

[Back to Story - Help](#)

## Anti-Nokia backlash grows in Germany



by Yannick Pasquet

Sun Jan 20, 11:25 AM ET

Anti-Nokia anger in Germany for closing a factory is growing with politicians publicly ditching the firm's phones and joining calls for a national boycott in Europe's largest economy.

The Finnish mobile phone giant said on Tuesday it plans to close the factory in Bochum in the Ruhr industrial heartland and shift production to Romania where labour costs are lower. The closure will result in 2,300 job losses.

Finance Minister Peer Steinbrueck, from the left wing party in Chancellor Angela Merkel's governing coalition, attacked what he called Nokia's "caravan capitalism."

Kurt Beck, head of the Social Democrats (SPD) party, has banned Nokias from his home, while Merkel has said consumers had a right to favour appliances "made in Germany."

"As far as I am concerned there will be no Nokia mobile phone in my house," Beck told the Bild am Sonntag newspaper.

"For me, and this is doubtless the case with many other Germans, the name of Nokia has not sounded good for the past week. I don't want to be reminded of the incredible source of anger every time I am on the phone."

Horst Seehofer, consumer protection minister and a member of Merkel's conservative Christian Democratic Union (CDU), has hinted that he might ban Nokia phones in his ministry.

And Peter Struck, head of the SPD in parliament, said on Friday that he has returned his Nokia N-95.

"I have asked my office to find me another mobile phone," Struck said.

The SPD and Merkel's CDU are each seeking attention ahead of key state elections in the states of Hesse and Lower Saxony on January 27.

The votes, followed shortly afterwards by a third in Hamburg, are seen as dry-runs for national elections next year when both parties will be seeking to win enough votes to govern on their own.

Nokia's announcement, followed reportedly within days by the first notices being served on Nokia factory workers, sparked bitter resentment in Germany with the DGB trade union federation calling Thursday for a boycott.

A survey released on Friday by the Cologne-based market research institute Psychonomics signalled that Nokia's image here suffered a blow since the plant closure was announced.

Consumers suddenly gave the brand lower quality ratings after previously comparing it favourably to competitors like Motorola and Ericsson.

Germans will be hard pressed to find a mobile phone made in Germany, however.

Last year US manufacturer Motorola said it was dismantling its factory in Flensburg in northern Germany, and German industrial giant Siemens sold its mobile unit to BenQ of Taiwan in 2005.

A year later, BenQ Mobile filed for bankruptcy, condemning its two German factories.

The IG Metall trade union, which has branded Nokia's decision a "scandal", has warned that apart from the 2,300 workers at the Bochum plant, thousands more could lose their livelihoods as an indirect result,

A mass protest will be held in Bochum on Tuesday, but Finance Minister Steinbrueck has warned that saving the factory is unlikely.

Germans have pointed a finger at the European Union, demanding to know whether it laid the ground for Nokia's move to Romania through structural funding to the new EU member.

The Commission has denied subsidising Romania's new Nokia plant, and pointed out that both Germany and Romania receive EU funding.

"It is true that we support infrastructure in economically less privileged regions, also in Germany," European Commission President Jose Manuel Barroso said in an interview with the *Wirtschaftswoche* magazine to appear on Monday.

Barroso said he could understand that Germans were shocked by Nokia's move and suggested Brussels could help those laid off in Bochum.

"It is precisely because we know how difficult transformation is that we mobilise our social and globalisation funds so that member states do not have to absorb these changes on their own."

The anger at Nokia is partly fuelled by the fact that the German government and the state of North-Rhine Westphalia, where Bochum lies, have provided the company with some 80 million euros (117 million dollars) in aid.

EU Industry Commissioner Guenter Verheugen, a German, told *Welt am Sonntag* newspaper the case should prompt a rethink of subsidies. "There is no point in the state paying subsidies to attract companies," he said.

---

Copyright © 2008 [Agence France Presse](#). All rights reserved. The information contained in the AFP News report may not be published, broadcast, rewritten or redistributed without the prior written authority of Agence France Presse.

Copyright © 2008 Yahoo! Inc. All rights reserved.

[Questions or Comments](#)

[Privacy Policy](#) - [Terms of Service](#) - [Copyright/IP Policy](#) - [Ad Feedback](#)