



W. Germany

'Political actions should be fought with political weapons

West German industrialists are staunchly opposed to the Carter administration's call for economic sanctions against the Soviet Union, and are pointing out that such steps would do great harm to the economy of West Germany and other European countries. A delegation of top industrialists, including Bertold Beitz from Krupp, was in Moscow last week, discussing long-term cooperation in energy. Otto Wolff von Amerongen, the internationally renowned spokesman for West German industry and the head of the DIHT industrial association, gave the following interview to the newspaper Welt am Sonntag Jan. 13.

Political developments demand primarily political reactions. General boycotts and embargoes have never been successful, but rather lead to unwanted international struggles and to disintegration of the international division of labor and world trade. As Rhodesia survived, so would the Soviet Union, but more comfortably.

We must remain in solidarity with the United States. We Germans are especially obliged to do so. The overall strategic views of the U.S.A. have priority over single problems, but still, specific factual criticism of single measures cannot be excluded. I do not want to avoid stating that it is a good thing that President Carter did not—for the time being at least—call for the Western industrial nations to implement an embargo against the Soviet Union, as the result of such steps would be very difficult to determine.

The Soviet Union must see clearly that the Western world will not only react hastily to their intervention into Afghanistan. The shadows that are cast can become long enough to hit German-Soviet economic relations too. The industry of the Federal Republic is interested in continuing detente relations with the Soviet Union and will try hard to increase the exchange of goods with the East bloc. This however only under the condition that our security is assured and that the supply of raw materials

is not threatened or does not depend upon the generosity of a big power.

Already economic predictions for the year 1980 have termed foreign trade the most unprotected flank. It can definitely be stated that during the recent days, the risk of a fall-off here has grown, since trade automatically decreases in hot spots of the world. Private investment too will be approached more cautiously. We saw that in the U.S.A. during the Vietnam war, we can see it today because of Iran, and we will see it even more so because of the Afghanistan crisis.

I think that restriction of trade is of limited effectiveness. Mere economic steps like sanctions, boycotts, embargoes cannot be substituted for political reactions to political problems.

A counter-boycott by the Soviet Union of supplies of raw materials would hit German industry for sure, but only for a short time. From past crises we have learned that it is good for us not to become dependent for supplies from only one party. What I said on the effectiveness of mere economic sanctions naturally also applies to a possible counter-embargo.

'We look to improved trade with the Soviet Union'

Hans Hartwig, president of the German Foreign Trade and Export Association, made the following comments to Welt am Sonntag Jan. 13.

As I believe free world trade to be a main condition for a functioning world economy, I am opposed to further politicization of foreign trade on principle. This has always been the standpoint of large German firms and foreign traders, whether in the case of the pipe embargo against the Soviet Union, the boycott against Rhodesia or Israel, or the sanctions against Chile.

There should not be the slightest doubt of the necessity of political solidarity with the U.S.A. A sober examination of the proposed steps in respect to their real effectiveness and their long-term consequences and repercussions should however be included in this solidarity.

The world political crisis caused by the Soviet Union is already influencing the climate in trade with the U.S.S.R. A cooling-down is imaginable, but a sharp climatic shock could and should be averted by political-diplomatic means....

International trade sanctions against Iran in its present economic and political situation could bring together other Islamic states into a bloc. I warn against such sanctions.