his family has been massively upgraded.