

From the tortured mind of a pacifist economist: We should stop buying Russian gas, oil and coal – now.

When I was 18, I dodged the draft in Germany. When 28, I marched against the deployment of Pershing rockets in Europe. When 38, and posted as an economist and actuary in Eastern Europe, I saw – with some worry - the West trying to “westernize” the Ukraine straight after its independence. When 49, I marched against the invasion of Iraq and the lies that came with it. My pacifism was to a large extent born out of the shame about the holocaust and the millions of deaths and crimes in Europe and largely in Eastern Europe that my country had caused and committed due to its complete moral collapse. At 69 that shame is still with me, as it is for many people of our and later generations.

I know that trying to separate the world in the just good and the just evil has always been wrong. I know that pictures and narratives of war do lie more often than not. I still doubt that ideas, ideals, ideologies, faiths, countries are worth asking people to die for. I was always convinced that sanctions are just another more subtle form of violence mostly against the innocent. I still think that the policy of Change through Trade is principally right, on the condition that it is agreed between reasonable and rational people. But just that condition does not hold true at the moment as we must admit. War criminals don't tend to stick to rules - neither rational nor moral ones.

Today, I fail to see how anything or anyone in a clear mind can justify the flattening of cities, hospitals, churches, homes, cinemas, theatres and the mass killing and maiming of human lives and fates by Russian troops. We have to use all the means that we can possibly justify to stop the aggressor and help to push him out of favour in his own country and consequently hopefully out of power. I also still do not believe that we should prolong and intensify the dying and cruelty of war by sending in more young people to die. After all, the benefits of freedom are never enjoyed by people who die or whose lives get ruined when fighting for it. But we have to use our full economic power to weaken the aggressor. We also have to use it to welcome and sustain refugees for as long as it takes. But that is still squarely within our comfort zone. Using our full economic might also includes an immediate embargo on buying Russian oil, coal and gas, means that we have to leave our comfort zone. It is probably an illusion to believe that that will end the war immediately. Russian troops can be paid, as badly as they probably are, in freshly printed rubles for quite some time (mercenaries probably not, btw...). But it might precipitate the fall of Putin and that will create a peace dividend in Europe and even in the Ukraine, Syria and elsewhere in the medium to longer term. Agreed, that this is no big comfort for the Ukrainians in the trenches and bomb-shelters at the moment. There is no big comfort on offer. But neither should there be cheap advice to the Ukrainians as to how to end this war. We advised them once to give up their nuclear deterrence. Painful - as it is to admit – this may have been a mistake. Even though – for lack of a counterfactual - we will never be able to assess that with any degree of certainty.

Boycotting Russian gas, oil and coal will come at a substantial cost; here more than elsewhere in Western Europe. As an economist I see that the German standard of living – import and export dependent as it is - will decline. It might even nosedive dramatically. That will be hard to manage. As a social democrat I know that we cannot ask the people on the vulnerable fringes of the labour market and our society to weather alone the bulk of the consequences, for example, in form of unemployment and increased precariousness. What we need in response an in immediate parallel to the shrinking of

the economy is a massive redistribution of resources and probably labour to be able to sustain the economic fallout politically - notably against the coming attacks from the emerging far-right who just wait to exploit a depression. And hence the "Zeitenwende" that the German government has committed to cannot limit itself to delivering arms into war zones and expend more money on defense, it has to be linked with combating the three other manmade plagues of poverty, insecurity and inequality here (and elsewhere in the world by the way, but that is another topic). That may mean that we have to bring up our revenue to GDP-ratio up by four to five percent %-points into the region of 35% as any decent society should - and as the Scandinavians for example do. That will require substantial increase of taxes to be borne by the better off like us and those companies that presently tend or even have the legal privilege to avoid paying their fair share of taxes at the moment. Redistribution will obviously not reduce the loss of GDP - it may even marginally increase it - but it makes it more bearable for those who will suffer most from the fall-out of economic action.

If that cannot be sold to people and voters on ethical grounds, then maybe we can sell is on egotistic grounds. If we don't use our massive economic power now many more generations here will have to live with decades of new shame of having prolonged the dying in Europe and as a consequence perhaps in other dictatorships (and perhaps in "human rights indifferent" democracies- but that again is another matter) that in the end will cost this society much more in terms of hard to recover losses of its values, conscience and peace of mind than just economic losses. And, ending a war and a threat to global peace by fairly distributed losses in standard of living and at the same time progressing ending the curses of poverty, inequality and insecurity by accepting economic losses is still a low cost and rational way to do so. At least when related to the potential loss of peace of mind caused by indifference and inaction.

My wife and I still have the blue and white sticker of the pigeon of the German pacifist movement on our bumper. We have driven it around for decades but we have not dusted it off since the end of February...

Michael Cichon

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