

## Report from Bonn by Rainer Apel

### Creating jobs through great projects

*There is new momentum in Germany for projects for the development of infrastructure.*

**I**t may be the shock at the prospect of a "red-green" (Social Democrat-Green party) coalition government in North Rhine-Westphalia after the May 14 elections, which would mean deindustrialization on an unprecedented scale, that prompted industrial leaders to begin a campaign for great infrastructure projects.

The point that only great infrastructure projects have the potential to create enough new jobs to avoid a collapse of industry, was addressed in Berlin in mid-June at the annual convention of the German construction industry association.

A resolution addressed to the 15 European Union transport ministers that convened in Luxembourg on June 20, stated that having only one of the 14 priority infrastructure projects of the European Union (the Trans-European Nets program, or TEN) in eastern Germany, fails to take into account the need to develop the economies of the former East. The one project is the future international airport in Berlin. More such projects for eastern Europe are needed, it said. It called on the EU to include the "rail route between Berlin and Moscow" in the TEN priority list without further delay.

The convention also welcomed the call in the keynote address on June 15 by Thomas Rogge, president of the FIEC, the European federation of the national associations of the construction industry, for an acceleration of the TEN program, which includes 34 projects altogether, of which only 14 have been approved officially by the EU to date. The FIEC already a year

ago drew EU-wide attention when it gave its full support to the Delors Plan (the TEN) as a "crucial incentive" for the creation of new, long-term construction jobs in EU member states. The FIEC explicitly endorsed a "substantial state role to bridge at least the period from the initial investment and construction phase to the later remunerative phases."

Rogge said that the TEN program, one of the prime incentives of the European economies with its investment volume of ECU 100 billion, needs to be realized quickly to keep its catalytic role. Without this program, which is creating up to 200,000 construction jobs directly, plus 400,000 in supplier industries, the capacities of the construction sector, which are now idle, would collapse in the overall economic depression, he warned.

The FIEC message was heeded at the EU transport ministers meeting. On June 20, German Transportation Minister Matthias Wissmann said that the meeting had been very productive in removing numerous bureaucratic obstacles from the TEN program. Most important for the Germans, Wissmann said, was that the ministers for the first time agreed to list the "technology of the future, the magnetic-levitated train," Germany's Transrapid, in the official TEN guidelines for the realization of the "Trans-European Rail Grid." After months of struggle inside the EU bureaucracy, the first Transrapid project, which will connect the two biggest cities in Germany, Berlin, and Hamburg, has been included in the list of priority projects.

The Berlin-Hamburg project opens the door for a future grid of maglev lines across Europe; the great potential of this new technology, which allows travel at speeds of 500 km per hour, lies in eastern Europe. The eastern states have invested little in their rail grids in the last years, which, ironically, now gives them the opportunity to bypass investment in outmoded high-speed trains on rails, and to jump ahead to the more advanced maglev technology.

This point has been addressed by Albrecht Braemer, chief manager of the economic development agency of the (eastern German) state of Brandenburg. In a commentary in the daily *Die Welt* on June 21, headlined "The Transrapid Shall Also Run to Eastern Europe," he wrote that "the Transrapid maglev train is a prime pillar in a future-oriented concept of transportation. In my view, this means that the planned service on the route Berlin-Hamburg can only be the prelude to a European-wide system which has its central point in the Berlin-Brandenburg region."

"Thus, I could imagine," he wrote, "a Transrapid route along the Baltic coast from Berlin to the big industrial zones of Szczecin and Gdansk in Poland, to the Russian industrial centers of Kaliningrad and St. Petersburg. In the context of a broader integration of the neighboring eastern states into all-European cooperation, such a Baltic line could form the basis for the development of the transportation grid of the future growth regions on the southern coastline of the Baltic Sea."

Braemer added that maglev could also be used for the transport of commodities, which would be stored in special containers. This would make the Transrapid attractive for grand-scale continental transport of goods between the West and the East.