

PASTOR GENERAL'S REPORT

TO THE MINISTRY OF THE
WORLDWIDE CHURCH OF GOD



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FROM MINISTERIAL SERVICES

Mr. Dwight Armstrong was laid to rest last Friday, November 23, in Quilcene, Washington. About 40 were present to pay their last respects to a man whose music has played such a vital role in God's Church for almost 40 years. Messrs. Dibar Apartian, Ralph Helge, Herman Hoeh, Roderick Meredith and I were present for the funeral service, which was conducted by Mr. Richard Parker, pastor of the Kent, Washington congregation. Mr. Parker, who did an outstanding job of conducting the service, conveyed to me later how very much encouraged Mr. Dwight Armstrong was by all the letters he received from many of God's people. Mr. Parker said Mr. Armstrong was deeply moved and encouraged during his last weeks, knowing how much his hymns are appreciated by the members.

Mr. Armstrong's sister, Mary Edmondson, of Portland, Oregon, also attended. All present joined in singing the hymn Mr. Armstrong composed from Psalm 141, "Hear My Cry Eternal One," as he had requested during his final hours.

We bade Godspeed to Mr. and Mrs. Dean Blackwell and Mr. and Mrs. Rod Matthews last week. Both families are spending a short time with relatives in the United States before heading for Manila. In addition to conducting a training program for the Philippine ministers, Mr. Blackwell, as the senior-ranking minister, will also serve as Regional Director for the Philippines. Mr. Matthews will assist him with that responsibility, serving as office manager. Please keep the Blackwells and Matthews in your prayers as they undertake their new responsibilities.

By now, most U.S. pastors should have received tapes of sermons given at their congregations' assigned Feast site. Each pastor should have received one set for each congregation he pastors. If you have any problems with your shipment, please notify the Radio Production Department.

Some have asked about Mr. Carn Catherwood's health. Mr. Catherwood, Regional Director for the Italian speaking area, conducted a very successful Feast of Tabernacles in Italy this year, as you read in last week's PASTOR GENERAL'S REPORT. He commented that just a few months earlier he would not have had the strength to handle such a responsibility. But now he is feeling much better, and believes he has been healed of the cancer. He still does not have his full strength back, however, and needs our continued prayers in this regard. As the report last week indicated, God is really blessing the work in Italy. Mr. Catherwood needs God's continued help in fulfilling the responsibilities Mr. Armstrong has assigned him. Thanks for your prayerful support in this important phase, as in all phases of the work of God's Church.

Mr. Herbert Armstrong called early this week from Bangkok and mentioned what a successful trip this has been. He'll have quite a lot of interesting information to relate when he returns. Thank you all for your continuing prayers and faithful service.

International News

From Canada We are receiving a good response from the French language direct mail campaign. Responses for the English language edition have now slowed to a trickle. The combined response stands at 4.8%. The direct mail campaign had a big impact on our incoming mail for October. It was up 64.2% over last year. Outgoing mail is up 228.6% over last year as a result of mailing the semiannual letter.

We did, unfortunately, receive a negative response to our appeal to obtain second class mailing privileges. We do not fit into the strict interpretation of the regulations; therefore, the post office felt it could not grant us this privilege. However, we are trying one more avenue.

From New Zealand The Feast of Tabernacles sites at Rotorua, New Zealand; Pacific Harbour, Fiji and Mu'a, Tonga all reported another truly wonderful festival this year. For the third consecutive year, brethren in Rotorua received a live satellite transmission of Mr. Armstrong's first Holy Day message. Videotapes of the service were then airfreighted to the sites in Fiji and Tonga. Rotorua Feastgoers were also privileged to welcome Mr. and Mrs. Raymond McNair, and Mr. and Mrs. George Birdwell, all from Pasadena, as well as a good number of overseas visitors this year.

Festival registration totaled 1,539, an increase of 8.0% over last year. The dedication and generosity of God's people was reflected by consistently fine Holy Day offerings. Percentage increases were as follows: Trumpets--21.0%; Atonement--24.7%; first day of the Feast--27.9%; and Last Great Day--21.4%. Holy Day offerings for the year increased 33.3% over 1983.

During the Feast a large quantity of mail continued to come into the office. Over 5,500 items of mail were received during October, an increase of 13.0% on the same month last year. Mail income for October showed a healthy 20.9% increase. Total income year to date is up 13.1%.

We're expecting November to be a big month for mail, as 240,000 newspaper inserts are to be distributed early in the month, and our first ever gate-fold advertisement is appearing in the November READER'S DIGEST.

An interesting development during October was that "The WORLD TOMORROW" telecast has taken to the air waves of the tiny Kingdom of Tonga. A TV station is just starting there, and is eager to obtain videotapes for showing. The first "WORLD TOMORROW" programs have already been played--free of charge!

From the British Office The Feast of Tabernacles in this area saw an unprecedented influx of overseas visitors and a new and successful site was used this year in Jersey, Channel Isles.

Attendance at the various sites was as follows: Jersey--1,170 brethren, including 230 overseas visitors; Scarborough--1,135 brethren, including 224 overseas visitors; Tenby--1,330 brethren, including 70 overseas visitors; Torquay--1,056 brethren, including 349 overseas visitors; for a total attendance of 4,691 brethren, including 873 overseas visitors.

We were very happy to welcome guest speakers Mr. Dean Blackwell, who spoke at all the U.K. sites before going on to Denmark, and Mr. Gerald Waterhouse, who inspired us with a better understanding of the World Tomorrow.

There has been a gradual upward trend in mail income from a year-to-date increase of 6% in June to 9.2% in October. Income for the month of October was up 31.2% while Holy Day offerings for the whole of 1984 increased 32% over 1983. PLAIN TRUTH circulation, as of the November/December issue, stood at an all-time high of 157,000, just above our end-of-year target of 150,000. The increased circulation is resulting in a steady increase in mail, which year to date is now 45.5% up over last year. The GOOD NEWS list is up 16.7% while the co-worker list has risen by 10.7%.

Scandinavia: Recently, two advertisements were run in the Danish READER'S DIGEST and one in the Norwegian edition, and responses are still coming in. These ads have brought the Norwegian PLAIN TRUTH circulation to over 18,000, and we expect it to approach 20,000 by the January issue.

The English file in Scandinavia has remained fairly stable throughout 1984, with new additions from advertisements merely replenishing losses from non-renewals. The English file has actually dropped slightly over the 1983 November/December level, but it was our intention to direct more funds into building the new Norwegian edition in its first year. Taking the two files together, we now have 30,031 subscribers in Scandinavia, which is 138.8% up on this time last year, and right on target.

This growth in The PLAIN TRUTH circulation in Scandinavia is already stimulating growth in the co-worker list, which year to date is now 26.1% up over 1983.

Festival attendance in Bredsten, Denmark was 270, including visitors.

Europe and the Middle East: Without direct promotion of any kind, much growth in the English language file has been seen in both Europe and the Middle East in recent months. Though having only a small circulation, the Middle East in particular has shown considerable increases. The following statistics reflect the growth for both areas year to date:

<u>Continent of Europe</u>		<u>Middle East</u>	
PLAIN TRUTH	up 41% to 41,502	PLAIN TRUTH	up 78% to 12,379
GOOD NEWS	up 50% to 1,816	GOOD NEWS	up 189% to 725
Co-workers	up 64% to 108	Co-workers	up 63% to 39
Incoming		Incoming	
mail items	up 38% to 51,826	mail items	up 102% to 22,411

Comments From Monthly Church Reports

From the United States

BUFFALO (SOUTH), NY--WARREN HEATON III: There seems to be less of a post-Feast letdown this year as people are more and more excited about getting this end-time work done. Seeing Mr. Armstrong perform with the Young Ambassadors gave the members a warmer feeling for him.

GREENSBORO, NC--DAN ROGERS: Many members have commented that this Feast was a spiritual turning point in their lives. All were very inspired by Mr. Armstrong's powerful messages and by the fact that he needed no notes or Bible to give them. We were all moved by Mr. Armstrong's appearance in the Young Ambassadors film. Tears formed in many eyes as he played the piano so beautifully. His recent eye difficulties only serve to make his example all the more inspiring and motivating for the Church.

ROANOKE, VA--ROBERT PERSKY: The Feast was so great for everyone that those at the different sites were feeling sorry for those at other sites, thinking that everyone else was missing out on the "greatest Feast ever." On the first Sabbath after the Feast, all were amazed that all Feast sites were receiving the same inspiring blessings. The brethren were greatly moved by the powerful and meaty sermons.

ROCKY MOUNT, NC--MIKE BOOZE: Mr. Armstrong's tape on abortion was very well received. We were all inspired by his energy and enthusiasm! If we didn't know better, it would be virtually impossible to tell that he wasn't speaking from an outline. God's inspiration was obvious.

RICHMOND, VA--KENNETH GIESE: Every month the PT, GN and YOUTH magazines just seem to get better and better! Many thanks to all those who work so hard to produce such fine publications. It is an honor and a pleasure to represent a Church that produces magazines of such superb quality and content.

ATHENS, GA--RON WALLEN: The PT Distribution Program is very much off the ground and going strong with a fine PT penetration. We seem to have a fine spirit of cooperation among the leading men and their wives and the congregation is growing spiritually. I would say that the area of marriage still seems to be the greatest area for needed growth.

WAUSAU, WI--NORM STRAYER: One member really had her faith strengthened when twin funnel clouds from a severe storm were heading straight for her trailer. She and her young son prayed immediately and the tornadoes turned 90 degrees at her property line and went around her trailer park. God heard and answered!

FRONT ROYAL, VA--RICHARD FRANKEL: I was called to anoint the husband of a PM who was on his deathbed. The doctors had given up on him and did not think he would make it through the night. He is alive, well and at home three weeks after he was expected to die.

--Joe Tkach, Ministerial Services

MEDIA PURCHASING UPDATE

Domestic

In the past couple of months, a number of new stations have accepted "The WORLD TOMORROW" TV program, and there have been several upgrades on existing stations. We are continuing to add second stations in major markets as budget permits.

NEW STATIONS

<u>Market</u>	<u>Station and Time</u>	<u>Effective Date</u>
<u>Arkansas</u> Ft. Smith	KPOM, Channel 24, Sunday, 9:00 a.m.	October 28
<u>California</u> Redding	KRCR, Channel 7, Sunday, 7:30 a.m.	November 11
Sacramento	KRBK, Channel 31, Saturday, 7:30 a.m.	December 1
<u>Florida</u> Gainesville	WCJB, Channel 20, Sunday, 7:00 a.m.	November 11
Panama City	WJHG, Channel 7, Sunday, 7:30 a.m.	November 11
<u>Georgia</u> Macon	WGXA, Channel 24, Sunday, 11:30 a.m.	November 25
<u>Illinois</u> Peoria	WMBD, Channel 31, Sunday, 10:30 a.m.	November 25
<u>Louisiana</u> New Orleans	WVUE, Channel 8, Sunday, 9:00 a.m.	November 11
<u>Minnesota</u> Alexandria	KCMT, Channel 7, Sunday, 9:30 a.m.	December 9
<u>New York</u> Rochester	WROC, Channel 8, Sunday, 11:30 a.m.	December 9
<u>Oklahoma</u> Tulsa	SPN (Satellite Program Network), Tuesday, 10:30 a.m.	November 6
<u>Pennsylvania</u> Scranton	WDAU, Channel 22, Sunday, Noon	November 25
<u>South Carolina</u> Greenville	WHNS, Channel 21, Sunday, 10:00 a.m.	October 21
<u>Tennessee</u> Chattanooga	WTVC, Channel 9, Sunday, 12:30 p.m.	December 9
<u>UPGRADES</u>		
<u>Maine</u> Bangor	WVII, Channel 7, Sunday, 9:00 a.m.	December 9
<u>Missouri</u> Joplin	KODE, Channel 12, Sunday, 8:00 a.m.	November 4
<u>Oregon</u> Salem	KECH, Channel 22, Sunday, 6:30 p.m.	November 18
<u>Pennsylvania</u> Pittsburgh	WPGH, Channel 53, Saturday, 9:30 a.m.	November 3
<u>Rhode Island</u> Providence	WPRI, Channel 12, Sunday, 10:30 a.m.	November 4

Please note that the cable available SPN (Satellite Program Network) out of Tulsa, Oklahoma, is now airing the program at 11:30 a.m. (EST), Tuesday mornings. This station has 11½ million subscribers across the nation and has drawn a good level of response since it started four weeks ago.

International

November-December is our time for renewal of European radio and TV contracts. This week we have succeeded in renewing Radio-Television Luxembourg (RTL) contracts at little or no increase for 1985. RTL-TV has also offered a second time slot for the French subtitled program on Thursday evenings, which we will accept.

The one-quarter hour French language radio program "Le Monde A Venir" with Mr. Apartian will continue on Radio Sud, broadcasting from Andorra and Toulouse. Shortly, Radio Sud will add a transmitter in Bordeaux, giving potentially one-third more audience. This contract has also been renewed for 1985.

To the east, in Monte Carlo, TMC-TV has offered to continue our 11:30 p.m. slot with additional coverage into Marseille, France's major southern city, beginning immediately. This is an exciting new development for the French area of God's Church.

Renewal of the Italian subtitled version of "The WORLD TOMORROW" has also just taken place with no increase in cost for 1985. Originating in Milan on the Italian service of Tele Monte Carlo, this outlet has been steadily increasing in response during 1984.

Finally, there seems to be an opportunity developing in the fast-changing world of cable and satellite TV in the German language area. While it is too soon to be dogmatic about the new avail, I would appreciate your prayers that the door would indeed open, if this is the time.

--David Hulme, Media Purchasing

UPDATE FROM MAIL PROCESSINGSeven Booklets Over the Million Mark

Seven of Mr. Armstrong's booklets have now been requested by more than one million people in the United States. These foundational booklets cover major doctrines and have always piqued the interest of our readers. They have helped multiple thousands to better understand the Bible and God's plan. The following list gives the number of each booklet distributed thus far:

<u>Booklet</u>	<u>No. of Copies</u>
THE UNITED STATES AND BRITAIN IN PROPHECY	3,667,734
WHY WERE YOU BORN?	1,917,154
THE SEVEN LAWS OF SUCCESS	1,902,172
THE WONDERFUL WORLD TOMORROW--WHAT IT WILL BE LIKE	1,705,860
THE BOOK OF REVELATION UNVEILED AT LAST!	1,594,188
DOES GOD EXIST?	1,486,557
THE PLAIN TRUTH ABOUT CHRISTMAS	1,180,810

Out of nearly 50 million booklets distributed in the U.S. since the beginning of this era of God's Church, these seven account for more than one-fourth of the total.

Abundant Third Tithe Year Blessings

We continually receive letters from brethren who write in to tell us of the tremendous blessings they received during their third tithe years. These accounts give ample witness to God's generosity toward those who faithfully support the widows and other needy in God's Church. Following are a few such encouraging letters.

I can't believe my third tithe year is almost over! This has been one fabulous year of spiritual growth. Spiritual and physical blessings have abounded! Maybe it sounds funny, but I hate to see it end. It is such a special feeling to be in your third tithe year--there's a surprise around every corner.... I hope I never stop being thankful that God called me! There is absolutely nothing in the world that could compare with what I have in God's Church!

V.B. (Westminster, CA)

God has blessed us in so many ways in this third tithe year. We have an up-and-down income because my husband is in construction but this year God has given us enough to keep even and pay third tithe. Plus, He's blessed us with a wood heater that we've wanted for years, but haven't been able to afford. Our children also needed braces and we've been able to get them.

We have been blessed so very much and we really want to thank God for His blessings and thank you, Mr. Armstrong, for showing us the correct way to observe God's Law.

Mr. & Mrs. D.S. (Harwood, ND)

This is our third tithe year ending with this Feast. I was baptized in November of 1970 and have to say the third tithe years get better and better. God blesses us always, even when it's not a third tithe year, and yet this third tithe year was the most blest of them all! Words escape me to describe it. God is truly a loving and merciful God and Father.

Mrs. C.L. (Delmar, DE)

This completes another third tithe year. All praise and honor to our Great God who keeps His promises to those who do His commands! On top of good health, sound minds, and the privilege of enjoying the blessings of Abraham's obedience, God has given us the additional blessings this year of our largest tax refund ever (about four percent of income) and a salary increase (over 10% of income). Those who think God gives a raw deal have simply never yet given Him a fair try with a trusting attitude.

Mr. & Mrs. D.P. (Tyler, TX)

We began this third tithe year in a classic situation: we were not really making it very well on my salary as it was, and coming up with that additional ten percent seemed impossible. Indeed, on paper it was impossible. Furthermore, I knew that very shortly after we began our third tithe year, I was going to be laid off from my job, with no prospects, and a very poor local job market. We knew that God would not let us slide into bankruptcy, and

though I must confess to some apprehension, we both looked forward to seeing how God would choose to deliver us....

A mere month after I had lost my job, God gave me a job "out of the blue"--a job I was not qualified for and that didn't seem to me to be what I was suited for. I even tried to turn the job down, but the company wouldn't take no for an answer! This was for a professional position that could have drawn hundreds of qualified responses had it been advertised. I had up to that time a great deal of difficulty finding a job that really seemed to fit me, despite considerable career counseling and research. It turns out that this new job fits me to a tee, utilizing aptitudes I didn't even know I had! I am earning more than I ever have, and have a very bright future. And, by the way, the company's owners are Jewish so I have absolutely no problem with the Sabbath or Holy Days. (I even get paid for the Holy Days!)

We could go on about our other blessings--and they are many--but we hope the foregoing can be encouraging to others facing a third tithe year with all the physical evidence saying "it won't work!"

Mr. & Mrs. G.G. (Wauwatosa, WI)

This concludes my third tithe year. It is the first year that I have been able to observe the third tithe year law. My contributions have amounted to hundreds of dollars, while my blessings have amounted to thousands of dollars! The blessings have been in the form of work done on my house and my car free of charge, clothing, and cash, not to mention a total lack of medical expenses, due to God's protection of my health and safety.

God returns all that we give Him and He multiplies it many times over. I'm grateful to be a part of His Church.

V.P. (Hixson, TN)

We are now coming out of our third tithe year and feel most abundantly blessed! We had some painful spiritual lessons to learn that were worth their weight in gold. We were also able to pay off some major debts during our third tithe year. The physical problems that arose were taken care of. Within a period of 14 months we were given two automobiles (very much needed) of fine quality, and some marginal equipment has held up. Since being back from the Feast we have received a large check from the government and been contacted to receive a load of free fill for around the house. Thanks to God there is even more than the above.

May God help us to be properly thankful to Him and have a right attitude of giving and unselfishness in deep, sincere, caring love.

D.F. (Duluth, MN)

--Richard Rice, Mail Processing Center

ON THE WORLD SCENE

THE "FLICK AFFAIR" ERODES GERMAN CONFIDENCE IN DEMOCRACY

In West Germany, a widening scandal involving the top leadership of the government--including perhaps Chancellor Helmut Kohl himself--is tugging at the very foundations of that nation's comparatively short-lived democratic structure. In simple terms, the Friedrich Flick conglomerate, a giant holding company, has made periodic, highly questionable "campaign contributions" to major officials in all three parties--the Christian Democrats, the Free Democrats and the Social Democrats. As a result of the revelations in what is known as the "Flick affair," public confidence in elected officials is falling in West Germany. This is an ominous sign, given that nation's history and proclivity to embrace strong, totalitarian leaders in order to solve national problems. Here is an overall summary as editorialized in the November 23, 1984 LOS ANGELES TIMES:

In democratic societies decisions are made by parliaments elected by the people. But politicians running for office need money. As a result there is a constant temptation for business and other special interests to tilt the machinery in their favor through campaign contributions, legal or illegal. That is true in the United States, and, as recent events show, it is true in West Germany. The trouble is that democracy is much less firmly rooted in West Germany, which means that political scandals are much more worrisome.

The present scandal began with the sale by the Flick industrial group in January, 1975, of a substantial interest in Daimler-Benz. The transaction left Flick facing a big tax unless it could qualify for a tax exemption based on reinvestments that created jobs or increased exports. Flick won that huge tax break in 1976 from the previous Social Democratic government--but only after spreading contributions totaling about 25 million marks, more than \$8 million at present exchange rates, to all three major political parties. Under West German law political contributions are legal so long as they do not constitute bribery, do not exceed the equivalent of \$6800 and are publicly disclosed together with the donor's identity.

In the opinion of the West German courts these criteria were not met by Flick. Last June Otto Lamsdorff, the economics minister, resigned shortly before being indicted by a Bonn court, along with Flick's chief lobbyist, on charges of accepting bribes from Flick in return for granting the tax exemption. In October Rainer Barzel, president of the West German parliament, resigned amid allegations that he, too, was involved.

Now Chancellor Helmut Kohl has acknowledged that, during a two-year period before his Christian Democrats came to power, he accepted contributions totaling \$53,000 that were not made public in keeping with the law. Similar payments, he said, had gone to all three major parties that in each case did not make full disclosure.

The whole affair is deeply embarrassing to Kohl, who could be forced out of government as a result.... It is self-evident that the Christian Democrats, as the dominant member of the ruling coalition, have a special obligation to clean their own house instead of indulging in futile attempts at a cover-up. If Kohl and his Christian Democrats shirk this responsibility, West German democracy--and the Western alliance of which it is a part--will be the losers.

The spreading scandal, as noted, encompasses the leadership of the Free Democratic Party, the junior member of the ruling coalition. Meanwhile, the senior Christian Democrats are reeling under the downfall of Rainer Barzel, considered the number two man in the country. Herr Barzel was president of the Bundestag, a position largely ceremonial, but one which symbolized the dignity and morality of the parliament itself. Here is a report from the November 7 INTERNATIONAL HERALD TRIBUNE:

Chancellor Helmut Kohl's coalition partners, the Free Democrats, have acknowledged receiving more than 6 million Deutsche marks (about \$2 million) from an unknown source and are making a public appeal to the benefactor to reveal his identity. The party's embarrassing move came Monday after the gift was reported by several newspapers and at a time when a growing number of West Germans appear ready to believe that many of their politicians are open to influence peddling....

Foreign Minister Hans-Dietrich Genscher, the Free Democrats' party leader, was to be questioned Thursday by the commission. Free Democratic officials acknowledged that the 6-million-mark contribution was received in December and that the source was listed as "unknown" in the party's records.... The revelation of the mysterious contribution followed severe losses in a series of local elections and came as the Free Democrats are being gradually replaced as the country's third party by the Greens, the new party of anti-nuclear militants and ecologists....

Christian Democratic leaders acknowledged receiving dramatic reports of dismay among the party faithful throughout the country last week when Rainer Barzel, one of the leading figures in the party was forced to resign as president of the Bundestag. He resigned after he was unable to convince the commission that there was no basis to accusations that he had received 1.7 million marks from Flick after he resigned [in 1973] the chairmanship of the Christian Democrats.... [His] resignation opened the way for Mr. Kohl's eventual bid for the chancellorship.

An earlier report in the INTERNATIONAL HERALD TRIBUNE (October 23rd) credited the discovery of at least the "Barzel Affair" portion of the widening scandal to the news weekly DER SPIEGEL, which has often acted as an unofficial watchdog of West German democracy:

The Barzel affair was first raised by the news weekly DER SPIEGEL.... The magazine hinted that the purpose of the payments by Flick was to induce Mr. Barzel to give up the position of Christian Democratic Union party chief in favor of Mr. Kohl, thus

opening the way for Mr. Kohl to eventually try for the chancellorship. Mr. Kohl and Mr. Barzel have denied the allegation....

The magazine reported that Mr. Kohl's name repeatedly appeared on a list of "unofficial payments to the Christian Democratic Union" by Rudolf Diehl, who was Flick's chief accountant at the time. As quoted by the magazine, the entries on the purported lists did not say that the payments were made to Mr. Kohl but "because of" Mr. Kohl, apparently implying that they were made as goodwill gestures to him.

According to the magazine, Mr. Diehl's accounts also listed 950,000 DM in payments to foundations and other institutions "because of" Franz Josef Strauss, the premier of Bavaria, and a comparable amount to foundations supported by Foreign Minister Hans-Dietrich Genscher. All the payments were in the late 1970s, the magazine claimed.

Just what is the Friedrich Flick conglomerate? Another INTERNATIONAL HERALD TRIBUNE article, this time in the October 30 issue, is headlined "Only Business for Germany's Flick Is the Business of Owning Businesses." The huge holding company, it is interesting to note, was founded by Friedrich Flick, a major bankroller of the Nazi party.

The Friedrich Flick group...is a wealthy, sprawling empire with interests in almost every major aspect of industry. With reported world revenue of nearly 10 billion Deutsche marks (\$3.3 billion) and a workforce of 42,500, the giant holding company formally known as Friedrich Flick Industrieverwaltung KGaA is West Germany's largest family-held industrial enterprise.

But unlike Siemens AG, Daimler-Benz AG and other manufacturing stalwarts of the West German economy whose market power is visible daily through myriad products bearing their label, Flick has no business of its own other than the business of ownership. And it is this business--buying and selling stakes in industrial companies--that is the root of Flick's troubles and the accusations that it used bribes in the mid-1970s to elicit favorable government tax treatment....

Specifically, the company's tax-evasion imbroglio, dubbed the "Flick Affair," dates back to 1975 when it netted just under 1.9 billion DM from the sale of a 27 percent stake in Daimler-Benz to Deutsche Bank. State investigators say that in an effort to avoid having to pay large capital gains taxes on that profit, Flick's management, then [under former deputy chairman Eberhard] von Brauchitsch, bribed high-placed Bonn officials to obtain an 800-million-DM tax exemption....

Last year, Flick was ranked as the 26th-largest of all West German companies.... But the real potential of today's Flick group and its management is not to be gauged so much by its ranking on charts as it is by the breadth of its industrial activities, including tanks, paper, chemicals, machinery and steel....

While the day-to-day operations are run by [Hans Werner] Kolb and others out of company headquarters in Duesseldorf, the chairman, Friedrich Karl Flick, charts his company's broader course in the quiet of his private home outside Munich. Mr. Flick, 57, recently was listed as the second wealthiest person in Europe by Quick, a popular West German magazine that estimated his worth at 6 billion DM. He assumed full control at Flick in 1982, upon the death of his father, the group's founder, Friedrich Flick, who spent several years after World War II in Allied prisons after being convicted of bankrolling the Nazi party and employing slave labor at his factories.

One of Germany's most influential political analysts is Theo Sommer, an editor of the weekly newspaper DIE ZEIT. In the October 26 issue he wrote, in an article entitled "Buying and Being Bought," that the "Flick affair" is similar to the way the same company bribed its way in the corridors of power of the ill-fated, post World War I Weimar Republic. Inherent in Sommer's remarks is that an increasingly angry public, distraught with their democracy being destroyed by the democratic leaders themselves, may demand another leadership--one stronger and incorruptible.

The question is: Who is actually conjuring up the danger, that Bonn is becoming a Weimar Republic? Who is undermining the morals of the West German society? Who is to blame for the corruption of our political structure.... Such bestowing of gifts to parties and politicians for promoting their own business interests has become a tradition in this company; and here is the real connection to the Weimar Republic. In this way, Flick raked in the money back in [Chancellor] Bruening's time when he was successful in selling his Gelsenberg shares to the State during the world economic crisis. In the same manner, Flick's manager Eberhard von Brauchitsch strove to gain influence in the 70s with well-spread payments....

This poorly thought out endeavor to corrupt State servants and leaders has been unprecedented in the history of the Federal Republic.... Such insensitivity is taking the breath away from our citizens who are concerned about our democracy. Doesn't any one in the capital know how the people feel? "They have all gone crazy; they are all from the tribe of 'take'; they cut back the pocket money of the elderly and rake in two or three times as much for themselves; they are more concerned with getting their money instead of giving their service." These are typical remarks of sincere Democrats. Resentment is spreading; dangerous resentment....

If this supposition is not refuted, we will have to fear for Bonn's system.... It isn't the enemies who are ruining our democracy. Germany's democracy could very well be ruined by the Democrats themselves.

The NEW YORK TIMES top political analyst, Flora Lewis, came to some of the same conclusions in her October 27 dispatch from Bonn:

The West German government is in trouble. One respected commentator warns of the Weimar Republic, the ineffective democratic

regime established after World War I that slid into chaos and collapsed, making way for Hitler. Another writes of banana republics.

A conservative politician says his constituents' mood evokes a Wagnerian Gotterdammerung [a catastrophic collapse of society]. That, too, is an exaggeration, but also a disturbing sign that public confidence, which must underpin a sturdy democracy, is being eaten away by scandals about politics and money....

The train of revelations about shady deals is reminiscent of Watergate, in the sense that it keeps inching closer to the top. Opponents are trying to implicate Chancellor Kohl himself.... The greater problem is that all the major parties have been involved in payoffs and tax evasion charges that have filtered into public view over several years. The result is growing public disgust and disillusion with politicians in general. That is why commentators are fretting aloud about the future of German democracy....

The chancellor's junior coalition partners, the Free Democrats, have already been shaken by the Flick scandals. The party is melting away into impotence and insignificance. Opposition Social Democrats are deeply divided, essentially leaderless and increasingly irresponsible. The anti-military, often anti-U.S. left wing is growing--without offering any clear substitute program beyond a vague commitment to peace and better relations with the East.

The only beneficiaries of the decline of traditional parties are the Greens, who present themselves as the "alternative" to what is shown as a sleazy establishment system.... They have yet to decide whether they would deign to accept the responsibility of joining the government if they got the chance, and no one can foresee how they would use authority if they had it. But their hostility to the whole spectrum of politics is spreading among a public that does not necessarily support any of their specific causes. Attempts by Christian Democrats to charge them with Nazi-style disruption have boomeranged. The Greens' criticisms are more credible than the official denials.

The outlook is for continued erosion of political authority in three crucial state elections next year. Mr. Kohl has until 1987 to face the voters. This does not mean West Germany is about to fall apart, or make a sea change from allegiance to and cooperation with the West. Communism is discredited; even the far left disdains the Eastern system. It does mean that the stolid, physically reassuring figure of Chancellor Kohl stands on shifting ground, and there is no one in sight to bring the country back to firm self-confidence. The questions about the future of West Germany are getting bigger and hazier. The answers keep receding. A feeling of fragility is especially upsetting here, given the horrible past and the ambiguous issue of nationhood.

We'll try to keep everyone posted as more Flick affair revelations (Flick-gate?) are made.

--Gene H. Hogberg, News Bureau