

Germany
10-10

BACK AT THE HELM

26/9

A NATURAL CALAMITY and the prospect of a man-made disaster have combined to secure a second term for the "red-green" coalition of Gerhard Schroeder in Germany. Written off even two months ago by most political pundits, when polls showed him trailing his conservative rival heading the Christian Democratic coalition, he bounced back into the reckoning when devastating floods, said to be a record for a hundred years for Europe, tested his leadership qualities to organise relief and rehabilitation. Hardly weeks after that trial, the Bush administration in the U.S. gave Mr. Schroeder an even more dramatic opportunity. It is not certain that his strident, even shrill opposition to Washington's plans for a regime change in Iraq through military means would have weaned right-wing sympathisers of Edmund Stoiber, a political clone of Margaret Thatcher and George Bush, Sr. and Jr. But the strategy must have paid off by forcing the return of centrist and leftist supporters and sympathisers who had been disenchanted with Mr. Schroeder's first term in office. His rhetoric against war, coming soon after his visibly prompt response in providing succour to the flood victims, most of them in the poorer, former communist eastern half of Germany, must have proved irresistible. It did not tilt the balance but helped restore parity between the two main contenders, as the voting percentage shows.

As Mr. Schroeder leads his Social Democrat-Green party coalition back into office for a second term, he will be aware that relations within Europe and between Europe and the U.S. will never be the same again. It is perhaps for the first time since the end of World War II that a German Government leader has taken such a public anti-American stance. The bitterness generated by the campaigning is already cast-

ing a shadow as the U.S. drums up support for its planned actions against Saddam Hussein. The Chancellor has tried to do some damage control by dropping a Minister whose patently inapt remarks have dragged German-American relations to the lowest ebb since the Hitler war. But he has also reiterated that he will continue to oppose a war against Iraq. Clearly keeping in mind the ingrained antipathy among the Germans towards military action, he had told Parliament a week ago, "Under my leadership, Germany will not participate in military action". Going along with the American "adventure" would amount to "insubordination". The elections had definitely heightened the need to strike an independent, defiant line. This was a far cry from the immediate post-September 11 scene when Germany readily joined the war against the Taliban and stood shoulder to shoulder with the U.S., demonstrating a willingness to take on military responsibilities for peace on the international stage.

If the voting percentage in Sunday's elections is a guide, this is a vote against war and more specifically against some of the retrograde policies of the Bush administration. For, with both main rivals deadlocked at 38 per cent each, the only party to gain considerable increase in support was the Green party of the Foreign Minister, Joschka Fischer. The Green agenda of peace and environmental safety must have proved popular in a country where there is growing public exasperation with the U.S. over its opposition to the global warming treaty and the International Criminal Court. What must be surprising is that Mr. Schroeder should have grabbed the plank of anti-Americanism, considering that the German-American compact had remained unshaken for half a century. India will hail the fact that Germany has finally raised its voice for peace.

26 SEP 2001 THE HINDU

GERMAN POLLS: SOCIAL DEMOCRATS AND GREENS PIP CHRISTIAN DEMOCRATS

Schroeder re-elected Chancellor

Kshauish Sarkar in Berlin

Sept. 23. — Elections to Germany's 15th Bundestag ended in a nail-biting finish with the announcement of official results last night (Indian time), which showed the reigning Chancellor, Mr Gerhard Schroeder and his coalition of Social Democrats and Greens eked out one of the narrowest victory margins in the country's post-war election history.

But the Chancellor will head a much weakened government with his Social Democrats winning 251 of the 603 seats in the new German Parliament. The party's share of votes in the country's proportional representation system fell from 40.9 per cent four year's ago to 38.5 per cent in yesterday's polling.

But the Social Democrats retain power having been propped up from behind by what is being seen here, as a spectacular electoral performance by their junior partner, the Greens, whose polling percentage increased to 8.6 per cent, 1.9 per cent up from the 1998 general elections.

Though Mr Schroeder's party emerged the single largest, their arch rivals, the conservative Christian Democrats were behind by only three seats. Their share of the popular vote increased from 37.1 per cent last time to about 38.4 per cent, just 8,864 votes less than the Social Democrats alone.

Hence, when Mr Schroeder declared victory in front of cheering supporters at the Social Democratic Party headquarters in Berlin late last night, at the end of a day of polling in the general election, he did so with his charismatic foreign minister, Mr Joschka Fischer, the leader and architect of the

Minister quits

BERLIN, Sept. 23. — The German minister who compared US President

George W Bush's methods on Iraq to those of Hitler is standing down from government, Chancellor Mr Gerhard Schroeder said today.

He said Justice Minister Ms Herta Daeubler-Gmelin had written to him saying that she would not be seeking a post in the new Cabinet. — AFP

Greens' resounding success which ensured the coalition's continuance in power.

"We have hard times in front of us and we're going to make it together," declared the Chancellor at the late night victory party at the headquarters.

The full result will not be final until they are certified on October 9.

But not surprisingly, his conservative rival, the Christian Democratic leader, Mr Edmund Stoiber, remained defiant in defeat and predicted the chancellor's new mandate would not last a year.

Mr Stoiber, who had earlier prematurely declared victory after early returns, told his supporters: "Should the result not allow us to form a government, then I predict before you that this Schroeder government will rule for only a very short time."

Perhaps there is a piece of universal justice here that Mr Schroeder will be able to live through the results of what he has brought upon us. Just give him a few months to go through that.

He added: "We will continue to state that this Social Democratic-Greens coalition



HOUR OF VICTORY: Mr Gerhard Schroeder at a press meet at the Social Democratic Party headquarters in Berlin on Monday. — AFP

will not heal our country's economy and further there will be no release from the isolation from Europe and the USA."

An estimated 79.1 per cent of Germany's 61.38 million voters turned out to cast their votes yesterday. This is down from 82.2 per cent in the last elections and is primarily due to the day-long rain in Berlin and most parts of Germany yesterday.

The country's electoral system gives each voter two votes - one for a local candidate and the other a more decisive vote for the

party of their choice. Official results showed the ruling Social Democrat-Green coalition parties squeezed through with a combined 47.1 per cent of the vote, giving them 306 seats in the new 603-seat Parliament.

The Christian Democrats and Free Democrats polled 45.9 per cent of the vote, giving them 295 seats. Mr Schroeder's victory margin was so thin that he stopped short of making a definitive winner's speech and Mr Stoiber never formally conceded defeat.

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GERMANY / WAFER-THIN MAJORITY FOR SCHROEDER

Drama, tension mark election result

By Batuk Gathani

BRUSSELS, SEPT. 23. The German Chancellor, Gerhard Schroeder, has earned a second term managing to cling to power in the closest election in the nation's history since the Second World War.

Latest results indicate that Germany's ruling Social Democrat-Green coalition has won the narrowest of parliamentary majority of just two or three seats compared to its previous majority of 16 seats. Sunday was a day of unprecedented drama and high tension. In the final weeks of desperate campaigning, the ruling Social Democrats, the Greens and the Opposition centre-right Christian Democrats and their Free Democrat allies highlighted the deep-seated national divisions in the German society. However, the real victor of Sunday election is the environmentalist party of the Greens, led by the Foreign Minister, Joschka Fischer, who in the final analysis has swung the result in favour of the ruling coalition. Mr. Fischer emerges as Germany's most popular politician but the Green Party has been criticised for turning its back on its environmentalist roots for political expediency.

Germany's European allies breathed a sigh of relief as the result has for the first time in recent months reversed the trend of centre-right politics, often based on a xenophobic agenda of entry and treatment of foreign workers mainly coming from the less prosperous regions of eastern, central region, West Asia and North Africa.

The Christian Democrat leader, Edmund Stoiber's impressive electoral performance has resulted in the party emerging as the largest single political group in Parliament. In that respect, Germany has now followed other European Union states, with the exception of Sweden, in leaning towards centre-right politics. The centre-right Mr. Stoiber was the preferred choice of the French President, Jacques Chirac, who was anxious to breathe some new life into the traditional German-French axis.

On the pessimistic side, the very narrow result would suggest that Mr. Schroeder's government could be heading for a mid-



PHOTO FINISH: The German Chancellor, Gerhard Schroeder (left), gives a thumbs-up in Berlin on Monday after winning the general elections in a close contest. At right is the SPD secretary-general, Franz Muntefering. — AP

term collapse. Moreover, the perception is that close results with a paper-thin majority would obviously limit the scope for Mr. Schroeder's coalition government to embark on the desperately needed economic and administrative reforms in the recession and high unemployment prone economy.

Mr. Stoiber's controversial and divisive remarks on immigration and the role of foreign workers in Germany have not been acceptable for a vast majority of Germans. In the final analysis, Mr. Schroeder's bold and defiance of the Bush administration's policy over Iraq coupled with his initiatives on

meeting the environmental and human challenges posed by last month's flooding in eastern Germany had stood him in good stead.

At the same time, most E.U. governments hope that Mr. Schroeder's anti-war hardline on Iraq may not do a lasting damage to the relations with the U.S.

Hence, according to observers, Mr. Schroeder is expected to tone down — but not fundamentally change — his stance on Iraq and other major foreign issues, as a means of repairing relations with the Bush administration.

24 SEP 2002

THE HINDU

German Minister to quit over Hitler jibe

BERLIN, SEPT. 22. The German Justice Minister, Herta Daeubler-Gmelin, who allegedly likened the U.S. President, George W. Bush's methods to those of Adolf Hitler, will resign after Germany's general election, *Bild* newspaper said today.

Ms Daeubler-Gmelin has faced opposition calls to resign after a newspaper reported she told a meeting of trade union members last week that Mr. Bush's threats to attack Iraq were a way of diverting attention from domestic problems.

Meanwhile, Germans began voting today in a neck-and-neck election after a campaign overshadowed by a souring of relations between Germany and the United States.

More than 60 million Germans are eligible to vote in the fourth election since reunification in 1990.

Opinion polls showed the Chancellor, Gerhard Schroeder's ruling Social Democrats less than one percentage point ahead of his challenger, Edmund Stoiber, and the conser-



vative CDU/CSU. The leading candidates talked of a photo finish.

The future of Europe's largest economy will depend on the smaller parties — especially the reformed communists, successors to the party that built the Berlin Wall.

Whether the Party of Democratic Socialism (PDS) crosses the five per cent threshold could determine whether a combination of the other parties — SPD and Greens or CDU/CSU and liberal Free Democrats — can form a working majority.

Mr. Schroeder's position on Iraq has proved popular in a nation with a strong pacifist streak after its violent history and has helped his centre-left Social Democrat party erase the lead of Germany's opposition conservatives. — AP, Reuters

23 SEP 2003

THE HINDU

Germans vote to break opinion poll tie

Kshauish Sarkar in Berlin

Sept. 22. — Germans voted to elect their 15th Bundestag today after a nerve-racking election campaign that ended with the Social Democrat-Greens combine and the Christian Democrats tied neck-and-neck in opinion polls.

The outcome will become certain early tomorrow morning, Indian time. The latest opinion polls are divided with one polling agency giving the Christian Democrats a 1.5 percentage point lead. Another shows them trailing their arch rivals, the Social Democrats with the same percentage points. The campaign ended amid a controversy over what support a German government would give the USA over a war with Iraq. The German Chancellor, Mr Gerhard Schroeder, has said that under his leadership, Germany would not go to war nor support one, even if it is authorised by a UN Security Council resolution. Sensing the public mood in Germany of opposition to an attack on Iraq, Mr Edmund Stoiber of the Christian Democrats, moved away from his earlier pro-American stand and said Washington would not be allowed use of German air bases if he wins the chancellorship. The narrowness of the race was reflected in a harsh language campaign. The country's justice minister, Mrs Herta Daubler-Gmelin, was accused of making a comment comparing Mr George W Bush to Adolf Hitler for his moves on Iraq, something she later tried to wriggle out of by saying it was a misunderstanding and that she had been misquoted. Germans are embarrassed about the country's Nazi past and are wary of any reference to it and don't condone any attempt to rake it up. But a senior leader of the liberal Free Democratic Party, Mr Jurgen W Mollemann, did so too through anti-semitic comments against a Jewish figure in Germany.



ALLEMAGNE GOES TO POLLS: (Right) Nuns of the St. Marien Convent in Eisleben leave for the vote-centre on Sunday after morning prayers. German Chancellor Mr Gerhard Schroeder and wife Doris (left) cast their votes at the Kaiser Wilhelm gymnasium in his hometown of Hanover. — AFP

no-confidence can only be carried if a leader from the Opposition also simultaneously wins the confidence of the House. The closeness of the opinion polls have added to the charged atmosphere and the media has turned it into a personalised campaign focussing intensely on Mr Stoiber and Mr Schroeder.

In fact, this was the first campaign where American-style televised debates were held between the two contenders for chancellor. Mr Stoiber, whose appearance on television was seen as more wooden and unimpressive compared to Mr Schroeder sought to make up with his own rhetorical skills and asked audiences at rallies: "When you choose a doctor for an operation, do you pick the best looking or the most competent? It's the same for the chancellor." Such jibes wash over Mr Schroeder. He is reportedly a profoundly competent speaker with an ability to strike the right chord whether on hostile territory such as the state of Bavaria, whose minister president (counterpart of an Indian chief minister) is Mr Stoiber, or in his home city of Hanover. Short clear sentences delivered in a voice that commands attention are Mr Schroeder's stock in trade, they say. But the chancellor is on the defensive over his economic performance with more than four million Germans out of work. But his opposition to Washington's attempts to attack Iraq gave him the much-needed reprieve from a sagging campaign that was trailing the opinion polls for months together. And very unlike in India, the Schroeder government's efficient handling of the floods in eastern Germany helped the Social Democrat-Green alliance close the gap in the polls. Till their slide, Mr Stoiber had been conducting a campaign to capture the undecided and floating voters. Later he changed tack and led a last-minute bid to mobilise the party's traditional right-wing supporters.

Guten Morgen, Land of Plentiful Jobs?

Statesman News Service

skills. "When there are more than four million jobless, it is irresponsible to open up the job market to everyone," he said.

Other CDU leaders, including immigration spokesman Mr Guenther Beckstein, attacked the ruling alliance for calling reforms as a step towards making Germany a modern, multicultural land of immigrants. "This is exactly what we don't want," Mr Beckstein said. "Instead, Germany must integrate the 7.3 million foreigners who live here and find work for the more than 4 million without work." At a rally in Cologne, Mr Stoiber called for deportation of 4,000 foreigners, believed to be fundamentalists. Mr Schroeder called the new strategy a sign of helplessness: "It is a desperate attempt to find a topic which can arouse emotions, but I think the public will see through it."

At campaign rallies across the country, Mr Stoiber has promised to throw out a government reform passed earlier this year to open Germany to qualified immigrants with needed

Though he is still drawing crowds, he has been criticised within the party that is fighting the election on its own but is seen as a possible ally of the Christian Democrats, should there be a hung Parliament. In that event, German journalists say, Mr Stoiber may not include Mr Mollemann the only one where a German Federal

government was changed through the ballot when Mr Schroeder's Social Democrats, in alliance with the Greens, replaced the conservative Mr Helmut Kohl. Power has usually changed hands between parties through the German Parliamentary process under which a vote of

German poll race draws to rancorous close

22/9 1991
Germany
BERLIN, SEPT. 21. THE German Chancellor, Gerhard Schroeder, strongly defended his staunch opposition to an attack on Iraq as he closed his election campaign on Saturday, even as tensions with Washington escalated over a comparison between the U.S. President, George Bush, and Adolf Hitler reportedly made by his Justice Minister.

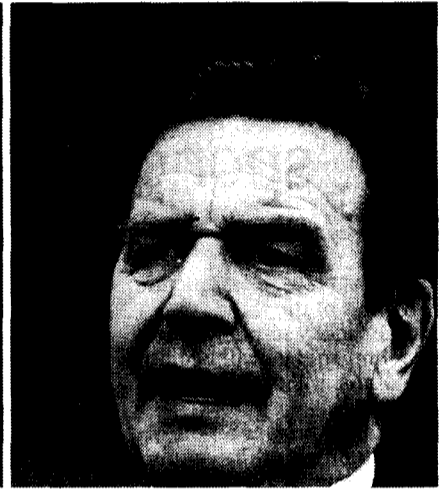
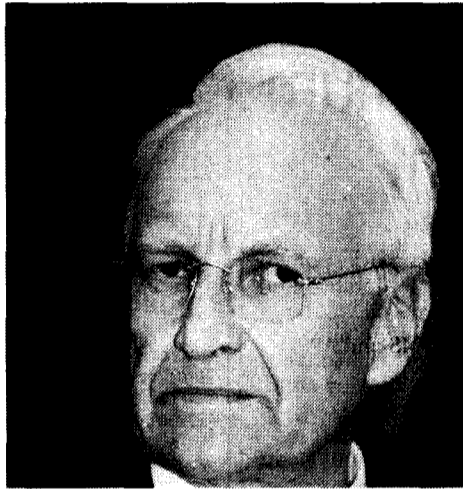
The campaign for Sunday's parliamentary vote has been characterised by unusually harsh rhetoric about the Bush administration as Mr. Schroeder emphatically opposed U.S. military action to oust the Iraqi leader, Saddam Hussein, insisting repeatedly that Germany would not participate and arguing that it would wreck the international campaign against terrorism.

The stance is credited with helping Mr. Schroeder claw back from a deficit in the polls against his conservative challenger, Edmund Stoiber. Polls now show the race too close to call, with Mr. Schroeder's Social Democrats holding a wafer-thin lead over Mr. Stoiber's Christian Democrats.

Mr. Schroeder did not refer on Saturday to the row over the remarks reportedly made by the Justice Minister, Herta Daeubler-Gmelin.

On Friday, he wrote a conciliatory letter to Mr. Bush, while Ms. Daeubler-Gmelin again denied remarks attributed to her by a German newspaper which quoted her as saying Mr. Bush, like Hitler, was threatening war to distract attention from domestic problems.

Mr. Schroeder told Mr. Bush that "the



NECK AND NECK: The Christian Social Union's (CDU-CSU) candidate, Edmund Stoiber (left), and the Chancellor and Social Democrat's (SPD) candidate, Gerhard Schroeder. — AFP

Minister has assured me that she never made the remarks attributed to her". He added: "I would like to assure you that no one has a place at my Cabinet table who makes a connection between the American President and a criminal."

However, in comments published on Saturday in *The Financial Times* newspaper, Mr. Bush's National Security Adviser, Condoleezza Rice, was quoted as saying that the alleged comments created a 'poisoned' atmosphere.

At his own final rally on Friday night,

Mr. Stoiber hammered away at the theme that for months gave him the advantage — Germany's stagnant economy and an unemployment rate that remains close to 10 per cent despite Mr. Schroeder's pledge four years ago to slash joblessness.

"This is a decision about Germany's direction — an upturn or a downturn," he said. Mr. Stoiber also highlighted his opposition to a new immigration law that he claims will trigger an uncontrollable influx of foreigners to Germany. — AP

22 SEP 2001

THE HINDU

Hitler row dominates Germany on poll-eve

PHILIP BLENKINSOP ^{G.S. 2/9}

Berlin, Sept. 21 (Reuters): A row sparked when a German minister allegedly compared the US President's methods to Adolf Hitler's overshadowed the final day before tomorrow's election in Germany that promises a photo finish.

Justice minister Herta Daeubler-Gmelin has denied a newspaper report she likened George W. Bush's stance on Iraq to Hitler's use of foreign policy to hide domestic woes.

Yet she still faces calls to quit and charges from Bush's national security adviser Condoleezza Rice that US-German relations have been "poisoned".

It was unclear what impact, if any, the last-minute furore sparked by the report would have on tomorrow's result.

Chancellor Gerhard Schroeder's firm stand against any war in Iraq has benefited his centre-left Social Democrats (SPD), but his rival Edmund Stoiber and



A woman carries 10 one-litre beer mugs on the opening day of the Oktoberfest in Munich on Saturday. (AFP)

the conservatives accuse the government of isolating Germany and even threatening exports.

"West Asia and Iraq need a lot of new peace, but they don't need a new war," Schroeder said to cheers from the 5,000-strong

crowd in the centre of Rostock.

He said Germany had every right to be self-confident in its international policy given that it had demonstrated its readiness to take part in front-line action for peace.

22 SEP 2003

TRU

Bush-Hitler comparison colours German polls

Pr 10
21/9

Berlin: Allegations that Germany's justice minister had likened the US President's methods to Hitler's, threatened on Friday to hurt Chancellor Gerhard Schroeder two days before a neck-and-neck election.

Newspapers gave front-page coverage to justice minister Herta Daeubler-Gmelin's reported comments at a campaign rally saying Mr George Bush's sabre-rattling on Iraq was a way of diverting attention from domestic issues that Hitler had also used.

Latest polls show the Social Democrat's Mr Schroeder, just a whisker in front of conservative Edmund Stoiber, and give little indication whether Germany will be governed next by the same Centre-Left coalition, a Centre-Right one under Mr Stoiber, or even an alliance between both major parties.

It was unclear who might



G. Schroeder E. Stoiber

gain from the latest controversy. Mr Stoiber has already accused Mr Schroeder of damaging US-German relations by opposing German involvement in any war in Iraq, but Mr Schroeder's line has appealed to voters.

"The election is very close and voters have shown themselves to be very fluid... However, we haven't found any prevailing anti-American sentiment, particularly after September 11," said Richard Hilmer of the pollster Infratest Dimap.

Ms Daeubler-Gmelin said she had not made the remark, and Mr Schroeder said

he was glad to hear this.

Any mention of Nazis in German politics courts controversy.

Editorials and opposition parties demanded Ms Daeubler-Gmelin's resignation and Ari Fleischer, spokesman for President Bush, calling her reported comment "outrageous".

US Senator Jesse Helms of North Carolina, the ranking Republican on the Senate Foreign Relations Committee, said that "the German Chancellor has damaged German relations with the United States in ways that cannot be easily repaired".

SPD general-secretary Franz Muentefering accused Washington of reacting hastily, and a justice ministry spokesman said Ms Daeubler-Gmelin had called US ambassador Daniel Coats to assure him that she had been misrepresented. Reuters

No war plans on desk: Bush

BERLIN, MAY 23. Calling Saddam Hussein "a threat to civilisation itself," the U.S. President, George W. Bush, assured German leaders on Thursday that he does not seek war with Iraq but does want help keeping the Iraqi leader from forging alliances with Al-Qaeda and other terror groups.

Mr. Bush said he told the German Chancellor, Gerhard Schroeder, of his desire to expand the war against international terrorism beyond Afghanistan. He said he assured Mr. Schroeder "I have no war plans on my desk" but wishes to use every means available to deal with Mr. Hussein. He knows my position and the world knows my position about Saddam Hussein. He's a dangerous man," Mr. Bush said. "It's dangerous to think of a scenario where a country like Iraq would link up with an Al-Qaeda-type organisation. ...It's a threat to civilisation itself."

Speaking before the Bundestag, Germany's Parliament, Mr. Bush also made the case for a more aggressive war against terrorism, saying the threat "cannot be appeased, and it cannot be ignored." Mr. Bush drew some jeers from those who opposed a wider anti-terror campaign, but he was loudly applauded when he saluted "a Europe that is whole, and free and at peace for its first time in history." In a nod to German scepticism of his hard line on Iraq, Mr. Bush also said at a news conference that Germany had "shouldered a significant



The German Chancellor, Gerhard Schroeder (left), thanks the U.S. President, George W. Bush, after his keynote address in the German Parliament in Berlin on Thursday. — AP

burden" in the overall fight against terrorism, "and we're very grateful for that."

Mr. Bush also appealed for Germany's help in exerting diplomatic pressure on Iraq to keep Mr. Hussein from developing destructive weapons — a threat he said is likely. "I know some would play like they're not real. I'm telling you they're real," Mr. Bush said of the threats. He said he advocates action against Iraq because "I don't want to be in a position where we look back and they say, 'Why didn't they lead? Where were they when it came to our basic freedom?'"

Hours before travelling to Moscow for a three-day visit, Mr. Bush also bluntly warned the Russian President, Vladimir Putin, to stop providing weapons technology to Iran. "If you

arm Iran, you're liable to have the weapons pointed at you," Mr. Bush said. He said he planned to tell Mr. Putin to handle Iran with caution, and to express U.S. worries that Iran may someday be capable of arming deadly missiles. "That's going to be a problem for all of us, including Russia," Mr. Bush said.

Before the Bundestag, Mr. Bush described the new arms deal with Russia as the most dramatic of its kind. "Old arms agreements sought to manage hostility and to maintain a balance of terror. This new agreement recognises that Russia and the West are no longer enemies," he said. Thousands of protesters massed the day before to oppose any widening of the anti-terrorism campaign as Mr. Bush began his first visit to Germany. — AP

Country-wide strike looms over Germany

By Batuk Gathani

BRUSSELS, MARCH 26. Germany is on the brink of a new labour crisis as a powerful trade union organisation IG Metall — the 110-year-old organisation with a membership of 36 lakh workers — is threatening walkouts if demands for a 6.5 per cent wage increase is not met. Such a steep raise could further erode German companies' competitive edge in the global market place.

Currently, the country's unemployment rate remains static, with some four million workers unemployed. The Chancellor, Gerhard Schroeder, is fighting a desperate political battle on the labour and constitutional fronts in the key election year. The Government is also faced with a constitutional dispute after Mr. Schroeder won a single vote victory on the controversial immigration Bill in the upper House of Parliament. The victory was secured after a stormy debate but its has been challenged by legal experts and the Opposition.

The new law may make it easier for well-qualified foreigners to settle in the country. German companies may prefer to bring in high-tech workers from east European countries, China and India. This is rated as a major Government initiative before the September general elections. With the current recessionary trading conditions, Germany also witnessed the



Members of the German labour union, IG Metall, stage a protest in Boeblingen, on Monday. — AFP

collapse of the country's largest construction company. The economic scenario could be further complicated by the possible strikes next week. Government authorities and the industrial sector are trying to reach a compromise with IG Metall over the issue.

According to European economists, the euro now oversees comparative wage costs across Europe. With high wage demands and rigid labour laws, significant manufacturing jobs in Germany have migrated to Portugal where those in the metal industry work longer hours and are paid less than a third of the wages in Germany which is rated as the highest-

wage economy in the 12-country euro-zone. The German authorities are trying to reach a consensus with the introduction of wage contracts with greater internal flexibility.

The intended action of IG Metall can hurt some 22,000 German manufacturing companies in the automobiles, home appliances, computer hardware and machine tools sectors. Then there are regional disparities in workers' salaries in the western and eastern regions of the country. In the east, workers in auto manufacturing earn euro 10.78 an hour and put in a 38-hour workweek, while in the west, they earn euro 15.65 per hour for a strict 35-hour week.

The European Union countries have yet to pass through an era of major structural economic reforms and the recent summit of the E.U. leaders in Barcelona was a non-starter. Analysts warn that Europe is fast ageing with fresh evidence suggesting that the population of the working age group has stopped growing. It may shrink further in the coming decades, as a result of the falling birth rates and as people live longer.

All over Europe, there is a general reluctance to bring in new immigrants and centre right Governments and political parties, with a strong anti-immigration agenda, are enjoying growing popularity. Mr. Schroeder is also facing the same dilemma with the centre-right Christian Democrat candidate for chancellorship enjoying better popularity ratings.

27 MAR 2002

Germany overhauls immigration policy

BERLIN, MARCH. 23. In a dramatic vote in the upper house of Parliament, Germany agreed to revolutionise its post-war immigration policy with a new law that would encourage elite foreign workers to take top jobs in Europe's most powerful economy.

The act that passed by the narrowest of margins through the Bundesrat - and only after a special intervention by the chamber's president - would spell the end of Germany's tradition of refusing permanent entry to foreigners.

If the decision survives a final legal challenge by the Centre-Right Opposition, a new system would be introduced from 2003 under which German employment authorities would be able to pick and choose the best of overseas talent. Those who come would be able to stay permanently.

Otto Schily, the Interior Minister, told the Bundesrat that the law would mark a change in national attitudes and policy.

"Germany will have Europe's most modern immigration law," he said. "With this, Germany presents itself as a liberal-minded, cosmopolitan, neighbour friendly country . . . a mature nation, committed to

freedom, justice and solidarity."

The Social Democrats have pushed the plan partly because of an acute shortage of highly skilled workers in Germany's industrial and science sectors and partly to promote a more liberal image of their country to the world.

The immigration law would offer permanent residency to highly qualified foreigners including engineers, experts in information technology, mathematicians and managers with experience in science and research.

Others would be admitted if they are deemed to be of the right age and have sufficient language skills and academic qualifications. Foreign graduates would also be offered one-year work permits after graduation. The aim was to prevent highly trained and skilled people educated on German soil and with German money emigrating to other industrial countries. Self-employed foreigners prepared to invest in Germany and with a good chance of creating new jobs there would also be allowed in. Germany has 7.3 million foreigners in a population of 82 million. — ©Telegraph Group Limited, London, 2002

THE HINDU

24 MAR 2002

Germany 19/1 Communist party shares power in Berlin

BERLIN, JAN. 18. Twelve years after Berliners thought they had seen the last of Communist rule, the successor to the former East German Marxist party took a share of power in the city's Government amid angry protests on Thursday.

Capping an extraordinary survival act that owes much to the nostalgia many easterners feel for the days of the Berlin Wall, the Party of Democratic Socialists (PDS) took their seats in a so-called "Red-Red" coalition with the Social Democrats (SPD). It is the first time the former Communists have had power in the Government of Berlin since the dramatic events of 1989 when the Wall fell and Communist governments were turned out of power.

Critics expressed outrage that the successor to the Socialist Unity Party that governed in the German Democratic Republic should be allowed to rule again. Several members of the Social Democratic

Party, the senior partner in the Federal coalition Government with the Greens, resigned from the party in protest and announced that they would burn their membership cards outside its Berlin headquarters.

Gunter Rexrodt, the Berlin leader of the liberal Free Democrats (FDP) and a former Economic Minister, said: "No one can brush aside the fact that this event gives rise to questions and fears among millions of people in Germany and beyond." The Christian Democrats and Greens ordered an investigation into whether any of the new PDS Ministers or their officials had links with the Stasi, the former East German secret police. "The people of Berlin should know with whom they deal, whether there are even former Stasi spies in the Parliament," said Michael Braun, a Christian Democrat MP.

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THE HINDU

19 JAN 2002