

# Peace More Important Than Economics, German Minister Says

By [The Moscow Times](#)

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**The  Moscow Times**

BERLIN — Germans must put peace before economic considerations and accept tougher sanctions against Russia if necessary, Germany's finance minister told the Bild am Sonntag newspaper on Sunday.

The European Union reached an outline agreement on Friday to impose the first economic sanctions on Moscow since the downing of a Malaysian airliner and the deaths of 298 people onboard in an area of eastern Ukraine held by Russian-backed separatists.

Germany, Europe's biggest economy, sold about 36 billion euros (\$48 billion) of goods to Russia last year, almost one-third of the EU's total. But its exports to Russia dropped by 14 percent in the first four months of this year and some business groups have warned that the decline endangers some 25,000 jobs in Germany.

"Economic interests are not the top priority. The top priority is ensuring stability and peace,"

Finance Minister Wolfgang Schaeuble was quoted by the newspaper as saying.

If German ministers were to warn against sanctions because of the potential damage to the German economy, then Chancellor Angela Merkel would have the wrong ministers, he said.

"An erosion of peace and stability would, by the way, be the biggest danger to economic developments," he said.

A poll in Der Spiegel magazine showed that 52 percent of Germans supported tougher sanctions, even if it meant that German jobs would be at risk. Some 39 percent were against.

The EU had already imposed asset freezes and travel bans on some Russian officials after Russia annexed Ukraine's Crimea region and in response to its support for separatists fighting Kiev's forces in eastern Ukraine.

The United States and other Western countries stepped up their punitive measures after Malaysia Airlines Flight MH-17 crashed on July 17 in eastern Ukraine. Western states believe Russian-backed separatists shot it down with a Russian-supplied surface-to-air missile, probably by mistake.

The separatists deny their involvement, and Russia says it has not provided heavy weaponry to the rebels.

### **EU Compensation to Arms Firms?**

German Vice Chancellor Sigmar Gabriel, leader of the Social Democrats who share power with Merkel's conservatives, said it was time to target oligarchs close to Putin.

"We have to target the people on whose shoulders the Russian government rests," Gabriel said in an interview with ARD television.

"The oligarchs, the millionaires who want their nice houses in western European capitals, they have money in accounts — we have to freeze these," he said.

Gabriel also criticized Britain and France for refusing to stop arms sales to Russia. Britain has granted licenses to sell tens of millions of pounds worth of arms to Russia, and France wants to uphold a 1.2 billion-euro deal to supply two helicopter carriers to Moscow.

"I don't think this is a very sensible solution," said Gabriel, who as economy minister is trying to introduce a more restrictive policy for German arms exports.

He said Germany was looking carefully at existing contracts, even those signed before the Ukraine crisis erupted. "I would have expected the same of France and Britain," he said. "If you're not careful, it quickly turns into [doing] business with death."

However, he suggested that the European Union should consider helping those firms hit by canceled orders.

"In such cases, I think it would be appropriate as part of European solidarity to help firms avoid bankruptcy or loss of orders. Then we must make sure that there is replacement

financing," Gabriel said.

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