

>: Germany goes Chavez on Itself

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I'm a practical man, so please forgive me if I appear to play the part of the 'commie pinko' in today's article. I assure you that nothing could be further from the truth. I consider myself a dyed-in-the-wool capitalist, and make no apologies for it.

Capitalism with humanism need not be a starry-eyed, naive vision; one does not need to be sacrificed for the other. As a capitalist, I embrace the fundamental tenets of freedom; one, because it is a self-evident right of all men and women to be free, and two because it also happens to be very good for business.

Freedom works. Morally and financially, the death of the Soviet Union and the meteoric rise of the United States bears that out.

So when I read ([click here for the Associated Press article](#)) that the world's third largest economy, a country with a long history of questionable policies toward certain factions of its citizens, has started to embrace various totalitarian policies, I took notice.

Let me explain what's going on.

On June 8th of this year, the town of Hiligendamm, Germany will host the G8 summit. This is where the world's leaders come together to share a few drinks, swap a few stories, discuss world trade etc. Needless to say, not everybody is happy with our global leaders, and previous G8 meetings have been met with massive protests, oftentimes marred by violence.

German response to this potential threat is to embrace an old, cold war tactic of taking scent samples from people who they think will be trouble makers so they can track them later with dogs. This exact tactic was used by the East German secret police, the *Stasi* (think *KGB*). The *Stasi* was a collection of thugs and sadists that flourished under the freedom crushing rule that was East Germany.

What is even more terrifying is the decision by Germany's interior minister, Wolfgang Schaueble, to incarcerate people the government *THINKSMAY* pose a *POTENTIAL* threat.

These are people, guilty of no crime, who are being imprisoned under a term called "Preventative Detention."

OK, think about this: A guy from the government knocks on your door and says, "Mr. Smith, we think you are going to commit a crime, so we are putting you in prison before you commit it!?"

This is the lunacy currently gripping Europe's most important economy.

These de facto *Minority Reportesque* pre-crime detentions of so-called potential trouble makers sets a precedent that is truly troubling.

How do you think massive human rights abuses are perpetrated?

All at once in a big bang?

No, my friends, the erosion of personal freedoms occurs slowly. First, among the fringe elements where it won't be noticed or cared about. Then the precedent set by those actions becomes the springboard for a *MUCH BROADER APPLICATION* of those powers.

Totalitarian policies foster social unrest, and social unrest is rarely good for business. As a society loses faith in its future, so does it begin to lose faith in all but the here and now; money gets hoarded, purchases get postponed. In short, business suffers.

Western countries cannot allow the threat of harm to turn us into what Petra Pau (German opposing government law maker) calls "preventative security states." Such a transformation among Western countries would have a most deleterious effect on all businesses save those dedicated to military/security applications.

Most of our American companies garner a sizable portion of their profits from outside the United States and, as such, we must always pay attention to potential seismic international policy shifts. The events in Germany would certainly qualify.

There is no immediate global business impact from these policies, and no immediate investment decisions need be made at this time in response to them. This article was written to put this issue on your radar because, as Americans, it would be short-sighted of us, indeed, to ignore these totalitarian rumblings emanating from Europe.



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