

## Report from Bonn by Rainer Apel

### Germany's 'Gulf' lies at the Elbe River

*The staggering cost of the Persian Gulf war has many saying that funds would be better invested in the East.*

**C**riticism of the immense burden of the war in the Persian Gulf is broadening. Hawkish comments like "the government prefers checkbook diplomacy," to leftist arguments like "German money kills everywhere in the world," to church comments on the moral issue of spending for war or peace, are intersecting popular concern that "taxpayers will have to pay for these adventures."

A controversy has arisen over the DM 18.8 billion provided by the German government to fund the war or to compensate economic losses suffered by the former Mideast trade partners of Iraq. Rage is building, especially in the five eastern states of Germany which are still suffering from 45 years of communist exploitation and which depend on monetary support from the western states of the nation—support that is denied or slowed down now, because of "Gulf war requirements."

The state of Thuringia wanted to file an official protest in Bonn in late January, when the government prepared the second payment of DM 5.5 billion to the U.S. for the war. The Thuringians wanted to remind Bonn that this money was urgently needed for the restoration of their own industry and municipalities. Bonn managed to get the protest withdrawn.

But this didn't eliminate the issue. Kurt Biedenkopf, the prime minister of the eastern state of Saxony, declared in a Bonn parliamentary debate Jan. 30: "Certainly, our solidarity with the United Nations must be, but let me also say that our Gulf lies in the East, between the [rivers] Elbe and Oder!"

Janis Jurkans, the Latvian foreign minister, also said in the European Parliament in Strasbourg in mid-January: "Europe should consider the Baltic its Gulf, because the real threat to the Europeans lies there."

Indeed, the real threat to the well-being of Europe is posed by the combination of economic collapse, KGB sabotage of the reform process, and the threat of the return of the Red Army to Eastern Europe. Even if the Mideast oil fields are brought under Western control, how can there be a safe haven for the West Europeans if there is chaos and disintegration in the countries in the East?

Rapid economic recovery in eastern Germany and in the neighboring East European countries is a life-or-death issue. In eastern Germany, 700,000 workers are jobless and another 1.1 million on short-work. Should Germany fail in consolidating its eastern states, the nation will be unstable, and, as history shows, whenever Germany—the middle of Europe—is unstable, all Europe is affected.

Moreover, the substantial transfer of NATO troops and munitions to the Gulf has significantly weakened the capability of Western Europe to deter the potential in Moscow's military leadership circles for aggression.

There is reason, therefore, to question the big commitment of Germany for the war. A lot could be done with the DM 18.8 billion.

For example, DM 8 billion would build a new high-speed rail track for the transport of industrial goods from

the Ruhr region, Germany's westernmost center of heavy industry, to the easternmost industries of Saxony.

Four modern nuclear reactors with a capacity of 1,300 MW each could be built in eastern Germany for DM 10-12 billion to liberate the economy there from the inefficient, lignite-based generation of energy that the communists imposed after 1945.

DM 2 billion would modernize the shipyards at the Baltic ports of Rostock and Wismar, enabling them to mass-produce water-borne manufactures. Wismar has specialized in heavy water-borne cranes, whose production could be expanded; the Warnow shipyard of Rostock has recently built a huge water-borne department store in only two months—a method that can be used for factories, power plants, and the like, for export to the Eastern European states on the Baltic coast, or to the Third World.

DM 800 million would broaden the Middleland Canal at Hanover and build a new connection bridging 14 kilometers between the Elbe River at Magdeburg and the Havel River that leads to Berlin, and there, again, modernize the western port of the city so that the modern, 1,300-ton standard barges can ship large industrial goods from the Rhine River to Berlin.

A credit of DM 500 million would finance the export of locomotives and rolling stock from the German Railcar Manufactures in eastern Germany, which has supplied the Soviet Union and Eastern Europe in the past but cannot sell at this critical moment because the former clients have no substantial hard-currency earnings or so-called "creditworthiness" among Western bankers.

Germany's "Gulf" lies in the East, and every deutschemark that is invested there, brings more dividends than any of the wasteful, destructive war operations in the Persian Gulf.