

# The German Problem on Ukraine



by Michael Curtis

For weeks in 2021 the international community witnessed and was puzzled by Germany's weak response, compared with that of the U.S. and European democratic countries to the Russian aggression against Ukraine.

Germany, Europe's largest economy, was hesitant in any response, including arms transfers to Ukraine, and it persisted in upholding the Nord Stream 2 gas pipeline from Russia. Initially, Germany agreed to provide only humanitarian help and medical equipment, some "defensive" weapons, and training and maintenance for Ukraine.

Then, with the increasing brutality of the Russian aggression, German policy shifted with the announcement by Chancellor Olaf Scholz on May 3, 2022, that Germany would send 1,000 anti-tank and 500 Gepard anti-aircraft weapons to Ukraine., as well as increase the amount of its annual GDP the country would spend

on defense.

Germany has taken time to come to terms with its past, but perhaps has now realized it could not stand on the wrong side of history. Their hopes of changing Russia through trade and partnership and interdependence are not viable. In 2022 they had to answer the question posed in 2014 by Vladimir Putin on international politics, "New Rules or a Game without Rules?"

Post-World War II Germany has been a model of stability, in its handling of the 1968 protests movement, the fall of the Western Wall in 1989, and the migrant crisis of 2015. It is longer aggressively nationalist, and it has been a firm supporter of the European Union. The deutschmark has given way to the euro. Radek Sikorski, Polish foreign minister commented in 2011 that he feared German inactivity was more troublesome than its action. It was not in the "power game."

What can explain recent German reluctance to take a strong position against Russian aggression? A view of history and changing politics may help. Eastern Europeans remember the German-Soviet collaboration during World War II, and the Soviet Union occupation of Eastern Europe from 1945. However, what was important for Germany was the policy of *Ostpolitik*, relations between the Federal Republic of Germany, FRG or West Germany, and the German Democratic Republic, GDR or East Germany and the Soviet Union. On this issue policies were implemented by Willy Brandt, first Social Democratic Chancellor of FRG, 1969-1974 with his policies of détente.

Disappointingly, the Soviet Union, with its emphasis on limitation and withdrawal of NATO, was less interested in detente or conciliation with the West.

Interpretation of events is not always incontrovertible. Very recently, released documents in memos, minutes, letters, reveal that in 1991 Chancellor Helmut Kohl wanted to prevent an eastward expansion of NATO and independence for Ukraine from the Soviet Union. His foreign minister, Hans-Dietrich

Genscher, developed ideas for détente, continuation of East-West dialogue, and suggested that the dissolution of the Soviet Union would be a catastrophe. The two leaders opposed independence of Estonia and Latvia, and argued against the countries being admitted into NATO or the EU. In November 1991 Kohl offered to "exert influence on the Ukrainian leadership" so that the country would join a confederation with Russia. However, after a referendum in Ukraine in which 90% voted for independence, Germany then recognized Ukrainian independence.

The crucial difference of opinion is over the question of whether NATO, and the U.S. specifically, made a commitment to Russia not to enlarge NATO. Controversy still centers on comments made during negotiations about the future of Germany in 1990-1991. At the center is the statement of James Baker, Secretary of State, to Mikhail Gorbachev on February 9, 1990, "If we maintain a presence in a Germany that is a part of NATO, there would be no extension of NATO's jurisdiction for forces of NATO one inch to the east." Later, in a letter to Kohl, Baker explained he had asked Gorbachev a question, would he prefer a united Germany outside of NATO, independent and with no U.S. forces, or would he prefer a unified Germany to be tied to NATO, with assurances that NATO's jurisdiction would not shift one inch eastward from its present position ?

The argument therefore concerns remarks during negotiations over the reunification of Germany, whether a promise was made to the Soviet Union by the U.S. and allies that they would not agree to NATO expansion east of the Cold War border. The problem is that no binding, legal agreement was ever made, though it was agreed that no foreign NATO troops would be stationed in East Germany. However, Germany for a time was agreeing that NATO would not expand in eastern Europe.

A second factor that may help explain German policy on Ukraine is the issue of whether Germany has fully come to terms with its past and the role of influential people in the Nazi regime

who remained unpunished. This issue is the basis of a new book, *Nazi Billionaires* by David de Jong, that exposes the "dark history" of Germany's wealthiest dynasties, and outlines how a number of large German firms made fortunes and were beneficiaries as Nazi collaborators. Jong, a Dutch journalist, deals with five families, some of Germany's wealthiest industrial and financial dynasties, influenced by greed and opportunism and some ideology, were agents of Aryanization, stole Jewish businesses, used slave labor, as well as increasing arms production. They largely escaped any serious punishment or prosecution on the grounds they were needed in the post war cold war. Jong illustrates the deception of the magnates. Their declared ignorance of their past was remarkable. They had never read *Mein Kampf* and did not know its contents or Adolf Hitler's intentions.

The five families have prospered. The Quandt family owns 47% of BMW and chemical and technological interests. The family is alleged to have built its own concentration camp to house its workers. The daughter of the family, Magda, married Joseph Goebbels and became the unofficial first lady in the Reich. The Flick family, once controlled Daimler-Benz, now Mercedes-Benz, contributed to funds of the SS and used 50,000 forced laborers in their factories. The Porsche-Piech family control Volkswagen. The August von Fincks co-founded Allianz, the world's biggest insurance company. This family were early supporters of Nazism, joining the Nazi party in 1933, gave money to Hitler, and gained control of the Rothschild bank in Vienna. The son and heir, also named August, has financed the far-right political party, AfD and other right wing parties. The Oetkers have a business empire from frozen pizza and cakes to luxury hotels. The controller of that empire during the war was an officer in the Waffen SS who trained at Dachau concentration camp.

The families have all been honored in the post war Germany in buildings, foundations, prizes: a few spent a short time in

prison, but they were mostly unpunished.

Perhaps the most egregious account is that of Ferdinand Porsche, Hitler's favorite engineer, designer of the Volkswagen Beetle and sports cars, whose company together with Anton Piech, whose estimated wealth is \$20 billion, now control the Volkswagen group which includes Bentley, Audi, Lamborghini, and Skoda. The truth emerged in a TV documentary in 2019 disclosing that Porsche had a Jewish partner and co-founder, Adolf Rosenberger, who was forced to sell his share of the company far below its market value to Porsche and Piech, and was sent to a concentration camp for a short time.

These companies have never publicly apologized for their actions under the Nazis but to salvage some reputation themselves have made donations to a Holocaust museum, or claimed a Jewish friend. In 2018 the Ferry Porsche Foundation was created, a body mainly to support projects "related to educational and social issues."

The foundation was named after Ferry, the son, who in post-war Germany used antisemitic stereotypes and prejudice in his comments on events during the war. The projects are supposed to analyze history in "a scientific, independent way," and to understand the operations of companies in a historical and social context. The Foundation did fund a study by Stuttgart University into the activities of Porsche under the Nazis, but its report is not an indictment or serious criticism but a partial whitewash, and it downplayed the revolting treatment of Rosenberger who among other things was a racing car driver for Mercedes. A documentary on German TV in 2019 showed that Rosenberger had played a crucial role in the initial financing of Porsche. and how his stake in the company had been "Aryanized" in 1935.

The conclusion is that these rich families, beneficiaries of Nazi policies, have almost never been punished and have never

atoned for their part in the regime. The lingering question is whether the dark history of these tycoons has affected current German policy on Ukraine. One can understand Germany's unique complicated relationship with Russia, and its present energy problem, but now is the time for Germany to condemn the acts of aggression by the Kremlin.