

## 'A German on a stone... he'll turn it to bread'

by Laurent Murawiec  
Wiesbaden Correspondent

"Far from interrupting trade with the Soviet Union, the West German business community wants to increase trade with them." This is what the powerful head of the Deutsche Industrie und Handelstag, [German Chambers of Trade and Industry Congress], Otto Wolff von Amerongen, said last week in a television speech. Wolff's words come from a man whose father, head of the family's large engineering company Otto Wolff A.G., had been imprisoned by Adolf Hitler as one of the leaders of German industry favorable to continued cooperation with Soviet Russia.

"Put a German on a stone, and he will turn it into bread" is a Russian saying well known to the West German business community. It expresses well the importance of the trading links which, dating back to the 17th century and G.W. Leibniz's "grand design," brought German-Soviet trade to a historic high of one-fifth of Germany's total exports before World War II. Traditionally, Eastern Europe has been Germany's vital export area, and much of that region's industrial backbone, originates in German industry.

It is necessary to keep this in mind when evaluating the West German business community's reactions to President Carter's imposed and proposed "economic sanctions" against the Soviet Union, in the wake of the Afghanistan affair. The same Otto Wolff said: "The interest of the business community in detente is very high, and not just economic. Business, therefore, will try to increase trade with Moscow and so practically collaborate in the detente process. Without all the work that we, the business community, did in the 1950s and 1960s, the 'Ostpolitik' would have been impossible."

West German industry bitterly remembers 1963, when a huge Krupp and Mannesmann deal for the sale of pipes and tubes to the Soviet Union was shelved upon the application of the most naked combination of blackmail, threats and armtwisting from London and Washington. That attempt at enforcing a Churchill-inspired "cordon sanitaire" set East-West trade back 10 years, and aggravated the West German recession.

It was only by the late 1960s and early 1970s, when then Finance Minister Helmut Schmidt supported industry's thrust to the East, that the potential of the Russian market really started to be tapped. The other Comecon nations followed, and trade with the East soared from a minute proportion of West German foreign trade to close to 10 percent, a crucial margin for growth, especially in high-technology sectors of the economy. As Wolff stressed, this was not only profitable business, it was the consolidation of a durable, solid foundation for political detente.

No one in his right mind should therefore ask West Germany or its industrialists to offer the rope to hang themselves. Obviously, the Carter administration is not in its right mind, and that's exactly what West German industry is saying.

Today, energy-thirsty Germany needs more than ever the petroleum, natural gas, fuel resources and raw materials of the U.S.S.R., Siberia in particular. Forty percent of Germany's exports to the U.S.S.R. is machinery and engineering goods. Soviet exports, which grew to 30 percent last year, to slightly above \$4 billion, have become an indispensable, "organic" part of the German economy itself and are in line with the agreements signed

in Bonn in June 1978 by Chancellor Schmidt and President Brezhnev, which established an unprecedented degree of mutual integration between the economies of a socialist and a capitalist state. The main policymakers for the German industrial and energy economy have taken most seriously President Brezhnev's proposal of a European energy conference leading to the establishment of a pan-European energy grid. Talks have taken place on the construction of nuclear power plants in the Soviet Union and other Comecon countries, delivering electricity to the Federal Republic and West Berlin. Exemplary was the triangular natural gas deal between the Federal Republic, the U.S.S.R. and Iran. And planning has continued. Nobody is even willing to think of "giving up the achievements of 10 years of detente."

"Wolff has expressed himself with utmost clarity and strength," an executive at one of the Ruhr's largest steel and engineering concerns said. "We are in solidarity with our NATO ally the United States, but we shall not prove any less faithful to the letter of signed agreements [*vertragsstreu*] than our Soviet partners."

Wolff had sternly warned in public that "sanctions mean a disintegration of world trade and the international division of labor," going on record for the second time against the New York Council on Foreign Relations' "controlled disintegration" policy for the world economy. "Disintegration we certainly have, but which cretin can claim it is being controlled," the head of the Luxemburg branch of one of the three big banks exclaimed. And the "elder statesman" of German banking, veteran Herman-Josef Abs, told a TV interviewer that we want "no sanctions against the Russians. Sanctions are wrong, and they never work. see how the U.S.A. broke the sanctions against Rhodesia, and the failure of the long British blockade [in the 1920s] against the Soviet Union. This decision belongs to the sovereignty of the government and the state, and to nobody else."

For Germany, economic sanctions against the Soviets mean national suicide—not just losing 10 percent of foreign trade. Burying detente would signal to Moscow that only the cold war line prevails in the West, which would turn it hot in short order. German and Soviet business managers and leaders have grown to know and appreciate one another over the past decade and, through tough negotiations, to respect one another. German businessmen respect the tremendous feats of Soviet industrial development, while throwing scorn at the messy organization due to bureaucratic "Marxism-Leninism."

As one leading banker expressed it, "I would rather have the Russians take over Iran and the whole lot, Saudi Arabia included, than the Muslim Brotherhood. For sure, they're communists. But they are rational. You can talk to them and iron things out."

This is why, no sooner had President Carter an-

nounced his "reprisals," than a mission planned since November took off for Moscow. Heading it were Krupp's grand old man Berthold Beitz, "Mr. East-West Trade," and Deutsche BP's Hellmuth Buddenberg, both in their capacity as supervisory board members of the Gelsenberg energy concern. In Moscow, they ironed out a giant, 20 billion deutschemark (\$11.6 billion) deal for the construction of a 2,700 mile long natural gas pipeline, which will annually deliver up to 50 billion cubic meters from the West Siberian fields to Western Europe. On cue, Deutsche Bank co-chairman Friedrich-Wilhelm Christians announced that he would travel to Moscow to arrange the financing of the package. The idea of a pan-European energy grid is very concrete indeed.

This should by no means be construed as some reflection of a West German "drift" away from the United States. It is merely the consequence of the Carter administration's policies (and those pursued ever since Henry Kissinger and Senators Jackson and Vanik began jeopardizing U.S.-Soviet trade in the early 1970s, as the leading daily *Frankfurter Allgemeine Zeitung* put it).

"I am surprised at the behavior of the U.S. administration in this business. What they do, in the Gulf as well as against the Russians, mostly hurts Europe," a spokesman for a leading international freight and maritime transport organization said. Added a spokesman for the foreign trade association, "normal channels that we have used with the U.S. for the last decades do not function any longer, to put it politely, 'normally'." The threat of activating the NATO-OECD COCOM Committee, which bans export of certain high-technology goods to the socialist countries, "is a nightmare not only for industry, but also for the government," a spokesman for the latter said. "But you know, it may be relatively easy to set up a grain blockade—but, in this field of sharp competition, high-technology exports, it's another matter. Carter may impose a boycott on those goods in which the U.S. enjoys a virtual monopoly, but not for the rest..." And a leader of a farmers' organization said: "Our solidarity goes, of course, to both the U.S. ally and the U.S. farmer. We fought against the U.S. administration in the soybean affair ... and we dislike the use of food as a political weapon. And I'm happy to learn that Carter enjoys little support from the farmers' regional organizations."

Apparently referring to Iran, Otto Wolff von Amerongen said in his television speech that "irrational leaders come and go," but, delicately pointing his finger to the West, "peoples remain." The current insanity pouring out of Washington and the naked attempts at dictating to Germany policies contrary to her most vital self-interest have convinced many Germans that, just as American helped Germany get rid of tyranny, it is now urgent that Germany help America get rid of insanity.