Bulletin

4

+ + topical documentation + + + background informa tion material + + + for your archives

This issue presents: joint statement from washington, may 22, 1981 + + + words during the welcoming ceremony on the white house south lawn + + chancellor schmidt to the national press club + + + fare well words in the rose garden + + the chan cellor's policy state ment to the bundestag on his visits to washington and paris + + + schmidt in interviews on germanamerican meetings in 1981 + + german guests in washington: cabinet -level consultations during the reagan go vernment's first 100 days + + + joint germanfrench statement, febru ary 5, 1981 + + thechancellor on television about his talk with french president mitterand + + +

Chancellor Schmidt's Visits to Washington (May 20–23, 1981) and Paris (May 24, 1981)

Bonn

June 5, 1981

Mutual

Trust

Based

On Close

Trans-

Atlantic

Ties



The people of our country want peace. And the people of our country know that we can only guarantee peace and security as a partner in the Western Alliance.

Foreign Minister Hans-Dietrich Genscher in an interview with Radio Hesse, May 24, 1981

490A



Chancellor and President before the fireplace in the White House.

Bulletin.

Bulletin,
published by Press- and Information Office of
the Federal Government,
11 Welckerstrasse, D-5300 Bonn 1
Editor: Dr. Klaus Bloemer, Bonn
Translation: Allan Yahraes
Publisher: Deutscher Bundesverlag GmbH,
P.O. Box 12 03 80, D-5300 Bonn. –
Printed by: Bundesdruckerei Bonn

A

Friendly

And

Trusting

Relationship

Joint Statement

During the official visit of Chancellor Helmut Schmidt of the Federal Republic of Germany to the United States from May 20-23, 1981, President Reagan and the Federal Chancellor held detailed talks on a wide range of political and economic questions. They noted with satisfaction that they share a common assessment of the international situation and its implications for the Western Alliance. They agreed that their two countries have a common destiny founded on joint security interests and firmly rooted in their shared values of liberty, a democratic way of life, selfdetermination and belief in the inalienable rights of man.

They regard the reliable and proven U.S.-German partnership as an essential factor in international stability and Western security based on the North Atlantic Alliance. They agreed that substantive and effective consultations are a mainstay of the relations between Western Europe and the United States.

The President and the Federal Chancellor welcomed and reaffirmed the results of the recent NATO Ministerial meetings in Rome and Brussels as renewed proof of the political strength of the Alliance and the continuity of Alliance policy. They stressed the determination of Alliance members to take the necessary steps to work with their NATO partners to strengthen the Western defense posture and to address adverse trends due to the Soviet military buildup. Together with deterrence and defense, arms control and disarmament are integral parts of Alliance security policy.

The President and the Federal Chancellor affirmed in this connection their resolve to implement both elements of the NATO decision of December 1979 and to give equal weight to both elements. The Federal Chancellor welcomed the U.S. decision to begin negotiations with the Soviet Union on the limitation of theater nuclear weapons within the SALT framework by the end of this year. He also welcomed the fact that the U.S. Secretary of State has initiated preparatory discussions on TNF with the Soviet Union, looking toward an agreement to begin formal negotiations. The President and the Federal Chancellor agreed that TNF modernization is essential for Alliance security and as a basis for parallel negotiations leading to concrete results on limitations of theater nuclear forces. They further agreed that the preparatory studies called for in the Rome communique should be undertaken as matters of immediate priority by the relevant NATO bodies.

The President and the Federal Chancellor assessed very favorably the close cooperation between the Federal Republic of Germany and the Three Powers in matters relating to Berlin and Germany as a whole. The Federal Chancellor thanked the President for his reaffirmation of the pledge that the United States will continue to guarantee the security and viability of Berlin. They agreed that the maintenance of the calm situation in and around Berlin is of crucial significance for European security and stability.

The European Community plays an important part in maintaining international political and economic stability. The U.S. will continue to support the process of European unification.

Both sides noted that a serious international situation has been created by Soviet expansionism and armaments efforts. To meet this challenge and to secure peace, they are determined to respond with firmness and to maintain a dialogue with the Soviet Union.

The President and the Federal Chancellor agreed that it is important for the stabilization of East-West relations that the current CSCE Review Conference in Madrid agree on a balanced substantive concluding document which includes enhanced respect for human rights, increased human contacts, a freer flow of information, and cooperation among and security for all of the participants. In this regard, and as part of such a balanced result, the President and the Chancellor favor agreement on a precise mandate for a conference on disarmament in Europe, providing for the application of militarily significant, binding verifiable confidence-building measures covering all of the continent of Europe from the Atlantic to the Urals.

Poland must be allowed to solve its problems peacefully and without external interference. The President and the Federal Chancellor reaffirmed unequivocally their view that any external intervention would have the gravest consequences for international relations and would fundamentally change the entire international situation.

Genuine nonalignment of the states of the developing world is an important stabilizing factor in international relations. The Chancellor and the President support the independence and the right of self-determination of the states of the developing world. They will, in concert with their Allies and the countries affected, oppose any attempts, direct or indirect, by the Soviet Union to undermine the independence and stability of these states. They confirmed their willingness to continue their cooperation with these states on the basis of equal partnership and to continue their support of their economic development.

The President and the Federal Chancellor reaffirmed their view that the Soviet occupation of Afghanistan is unacceptable. They demanded the withdrawal of Soviet troops from Afghanistan and respect for that country's right to return to independence and non-alignment. The destabilizing effects which the Soviet intervention in Afghanistan has on the entire region must be countered.

Both sides stressed the importance of broad-based cooperation with the states of the Gulf region.

The President and the Federal Chancellor agreed that the United States and the Federal Republic of Germany, the latter within the framework of European political cooperation, should continue the search for a comprehensive, just and lasting peace in the Middle East. Their efforts should continue to be complementary and build upon what has been achieved so far.

Both sides reaffirmed the determination to strengthen further the open system of world trade and to oppose pressure for protectionist measures. They stressed the vital importance for political and economic stability of further energy conservation and diversification measures to reduce the high degree of dependence on oil. The pressing energy problems can only be mastered on the basis of world-wide cooperative efforts that strengthen Western energy security and reduce the vulnerability of the West to potential supply cutoffs from any source. The supply problems of the developing countries require particular attention.

The President and the Federal Chancellor agreed on the need in framing their economic policies to give high priority to the fight against inflation and to the creation of improved conditions for renewed economic growth and increased productivity. Both sides stressed the need for close coordination of economic policies among the industrial countries.

Both sides stressed the need for a close and comprehensive exchange of views on the U.N. Conference on the Law of the Sea while the U.S. Government reviews its position.

The President and the Federal Chancellor noted that their talks once more demonstrated the friendly and trusting relationship that has linked their two countries for over 30 years. They welcomed all efforts which serve to broaden mutual contacts and underlined the responsibility of the coming generation for maintaining and developing German-American friendship.

Washington, May 22, 1981



In the Nato forest

SZ-Zeichnung: Ironimus

A

"Herzliches

Willkommen"

Remarks of the President and of Chancellor Helmut Schmidt of the Federal Republic of Germany at Arrival Ceremony on the South Lawn of the White House, May 21, 1981

THE PRESIDENT: Chancellor Schmidt, one of the warmest greetings that Americans can offer in welcoming a guest into their midst is to say, "Make yourself at home." On behalf of our fellow citizens, Nancy and I hope that you and Mrs. Schmidt will make yourselves at home during your visit to the United States.

We remember with great pleasure how welcome and at home you made us feel on our visit to Germany in 1978. As you know, millions of German Immigrants over the years have made America their home. With strong hands and good hearts, these industrious people helped build a strong and good America. But as proud as they were of this country, they didn't forget their German heritage. They named towns in the New World after

those in the Old. The Federal Republic of Germany has just one Bremen. The Federal Republic has one but we have Bremens in Indiana, in Georgia, and Ohio. And our states are dotted with Hamburgs and Berlins. In honor of Baron Von Steuben, the Prussian officer who aided our revolution, we have cities and towns in a number of states named after him. But I hope you'll forgive us: over the years, we've sort of anglicized the pronunciation. We call them now Steubens and Steubenvilles. And the list goes on from Heidelberg, Mississippi, to Stuggart, Arkansas. But the Federal Republic of Germany and the United States of America share more than a common background and a well-established friendship.

We share values about the importance of liberty. This year marks the 20th anniversary of the Berlin Wall, a border of brutality that assaults the human spirit and the civilized mind. On one side of the wall, people live in dignity and democracy. On the other side, in domination and defeat. We of the United States are aware of this relentless pressure on the Federal Republic and its citizens. And we admire you for your courage in the face of such grim realities.

The Federal Republic is perched on the cliff of freedom that overlooks Soviet dependents to the East. While the dominated peoples in these lands cannot enjoy your liberties, they can look at your example and hope.

The United States is proud to stand beside you as your beacon shines brightly from that cliff of freedom. We both recognize the challenges posed to our security by those who do not share our beliefs and our objectives. And together, we will act to counter those dangers.

The United States will work in partnership with you and with our other European allies to bolster NATO and to offset the disturbing build-up of Soviet military forces. At the same time, we will work toward meaningful negotiations to limit those very weapons.

Mr. Chancellor, under your thoughtful and responsible leadership, the Federal Republic has sought to ease tensions in a world taut and quivering with the strains of instability—not only between East and West but between North and South. And we're aware of the Federal Republic's other contributions as well. Americans remember that when the United States sought support in freeing American prisoners in Iran, the Federal Republic stood firmly by us and we thank you for that support.

Although the Federal Republic, like the United States, is not immune to economic difficulties, the Communist countries cannot help but compare your wellbeing with their own shortages and hardships.

Our economic policies should be as closely allied as our defense policies; for, in the end, our military capabilities are dependent on the strengths of our economies. Sound fiscal management was the hallmark of the Federal Republic's economic miracle and we in the United States intend to import some of that responsibility to gain control of our own economy.

Chancellor Schmidt, I began these remarks speaking of German immigrants who came to America. Let me mention one immigrant in particular-

Johann Augustus Roebling, the man who built the Brooklyn Bridge, which at its opening in 1883, was called the eighth wonder of the world. Well, Mr. Roebling spanned more than the East River with his accomplishment. He spanned two countries and two peoples. The discussions we have today will span our common goals and bridge our joint concerns. They will set the scene for the closest possible consultations in the future.

We have come to rely on one another in times of calm and in times of crisis. And that certainly is the basis of a true friend partnership. It is in that spirit that I look forward to the important talks ahead.

And again, "Herzlich Willkommen."

CHANCELLOR SCHMIDT: Mr. President, Mrs. Reagan, ladies and gentlemen, thank you very much, Mr. President, for your cordial reception and your most friendly words of welcome.

This is not the first time I've been here, but on each occasion I'm impressed by the authority and dignity which radiates from this seat of government of the mighty United States of America. I am very glad to have this opportunity for an exchange of views with you, Mr. President, on major issues which both of us have much on our minds.

I cannot tell you how happy I am to know that you have recovered so well from the treacherous attempt on your life on the 30th of March. We in Germany have followed your rapid progress with much emotion, and with a great sense of relief. My visit to Washington is taking place against the background of a serious international situation.

At the beginning of the 80s, we are confronted with a whole range of problems and challenges. I need only mention excessive Soviet arms build-up, the challenge toward the community of nations resulting from the continuing Soviet intervention in Afghanistan, the threat to the non-alignment of the Third World countries, stemming from unresolved political conflicts, and as a result of East-West conflicts being transferred to their part of the world. And I need only mention also the impact of the oil price explosion on the whole world economy.

The Western democracies will be able to cope with these challenges if they show their determination, if they take joint action, and if they let themselves be guided by the principles of consistency, predictability and reliability.

Three weeks ago in Rome, our alliance gave a clear signal for the continuity of our common policies. I regarded this as a proof of the alliance's political strength. And as I said in the German Parliament two weeks ago, I also regard it as a success for your new administration here in Washington, D. C.

German-American partnership is today again manifest in the wide-ranging consultations between you, Mr. President, and the German head of government. Good and reliable relations between the Federal Republic of Germany and the United States of America are, in my view, a major factor for the security of the West and for international stability.

I am confident that this visit will help us to fulfill our common responsibilities. Thank you very much.

Combined

European and

American

Efforts to

Meet the

Challenges

Address by Helmut Schmidt, Chancellor of the Federal Republic of Germany, at the National Press Club, Washington, 22 May 1981

It is a pleasure to be your guest speaker again and I am most grateful for your invitation.

Some people do not find the world-wide habit of connecting eating with speech making very recommendable. I disagree—the better the meal, the better the speech. You will judge both by my performance.

As for my visit to Washington, I attach special importance to it. As some of you may remember, I have met Mr. Reagan several times, but this is my first meeting with him in his capacity as President, and also with the new Administration. I was happy to see President Reagan fully recovered and in his usual good humour.

Over the past twelve months there has been a growing realization that the eighties will confront us all with major problems and challenges.

Some developments in particular have been a source of destabilization. The Soviet Union, by its arms build-up, particularly in the fields of medium range nuclear weapons and naval forces, has upset the military balance. And with its intervention in Afghanistan it has provoked the non-aligned and especially the Muslim countries.

Third World independence and nonalignment are in Jeopardy as a result of unresolved political conflicts and through the danger of the East-West confrontation being transferred to those countries.

The second oil price explosion, which has made the price shoot up by 170 per cent since 1978, has affected all countries—in the West, in the East, but above all the developing countries. In many parts of the world it has become a threat to social and political stability.

If the Western democracies are to be able to cope with these problems they must stand firm, they must show their determination, and they must co-operate with one another. The dangers will have to be met with joint and resolute action.

In this situation the close relationship between the Federal Republic and the United States, which is based on a deep feeling of mutual trust, assumes a fresh significance. President Reagan and his Administration know that they can rely on our continuous co-operation.

The Federal Republic of Germany belongs to the West. Only our membership of the Western Alliance can guarantee our security, our freedom, and our ability to act. We are and will remain a dependable partner of the United States. We regard co-operation with the United States as a cornerstone of stability in a world of many instabilities.

My talks in Washington are the continuation of an intensive process of consultations which got under way with meetings between our foreign and defense and finance ministers. They follow as well the ministerial meeting of the Atlantic Alliance in Rome, where all member countries confirmed the continuity of the policies of our Alliance: Firmness in maintaining the military balance, determination in the pursuit of arms control.

Stabilizing East-West relations and maintaining peace depend on several requirements.

The first requirement is military balance. Particularly in the case of theatre nuclear forces the balance has been upset-both quantitatively and qualitatively-by the Soviet SS-20 missiles and Backfire bombers. It is true that in this field, as in the field of conventional weapons, there has always been Soviet superiority, but it was offset by the U.S. superiority in intercontinental strategic systems. Today the West has no adequate counterbalance to the Soviet Union's new and rapidly growing medium-range nuclear capability. On a number of occasions since 1977 I have publicly warned of the dangers of this situation.

Out of these considerations the Atlantic Alliance in December 1979 took the two-track decision, in which, together with the United States, France, the United Kingdom, my Government played a considerable part from the very beginning. This decision reflects the conviction of all members of the Alliance that the mounting Soviet medium range nuclear potential must be countered by modernizing the corresponding Alliance capabilities.

However, that necessary decision to modernize was coupled with an offer to the Soviet Union of parallel negotiations on the limitation of these weapons. The aim is to prevent an arms race which would create new dangers without giving either side additional security.

Public opinion in European countries expects every possible step to be taken to stop the uncontrolled growth of nuclear weaponry, the dangers of which, if only for geographical reasons, are very real to us in the Federal Republic of Germany. The deployment of additional theatre nuclear forces in a densely populated country, roughly comparable to the area between Boston and Washington, was not a decision to be taken lightly.

I therefore see it as one of the most Important results of the meeting of Allied Foreign Ministers in Rome that the Alliance welcomed the intention of the United States to begin negotiations with the Soviet Union on medium-range nuclear weapons before the end of this year.

For many years it has been my belief-and I was saying this when I was Defense Minister and have even written a book on the subject (also published in your country)-that an approximate balance of forces is and will remain an important factor in maintaining peace.

This means we must neither accept a position of weakness nor maintain aspirations to military superiority. It follows that the West must be resolved not to allow any actual shift in the balance of forces in favour of the Soviet Union.

The Federal Republic of Germany has always subscribed to the Alliance's efforts to prevent any such shift. In times when other members of the Alliance felt that they had to give their defense contributions a lower priority rating, the German Armed Forces were continuously and effectively modernized and their combat efficiency and equipment continuously improved.

The contribution of the German Armed Forces—and as you know we have not abandoned conscription—is today of central importance for Europe's military security. We intend to continue these efforts and to do everything in our power to strengthen the Alliance's defense capability.

The Federal Republic of Germany contributes to the Alliance 500,000 well-trained and well-equipped servicemen, who make up 50 per cent of the Alliance's conventional forces. In an emergency this number would be raised in a very short time to 1.2 million men.

But lasting peace cannot be built on a military balance only. To ensure peace the upkeep of a military balance must be accompanied by a dialogue with the other side. It is precisely in times of crisis that the dialogue with the Soviet Union should not be cut short.

Last summer I visited Moscow and partly as result of my discussions with the Soviet leaders it was possible for initial talks between the United States and the Soviet Union on medium-range nuclear weapons to commence in the fall.

President Brezhnev will probably be visiting Bonn this year. We see this as another opportunity to make our position clear at the highest level about various aspects of Soviet policy that are causing us concern, and to explore ways and means of settling current problems. We shall do this from positions agreed upon within the Alliance. It is at times when relations are difficult that such dialogue is necessary.

Another requirement for stabilizing the international situation and maintaining peace is restraint in political actions. In this respect I am thinking of Poland in particular. The Polish people must be left free to resolve their own problems in peace. Any aggravation of the situation from outside, whether from the East or the West, would be dangerous. Only if a climate of co-operation is preserved in Europe will we in the West be able to continue to help the Poles overcome their tremendous economic difficulties.

The call for restraint in political action is nowhere compatible with any recourse to force, or the support of force, with a policy of faits accomplis, and with attempts to secure unilateral advantages. The French President and I issued a joint statement as early as 5 February 1980 in which we condemned the Soviet Intervention in Afghanistan. We said that detente would not survive another blow of the same kind. We endorsed that view exactly twelve months later, on 5 February of this year.

The Rome communiqué of the North Atlantic Alliance described the Soviet invasion and occupation of Afghanistan as a particularly flagrant example of violation of the principles of restraint and responsibility in international affairs. It says that the occupation remains and will remain totally unacceptable to the allies and to world opinion.

The call for restraint must also lead to a search for political solutions in the Middle East. The Camp David Agreement was a step in that direction.

Just recently I visited Saudi Arabia and the United Arab Emirates, a region of great international importance. The leaders of those countries strongly urged early steps towards a solution of the Middle East conflict. They particularly fear that the smouldering Israeli-Arab crisis could offer the Soviet Union further opportunities for interference in the region.

It is my sincere hope that Israelis and Arabs will one day be able to live side by side under a comprehensive and equitable peace settlement.

The Arab leaders and I share the view that the more the West alienates the Palestinians, the more will they be drawn towards the Soviet Union. While in Riyadh I publicly stated the Federal Government's position on the PLO and would like to repeat it here, word for word:

"Our German attitude to the PLO will be determined by the position which the PLO adopts with regard to the right-to which the State of Israel, too, is entitled-to live within secure and recognized frontiers."

The last requirement I want to mention concerns the common responsibility of nations in solving major world problems.

To us the fight against hunger and distress and the efforts to promote the economic development of the disadvantaged regions of the world are not only a



At the Department of State, Washington, May 21, 1981, after a luncheon given by the U.S. Secretary of State in honour of the Chancellor. From I. to r.: Secretary of State Alexander M. Haig, Mrs. Hannelore Schmidt, Mrs. Patricia F. Haig and Chancellor Helmut Schmidt.

duty to humanity. These efforts are at the same time an essential means of safeguarding peace in the long term.

These are universal tasks. No country can shirk this common responsibility-neither the developing countries themselves nor the state-trading countries of Eastern Europe, nor the oil producers, nor the big industrial countries. The Soviet Union, being a large industrial country, will not be able to stand on the sidelines forever. On the contrary, it, too, will have to bear its share of the responsibility for the world economy.

It is the oil-importing developing countries that have been worst hit by the world economic structural crisis. Efforts to resolve these problems will therefore have to focus on energy. It will also be

important to control population growth, a problem which cannot be evaded.

Official aid from the industrial countries and private investment will still be necessary, as well as the transfer of technology, which is the most effective instrument. All these problems are to be discussed at the North-South summit meeting scheduled to take place in Mexico.

Only through their combined efforts can Europe and America face up to these great challenges of the eighties. I am convinced that the German-American partnership will make a valuable contribution to those efforts.

I am now ready to listen to your questions and shall try to answer them.

Full

Consultation

And

Co-operation

Remarks of the U.S. President and of Chancellor Helmut Schmidt of the Federal Republic of Germany at departure ceremony -The Rose GardenTHE PRESIDENT: Ladies and gentlemen of the press, the time has come for me to say goodbye to our visitor here. I just want to tell you that we have had fine meetings and we have an understanding that there will be full consultation and co-operation between us as there properly should be between friends and allies.

We have been in agreement on the various issues that confront us ranging from the matters of the problems in Eastern Europe–Poland, the theatre nuclear forces and the fact that we are going forward with arms limitation talks, also, with the Warsaw Pact and with the Soviet Union. All of these things and all of these problems were discussed and I think we've established a cordial relationship and a friendship that bodes very well for the future and for the West.

Mr. Chancellor, it's been a great pleasure to have you here and Mrs. Schmidt here and we hope that there will be repeated visits and exchanges.

CHANCELLOR SCHMIDT:

Thank you very much, sir. Mr. President, ladies and gentlemen, I would like to agree with every line that the President just relayed to you. The amount of mutual understanding you can measure by the secret which I'm going to disclose right now.

The President had a lengthy speech-a lengthy paper prepared for him by the White House staff-and I was without any such paper. And I said, "This is unfair." And he dropped it immediately. So, you see, we really did not only agree on such more peripheral issues but we did agree on the substance of policies whether it is, as the President said, vis-à-vis the Soviet Union and their allies, whether it is in regard to such specific problems as Eastern Europe right now or Afghanistan or the Gulf or the Middle East or Africa or Latin America, Central America or whether it is in the other fields in which we have mutual interests and shall co-operate in the future, I would like, Mr. President, also on behalf of my delegation and also on behalf of my wife, to thank you personally, to thank the Vice President, to thank the Secretary of State; also the Secretary of Defense, the Secretary of the Treasury, and the other Cabinet members-to thank all of the hosts in Washington for the warm and cordial welcome not only but also regarding the free uninhibited exchange of views.

I'm not so sure, it's about my 45th or 46th or 47th visit to the United States. It was the fourth time that I had the privilege of meeting you, Mr. President, the

first time in your new capacity as the head of state and head of government of the most important nation of the world, the greatest nation.

I, to some degree, feel at home in the United States and at home in Washington, D. C. I felt very much at home these two days and I will get back to my people, get back to my Parliament, will report to the German Parliament Tuesday next week on how much we agreed on very difficult matters in worldwide politics.

It is due to my lack of a text, ladies and gentlemen, and I apologize, Mr. President, for speaking so long; but what I really want to project towards the ladies and gentlemen of the press is how deeply satisfied I am about this visit. Thank you very much again, Mr. President

A Growing

Extent of

Common

Interests

Government Statement on the Chancellor's Visits to Washington, Paris.

Delivered by Chancellor Helmut Schmidt to the Bundestag in Bonn, May 26, 1981.

In my policy statement of 24 November 1980 I mentioned the basic outlines of this Government's foreign policy, a policy of reliable partnership; a policy that is calculable for everyone and based on continuity.

Today I wish to report on the development of relations with several of our principal partners in the West, developments which, let me say this straight away, we can all be very satisfied with and which strengthen our confidence in our friends and our courage to face the future.

In the past few days I have met two statesmen who have only recently taken over the leadership of two of our most important partners: Mr. Ronald Reagan, President of the United States of America, who came to power in January, and M. François Mitterrand, the French President, who assumed office last Thursday.

Although I had met both of them previously I very much welcomed the opportunity to have detailed discussions with them in Washington and Paris in their new functions. Both of them provided a very friendly atmosphere for my visits and we were able to lay the foundations for trustful co-operation.

Prior to my visit to Washington and Paris I had talks with the British Prime Minister, Mrs. Thatcher, at her country residence, Chequers, on 11 and 12 May.

Those talks were very friendly and frank, both sides being particularly aware that we are and will remain dependent upon one another in Europe and in the conduct of our international policies. German-British accord on world issues has been confirmed. Chequers was not the place, however, nor was the time right, for working out arrangements concerning Community problems. But we expressed the hope that the Commission in Brussels will fulfil its mandate in time and that it will be possible to find satisfactory solutions to the problems to be dealt with in the second half of the year, especially the problem of the Community budget and the related issue of the structure of the agricultural policy.

The first comment I should like to make on my visit to Washington is that to my great pleasure the President of the United States of America has recovered in an amazingly short time from the wounds he sustained in the attempt upon his life. I had two intensive discussions with the President. Moreover, he insisted on being our host at dinner in the White House with some excellent entertainment.

I also had talks with the Vice-President, Mr. Bush, the Secretary of State, Mr. Haig, the Secretary of Defence, Mr. Weinberger, the Secretary of the Treasury, Mr. Regan, and the President's chief economic adviser, Professor Weidenbaum. I also met the Senate majority leader, Senator Baker, as well as members of the Senate Foreign Relations Committee and of the Foreign Affairs Committee of the House of Representatives for extensive talks, In addition to these talks with members of the Administration and of Congress I again had meetings with the President of the AFL/CIO, Mr. Kirkland, and with representatives of the Conference of Presidents of Major Jewish Organizations.

Just before I left for America it was announced that Arthur Burns had been nominated as U.S. Ambassador to Bonn. That was a fine prelude to my talks with the new American Administration. As an eminent economist and finance expert, Dr. Burns is held in the highest esteem, and not only in his own country. We are therefore pleased that the post of American Ambassador, which is so important for the continuous flow of information and views between our two Governments, will soon be occupied again.

My visit to Washington was very opportune. Considering the critical developments in East-West relations, the aggravation or continuation of numerous crises in the Third World, and the uncertainty as to the further development of the world economy, consultations with the heads of State or Government of partner countries are today more important than ever.

My talks with President Reagan benefited considerably from the fact that they followed on from a number of recent German-American and European-American contacts. We were able to proceed in particular on the basis of the agreed statement on the talks between Foreign Minister Genscher and Secretary Haig (9 March 1981) as well as the important communiqués issued after the meetings of the NATO Council in Rome (5 May 1981) and the Defence Planning Committee in Brussels (12/13 May 1981).

Both the Americans and we were keen to hold these high-level and intensive discussions at this particular time because final decisions have not yet been taken on several aspects of U.S. foreign policy.

Effective Consultations

In all of the talks it became clear that the new Administration is very serious about what it has described from the outset as the mainstay of its foreign policy: effective consultations with its Atlantic partners.

Such an exchange of views among friends requires a particular atmosphere. I can note with satisfaction that the talks with President Reagan were marked by a great willingness for mutual understanding and trust. I was impressed by the calmness, the clear-thinking manner and the great sense of responsibility with which the President made his frequently very grave remarks.

This basic atmosphere surrounding our talks made it easy to achieve agreement on a wide range of common problems. This is clearly reflected in the joint statement on my visit which you have all been given. This statement, which documents the results of our talks, is marked by the continuity of Alliance policy. It confirms the broad-based consensus already achieved among all the allies and develops it further.

A key topic of my negotiations in Washington was the situation in Western Europe. We talked about the economic and political importance of the European Community and about the situation in individual States. I gave the President my assessment of what several newspapers have in gross simplification termed "neutralism". I believe that my portrayal of the causes, the content and scope of these movements has helped this problem to be seen in the right proportions.

Everyone I talked to in Washington asked me about future developments in France. President Reagan and I concurred in our determination to work together with President Mitterrand very closely. When it became known that I would stop over in Paris on my return flight for a meeting with President Mitterrand, this was at once expressly approved in Washington.

Discussion with Brezhnew

East-West relations constitute a central issue of foreign policy for the German and U.S. Governments. Both Governments share the concern about the continuing arms build-up of the Soviet Union and its expansionist conduct, for instance in Afghanistan, Southern Yemen or Ethiopia. We both drew the conclusion that, in order to counter this and other challenges posed by the Soviet Union and to safeguard peace, we shall react with firmness while at the same time maintaining the dialogue with the Soviet Union. We are agreed that both these elements are indispensable.

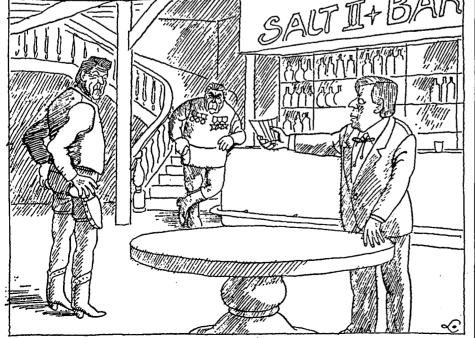
As part of this policy of maintaining a dialogue, I welcomed the fact that President Reagan has established personal contact with General Secretary Brezhnev and that Secretary of State Haig has already had a number of talks with the Soviet Ambassador in Washington. In this connection, I presented my views on the working visit which I have invited General Secretary Brezhnev to make to Bonn during the second half of this year.

We were in agreement about the importance attaching to a balanced result of the CSCE review conference in Madrid for the stabilization of East-West relations. On the other hand, both sides real-

ized that if developments occurred in or around Poland which cannot be desired by anyone, this would have the most serious repercussions on the policy of maintaining a dialogue.

I had an exchange of views on basic aspects of our security with President Reagan, the Vice-President, the Secretary of State and the Defense Secretary. We were agreed that the members of the Alliance must do everything necessary to counter the adverse effects on the military equilibrium caused by the conduct of the Soviet Union, I expressed my appreciation of the large and growing contribution made by the United States to Western defence. This also gave me an opportunity of describing the indispensable contribution rendered by the Federal Republic of Germany to Western security and peaceful world developments: a contribution made by our Bundeswehr, which is first-rate in terms of both quantity and quality, and another contribution we are making, inter alia, by our assistance to Alliance members. I am gratified to report that the U.S. President in particular was impressed by our defence contribution. No criticism was voiced.

The American side reaffirmed that it shares our view that arms control and disarmament are integral parts of Alliance security policy. This applies to the entire range of weapons: strategic, nuclear medium-range and conventional arms. With great seriousness and determination the President expressed his insistence on arms limitation negotiations.



"Wouldn't you two rather play?"

SZ-Zeichnung: E. M. Lang

U.S. Readiness to Negotiate

As one particular aspect of our common security, we discussed the growing threat posed by Soviet Euro-strategic nuclear weapons. The framework for this discussion was set by the communiques issued at this year's meetings of Foreign and Defence Ministers: We agreed on the need to adhere to both elements of the two-track decision, namely modernization and the offer of negotiations.

The willingness of the United States to negotiate, which has been called into question by some people in Europe and by Soviet propaganda as well, was reaffirmed in the face of all scepticism:

For instance by the fact that in the Joint Statement the U.S. Government officially states that Secretary of State Haig has already initiated preparatory

discussions with the Soviet Union on nuclear medium-range weapons. And for example by the fact that in the Joint Statement President Reagan specifies that it is not negotiations as such that are important but negotiations leading to concrete results.

I know that the United States is currently carefully preparing itself for these negotiations. We shall be consulted in this matter, also in the further course of this process, I am convinced that the U.S. intends to negotiate swiftly and purposively. Anyone who is familiar with the history of arms control efforts and with the complex problems of nuclear medium-range weapons knows that these negotiations will be difficult and protracted. The decisive factor will be whether the Soviet Union, which has achieved particularly great actual superiority in this field, is prepared to negotiate in a constructive manner.

North-South Matters

In the field of Third-World policy, too, it was my concern to get to know the motives and substance of American policy and to bring our views into harmony or approximate them as far as possible. Here, too, the ground had been prepared by the Foreign Ministers in Rome.

The President and I agreed that genuine non-alignment of Third-World countries is an important factor for stability in international relations. We intend to continue our support for the independence of Third-World States on the basis of equality and partnership.

We share the view that this is the best strategy for counteracting the Soviet Union's direct and indirect attempts at expanding its political influence and power to those countries.

In an intensive exchange of views on crisis areas in the Third World we concurred in the view that the Middle East conflict destabilizes the entire region and affords the Soviet Union additional openings for bringing its influence to bear on that area. We therefore agreed that both the United States and European Community must energetically continue their efforts to achieve a comprehensive, just and lasting peace settlement in the Middle East. The European and the American efforts to bring about a settlement of the Middle East conflict should continue to be complementary.

With regard to the endeavours to accomplish a peaceful and internationally accepted Namibia settlement, the visit to Washington by Foreign Minister Botha of South Africa constituted an important stage. I gained the strong impression in Washington that the new Administration is applying great energies to finding a Namibia solution and is making this clear to South Africa as well. The communiqué issued by the five Foreign Ministers in Rome (4 May 1981) and the corresponding United Nations resolutions will be, and will have to be, the foundation for a negotiated solution. We shall consider, together with our partners, that is, the United States, Canada, France, the United Kingdom, additional confidence-building elements could be created. This applies in particular to the basic features a future constitutional order of an independent Namibia should have.

Fundamental agreement was also apparent in our considerations on new approaches to stabilizing the economies of the Central American/Caribbean region. We shared the view that improving the social and economic conditions in that region is a prerequisite for its political stabilization. I therefore welcome the American considerations for a Caribbean-Central American development plan aimed at co-operation on the basis of partnership with the States of that region in order to promote their social and economic development. It is our view that such a plan should also embrace the oil producers Mexico and Venezuela. They could help their neighbours by means of low-cost oil supplies to place the development plan on a sound economic basis. Such co-operation could serve as an example for the OPEC countries as a whole. It would strengthen the non-aligned status of the Central American and Caribbean countries and counteract Communist subversion.

Economic Summit in Ottawa

A great deal of attention was given to questions of economic and energy policy. Both sides were conducting their exchange of views in the light of the summit meeting of the big industrial democracies to be held in Ottawa in July.

Both Governments are determined to strengthen the open system of world trade and to oppose pressure for protectionist measures. In this context I expressed my concern about the U.S.-Japanese agreements to limit automobile exports to the United States.

I explained to the American representatives the aim of German energy policy to diversify as far as possible our dependence on other countries for various forms of energy and their geographical origin, and the way in which we are trying to achieve this. The Joint Statement explicitly states that world-wide cooperative efforts are necessary to master the pressing energy problems.

The broad explanatory comments made by both sides on their economic policies met with great mutual interest. I called attention to the implications of U.S. economic, financial and monetary policies for the other national economies and the world economy, it was noticeable in Washington that business and industry in the United States are placing great hopes in the new Administration. We have every reason to hope that the economic upswing in the United States will materialize soon as desired, since it would provide new positive impulses for the world economy.

But I also voiced our concern over the consequences of the high level of U.S. interest rates for the European economy. We agreed that there must be a close co-ordination of economic policies among the industrialized countries. This will be one of the main topics for discussion at the Ottawa meeting.

I believe that President Reagan and I have fully achieved the aims envisaged for our meeting.

We have come to know each other better and established a cordial personal relationship. This will benefit bilateral relations as well as our cooperation in the multilateral, in the international sphere. We have reaffirmed the core of our Alliance policy, and we have defined problems and marked out ways of solving them in fields in which new departures have to be sought and tried out. The ground has been prepared for

close co-operation – a co-operation that will be of particular mutual benefit at this early stage of a new Administration, and which is irreplaceable and indispensable in the present critical world situation.

I have returned from Washington with the deep impression that American selfconfidence has grown and that there is a new faith in the potential of that great country. President Reagan is determined to assume the role of American leadership in the world.

German-French Agreement

My stopover in Paris gave French President François Mitterrand and me a welcome opportunity for a first exchange of views after his instalment as President. I was very pleased to have this opportunity, and I was satisfied by the substance and tone of our meeting. We were in agreement that German-French co-operation must be further consolidated and developed; it is of vital importance to the continuity and calculability of Western policy, to Europe's position in the world and to the future of both of our peoples.

In our three and a half hours of talks, building on earlier conversations, President Mitterrand and I were able to reaffirm German-French agreement on all important international issues. I conveyed to the President greetings from President Reagan and, of course, informed him thoroughly concerning my talks in Washington.

Our complete agreement in questions of Alliance policy and East-West affairs was of essential significance. Both of us are convinced that military balance must be maintained or, where it has shifted, re-established. France, too, although it is not directly involved, supports the implementation of both parts of the two-track decision.

Given a state of balance, the French, just as we ourselves, will continue the dialogue and co-operation with the Soviet Union and the East as a whole.

As regards the policy vis-à-vis the Third World, a matter about which President Mitterrand is especially concerned, we are both striving for co-operation as partners with the developing countries. That co-operation is based on respect for Third World nations' sovereignty and non-alignment, which are indispensable conditions for world peace.

We discussed a number of current world problems and co-ordinated our assessments of and positions on them. They included problems in the Near and Middle East, the critical situation in Lebanon, our co-operation with Saudi Arabia and the nations of the Gulf Region, problems in Southern Africa and the situation in Central America and the Caribbean.

France is and remains our most important trading partner and indeed our most important partner in the economic sphere as a whole. We had a thorough discussion of world economic questions as well as bilateral economic relations between our countries. I was impressed by the determination of the President and his Government to defend the franc's stability. Both of us want to do our part to keep the European Monetary System (EMS) intact; it has an important stabilizing function, particularly in the current situation, for the other European economies as well as our own.

We shared our concern about the effects of high interest rates in the United States on the European partners and want to help prevent an economic divergence between the U.S. and Europe.

As regards European policy, President Mitterrand, in spite of the French elections next month, does not intend to suggest that the next meeting of the European Council on 29 and 30 June in Luxembourg be postponed. He, too, would like to make use of the first talks between the heads of Government to begin careful study of the Commission's expected proposals concerning an adjustment of financial structures and the reform of agricultural policy; this study, as we both see it, should lead to concrete resolutions by the time the European Council meets next at the end of November.

Calculability of Foreign Policy

All of the questions we touched on in this first exchange of views must now be gone into in more depth, and we have both asked the members of our Governments to establish the contact and close direct co-operation that have long been the rule in German-French relations. We have agreed to hold the next German-French consultations in Bonn this July. President Mitterrand and I are interested in co-ordinating our positions before the beginning of the World Economic Summit in Ottawa on 20 July.

To sum up, the meeting with President Mitterrand such a short time after he has taken office was politically important as well as encouraging. Both of us are convinced that German-French cooperation will continue to prove itself in the difficult years ahead.

My visits to Washington and Paris have shown that the change of heads of Government, a completely normal occurrence in a democracy, has not impaired our partnership with either the United States or France. The community of interest which has developed throughout the decades, the agreement on basic values which is of such decisive importance to our nations and, particularly, the friendship and attachment between our peoples are so strong that changes of parties or individual persons in our Governments can hardly affect them.

In the policy statement of 24 November 1980 I said that we must not overestimate our German role in world affairs nor let others do so. This remains valid.

I returned from both visits with the firm conviction that the stability and calculability of this Federal Government's foreign policy are indispensable for our partners in the East, for the coherence of the Western Alliance and for peace in an increasingly instable and insecure world.



The

Chancellor

for the Record

Helmut Schmidt, in interviews with mass media in Germany and abroad in 1981, on German-American relations.

"Antenne Deux" - French television

January 19, 1981

The new U.S. President, Ronald Reagan, begins his term the day after tomorrow—and you, Mr. Chancellor, are the only foreign statesman to have met with him up to now. How would you rate him as a human being? What is your impression of Mr. Reagan?

... Actually, I know the new American President, Mr. Reagan, as the result of several meetings – three, altogether—although there are surely quite a lot of European political leaders who have met him. I think there are good prospects for good co-operation between the United States of America and the countries of Western Europe.

On what do you base this confidence?

As I said, on our face-to-face meetings in the past.

Naturally in America there is a new attitude, a changed purpose. Do you anticipate a worsening of the situation in regard to détente with the Soviet Union? Do you foresee a threat to peace—and in what way?

Throughout my political lifetime, I have always considered détente to be possible and realizable only on the basis of an equilibrium of forces. The new American Administration seems, as far as we know up to now, to take the view that in some military areas or in some regions of the world the balance of forces is disturbed or perhaps endangered; and the new U.S. Government accordingly will try to restore the equilibrium everywhere. In itself, that is not a dangerous intent. It would be dangerous if it were to be misunderstood...

... You are for the basing of Pershing rockets in Europe – and rather fast?

Not faster than we jointly agreed upon in NATO. We here in Bonn contributed to the reaching of this decision. It contains, indeed, another essential element: that is, the invitation to the Soviet Union to enter into negotiations on a limitation of the number of these weapons. The negotiations were begun last autumn, and I hope they will be continued-continued successfully.

You are well-acquainted with the problem of defense, and you know that there is a big debate as to whether the Soviet Union currently has a decisive military lead. Do you think the U.S.S.R. is now militarily in the lead?

🖎 I don't believe the Soviet Union has an over-all lead, but I think there are problematic areas. One of these I've already mentioned: the medium-range weapons in Europe. There are a number of experts in America that see a second problematic area in the longrange strategic weapons. That matter I can't judge so well, since Germany has no part at all of this military sphere. What is apparent is that Soviet military advisers, and Cuban troops allied with the U.S.S.R., are to be found here and there in the world where they actually don't belong. That needn't necessarily be in itself a disturbance of the equilibrium-but it certainly is a delicate psychological disturbance, at least a political disturbance. So I think your question cannot be answered generally; it has to be considered individually from region to region, from category to category.

In France there are critics who think there has been, for example, no reaction to what is called the Soviet aspiration to domination; and the Americans have frequently complained about France and about Germany in this regard.

I think those who have complained have not done so for good reason. France and Germany, for example, have, for the defense of Europe, compulsory military service. Every young man in France, every young man in the Federal Republic of Germany must put in service—and that isn't so in all the NATO states. It seems to me that France and Germany have done the right thing.

"Kölner Stadt-Anzeiger" (Cologne)

February 18, 1981

You have said in the Bundestag that you could live with a formulation of the new American Administration's military policy reflected in the phrase "second to none", but not...

Because such a phrasing is reconcilable with the principle of equilibrium. "Second to none" after all means: not to be subordinate to anyone, not to be less strong than the other.

You said at the same time, and so it reads, too, in the communiqué of your visit with French President Giscard d'Estaing: but no superiority in any way.

A Yes, right.

Last week it became known that President Reagan wants to increase the budget items for defense once more. That would, according to the new allotment, come to 225,000 million dollars for 1982, and would mean in increase over 1981 of a good 23 per cent. Are those developments efforts, first, that justify the opinion that the issue in the U.S., other than what Reagan said in the election campaign, is only that of equilibrium? Second, are these efforts something with which we can keep up?

We're not asked to keep up at all. We have no cause for intruding and intervening. We're also not being asked to take part in domestic American discussions of defense questions, discussions that are being carried on over there astonishingly publicly. We don't need to speak up. The greatest imbalance between East and West exists in regard to the number of soldiers. That tends to be overlooked in America. The truth is that you can't carry on war with money-you can only defend yourself with soldiers.

"Les Echos" (Paris)

February 25, 1981

Does a strong America mean a good thing for or a threat to teamwork and an influential position for Europe?

The United States has promoted the process of European unification since its beginnings. There is no reason to assume that this traditional American position will change. Western Europe and the United States are dependent on good co-operation. That is why a clear and calculable policy on this side and that side of the Atlantic is necessary. Numerous problems-for example, in the economic and monetary areas-will be simpler to solve with a strong America, capable of acting. The political co-operation among the member-countries of the European Community has resulted in their foreign policy's already being closely co-ordinated in important and extensive sectors. The closer this intra-European co-operation is and the more the Europeans agree as to their foreign policy, the better can they bring their influence to bear at the global level . .

"Deutschlandfunk"

March 8, 1981

Now there is the fear that the Reagan Administration in America actually is aspiring, not to balance but to superiority. One also comes upon this fear in the ranks of the Social Democratic Party (SPD). How can the fear be done away with?

I believe such fears are unjustified. I cannot do away with them; I'm not the new American Administration's public-relations director. The U.S. Government itself will do away with the fears. I've no doubt about that. And in fact that is bound to happen. At the moment at which the new American Government under President Reagan begins negotiations with the Soviet leadership, it will become evident that Washington is not negotiating with the purpose of

having the Russians confirm a U.S. superiority, or to safeguard such superiority in a treaty. Instead, it will become clear to all that the United States is negotiating to establish equilibrium. But it will also emerge—let me repeat—that it will not be so simple to determine how a balance between the United States of America and the Soviet Union actually has to look.

Secretary-General Brezhnev, in his speech to the party congress in Moscow, proposed to President Reagan a summit for two. And the President wants first to get the views on this proposal of his most important alliance partners—thus, for instance, views from you; partners of whom some are, as he said, only a bus ride away from the Soviet military power. Will you advise President Reagan to agree?

That I shall most certainly do. Anyhow, as I see it the most important point in Leonid Brezhnev's partycongress speech is that on his own he is offering the United States of America negotiations. He is practically seeking such negotiations. And I know from Ronald Reagan, from a talk shortly after his election but before his taking office in Washington, that he is prepared to negotiate with the Soviet Union, especially about armament limitation. On that occasion he said, in a sentence: We are prepared to negotiate-that means, to do so very emphatically and with a great outlay of time and patience. Surely President Reagan won't be an easy negotiating partner, one to hoodwink-thank God, he won't be. For that matter, the Russians are also not easy negotiating partners.

(cont. on page 16)

Cabinet-level

Consultations:

German Guests in
Washington during the
Reagan Government's
First 100 Days



March 24, 1981: Defense Minister Hans Apel (r.) calls on his American counterpart, Caspar Weinberger.



March 18, 1981: Minister of Economics Otto Count Lambsdorff (I.) and U.S. Secretary of the Treasury Donald Regan confer.



March 11, 1981: Foreign Minister Hans-Dietrich Genscher (I.) consults with the head of the State Department, Alexander Haig.

"Evangelische Kommentare" (Stuttgart)

April 1981

There is grave concern that the armament escalation is going ahead unchecked. Do you see tangible chances for an understanding about armament control?

A Yes, absolutely. Although much has been said about this since the end of the last world war, it has certainly taken very long until treaties on equilibrium in the field of armament actually came into existence. Shortly after the Cuba crisis, which almost led to a third world war, the two superpowers. emerging from this shock, brought into being a treaty in which they obliged themselves not to explode experimentally any more nuclear bombs above the earth's surface. Both powers proceeded, apparently, from the premise that neither has a lead. After that came the atomic non-proliferation treaty. These were treaties as to an equilibrium, treaties in which many states have not, however, participated. SALT I in particular proceeds from the premise of equilibrium. In addition, there is the conception, aspired to by the West as by the East, of a treaty, being negotiated in Vienna, on limiting conventional armament in Europe (MBFR). There is also SALT II. And there are the Geneva negotiations on **Euro-strategic** limiting so-called weapons, talks that got started, with considerable initial German help, last autumn. Mention should also be made of the current Madrid negotiations about a mandate for a still-to-be-called conference on European disarmament. This conference is, among other things, to establish identical military visibility in Western and in Eastern Europe-from the Atlantic to the Urals-through socalled confidence-building measures.

"Berliner Morgenpost"

April 4, 1981

The Government of the Federal Republic of Germany remains firmly at the side of its principal ally, the United States of America. On the one hand, how broad is the leeway for Western Europe to introduce its own experiences with the East-West relationship into the new American foreign policy-without, on the other hand. becoming suspected of succumbing to attempts by Moscow to divide the European partners and Washington?

🖎 I don't see that the change of Government in Washington has altered the leeway of the European countries in regard to foreign or security policy; the change in Washington certainly hasn't narrowed this leeway. On the contrary, one cannot overlook with what personal commitment and intensity President Reagan and Secretary of State Alexander Haig repeatedly speak up for close consultations with their allies . . . If the talk is about a narrowing of the leeway to negotiate, that could only result from a worsening of the East-West relationship, not of the relationship of individual countries of the West with each other.

"Süddeutsche Zeitung" (Munich)

April 7, 1981

For you, surely, the most important aspect is the dispute as to the necessity of the NATO "two-track" decision-that is, on the one hand the basing of new American medium-range weapons in Europe, and on the other hand the attempt, in negotiations with the Soviet Union in this area as well, to arrive at an agreement on the limitation of this arms race. Do you see, within and outside the SPD, parallels with the anti-atomic-weapons campaign in the 1950s?

A One can see such parallels if one wants to. As far as the German Federal Government and the Social Democratic in the Bundestag faction concerned. I have no doubt at all that the decision will be supported as it was taken, in both its parts. It is the agreed intention of the North Atlantic Alliance to achieve negotiations between the Soviet Union and the United States of America-to achieve a limitation, a limitation. numerical of nuclear medium-range weapons on both sides. The decision was not taken in order to calm troubled souls, but because it is urgently necessary to limit the total of weapons on both sides. Negotiations about this can only be carried out successfully if the Soviet leadership sees that it cannot maintain the fantastic lead that its arming has gained for it-because the West is in a position to modernize its own armament. The intention to upgrade NATO's armament must be serious, and on both sides of the negotiating table it must be appraised as being seriously intended. Then we shall get to serious negotiations-and also to a mutual numerical limitation. And I have no doubt at all that the Social Democratic Bundestag faction, no more than the Government. will not give up this conviction. All treaties and negotiations these proceed from the concept of equilibrium. However, we have had only two decades of experience in negotiations in this area-that is not much.

But what has come of it up to now is not much, either.

A To some, the results to date in regard to the nuclear threat may seem completely insufficient. I should like not to be quite so critical, and should like to appreciate the fact that an actual start has been made. I am putting all the force of the Federal Republic of Germany's support into helping to see to it that further progress is made in this sphere. But I should like to add that up to now no such treaty has resulted in one of the participating superpowers' having a feeling of hopeless inferiority.

April 9, 1981

O... The Americans tell anyone who will listen that they want to upgrade their armament first and then negotiate—while in Europe the idea is that negotiations and upgrading of armament should proceed simultaneously at least. Here then there is a clear difference. Why isn't that admitted?

There isn't this difference, as far as President. the American the U.S. Secretary of State and the European heads of Government and European foreign ministers are concerned. It is true that there are other Americans, who are not in elective offices, who give interviews on the side and influence the media. But I have no doubt at all that this year the negotiations between the Americans and the Russians about these famous mediumrange weapons will be continued-no doubt at all. That is the shared desire of all the European partners, and it is also the wish of the American President. I myself heard from him that he will negotiate and negotiate and negotiate... If the ideal is said to be that the Americans and the Europeans should be in 100 % agreement on all military questions, I disagree, for I can't consider that an ideal. Instead, I know-for 25 years I have concerned myself in the Bundestag with security and defense policy, and with the alliance and our partners-I know that in these 25 years there have been many differences. One of the worst was between ex-Chancellor Adenauer and former President Eisenhower-in the 1950s, about the so-called Redford Plan. The next big difference came at the beginning of the 1960s, over the proposal for the so-called Multilateral Force-an American proposal. And so there were repeated differences, in part major ones. Then people-whether in America or in Europe-would write "NATO is a crisis." Well, I have experienced that year after year. It's also this way with "SPD in a crisis". You read that too every year. And nevertheless the alliance has been very effective-exactly as the Social Democratic Party is very effective. One dare not pay too much attention to these things.

Fortune (New York)

April 20, 1981

What worries you most about the U.S. elephant right now?

If the Fed alone must fight the battle against inflation in America, it must continue to resort to extremely high interest rates that distort and upset the world's exchange rates. Constantly swinging interest rates are bad for trade and stability. On the other hand, if the Reagan Administration is able to cut budgetary expenditures as quickly as it plans to cut taxes, inflationary pressures would be eased and the Fed would no longer be forced to keep rates so high.

How do you view the global economic situation at present?

world is in a double crisis-involving both structural problems and business cycles. In a situation of growing unemployment in Europe and North America and growing hunger and famine in nearly all the developing countries, there are inevitably growing pressures for taking self-centered measures. I am deeply convinced that the economic summits have served a very important purpose: to avoid beggar-thy-neighbor policies. I would like to add a footnote: it took a great many meetings before the seven leadindustrial powers became convinced that no economic disease can be cured by printing money. In that sense, the world is much bettereducated now than in 1974.

As you know, many Americans are worried that West Germany might become overly dependent upon the Soviet Union if the Russians had their hand on the gas tap.

We use much less natural gas than you do in your economy. For many years, we have set a figure, which I will not disclose, of how much energy we allow ourselves to draw from any country. We are well within those limits and we intend to remain so.

German Television (ARD)

May 7, 1981

Mr. Chancellor, you always speak of military equilibrium, as being vital for the Federal Republic of Germany's security. But your critics allege that with you and, above all, with the Americans, the demand for equilibrium is basically only an alibi. In reality, they say, you want military superiority; you want for the West, spurred, so to speak, by the Reagan Administration, to regain what it has lost in the years of détente policy-namely, military superiority.

Anyone who aspires to military superiority could not have my approval. That is also the view of, for example, the French Government, to mention only one. But just this week. within the whole alliance, meeting in Rome, we have found a very broad agreement on the principle of over-all equilibrium, if possible at a lower level of the totals of armed forces and of their equipment. Anyone who throws the principle of equilibrium overboard at the same time courts numerous dangers. He runs the risk that one side will become superior and the other inferior-with the latter finally having, in critical situations, to bow to the pressure, the threat of the superior side. And, especially, he courts the danger that there can be no disarmament treaties at all, no arms-limitation treaties at all, either in regard to nuclear weapons or concerning conventional weapons. For all such treaties are after all only conceivable on the basis of the principle that there will be agreement on the same security, the same military weight-approximately identical weight-on both sides. Naturally this equal military weight need not be measured down to the last ounce; needn't be identical down to decimal points. Whoever considers equilibrium just a fine word, and waves it aside, surrenders the idea of mutual abstention from armament, agreed to under international law-a mutual limitation of arms-even if the critic of equilibrium is not aware of this consequence.

May 17, 1981

The United States expects us to make increased efforts in the area of security policy. In turn, we have certain politico-economic concerns-especially monetary concerns-in regard to the U.S. The clearest example here is the difference in interest rate. Will you be making demands of America in this area?

(Demands" is too emphatic a word. Certainly in our preparations for the summit of the seven big industrial democracies, the meeting to take place in Ottawa in July-in preparation for that, we shall be talking about world monetary policy, including interest policy. Not only the Federal Republic of Germany, after all, other European countries too are suffering because of the very high interest. That will certainly be a topic of our talks. Incidentally, I don't see that this has anything to do with security matters. But it can be that the Americans absolutely understand our concerns, without being able to accommodate us. We shall need to feel our way in this situation. Nor will the matter be cleared up on a single visit. It is essentially a matter for the finance ministers, later; and then for the central banks.

Germans and

French Affirm:

We Want To

Work in Close

Partnership

With the

American

Government

From a Joint Statement by the President of the French Republic and the Chancellor of the Federal Republic of Germany on the occasion of the Franco-German consultations in Paris on February 5 and 6, 1981

The President of the French Republic and the Chancellor of the Federal Republic of Germany have reviewed the deteriorated international situation in depth and considered what efforts are necessary for its rehabilitation.

They intend to counter the facts which have led to this destabilization and the ensuing dangers to peace with the joint and determined action of the two countries.

To this end they express their determination to co-operate with the new U.S. Administration on a basis of mutual trust.

They intend to gain recognition for three requirements on which the stabilization of East-West relations and the preservation of peace depend.

The first concerns the balance of security. It precludes the acceptance of a position of weakness just as much as the aspiration to military superiority. It starts from the assumption that the efforts to achieve arms limitation and reduction take into account the principle of a global balance of power. It requires alertness and dialogue in equal measure.

The Federal Republic of Germany and France are helping to guarantee the balance of security by reaffirming their adherence to the obligations of the Atlantic Alliance, by declaring their determination to maintain their defense efforts devolving upon them by virtue of their membership of the Alliance, and by advocating a conference on disarmament in Europe aimed at securing in a first phase the adoption of confidence-building measures to be applied from the Atlantic to the Urals.

The second requirement is moderation in political action. Moderation has been made a duty obtaining above all in relations among the signatories of the Final Act of Helsinki, which has laid down the rules for such action. It also means essentially that Poland must be in a position to resolve its serious problems alone and without interference from outside.

Everywhere—both outside and inside Europe—moderation is incompatible with any recourse to force, with a policy of faits accomplis, and with any attempts to secure unilateral advantages. The Federal Republic of Germany and France refer to their statement of February 5, 1980, reaffirm their condemnation of the Soviet intervention in Afghanistan, and repeat that detente would not survive another blow of the same kind.

In the light of crisis or conflict situations, the requirement of moderation must also lead to attempts to find political solutions—that is to say, solutions which are negotiated with the participation of all interested parties. This is the purpose of the efforts made by the Europeans in the Middle East, of the Namibia initiative of the Five, and of France's proposal with regard to Afghanistan. This is also the purpose of the support which the Federal Republic of Germany and France are giving to the Lagos/Lomé agreement concerning the independence of Chad.

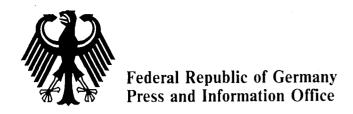
The third requirement concerns the equality of responsibility vis-à-vis major international problems. The fight against hunger, poverty and underdevelopment, the restoration of monetary and economic stability by means of a more moderate oil price policy, as well as the use of nuclear energy solely for peaceful purposes, are universal challenges. These objectives can only be achieved if the independence and self-reliance of the states and peoples of the Third World are respected and their desire for genuine non-alignment recognized. It is necessary that in the field of economic aid all countries of the world, irrespective of their political system, render an appropriate contribution to the establishment of an international order in which all nations will see their security, their prospects of progress, and respect for their dignity and freedom guaranteed.

In defining these objectives, the Federal Republic of Germany and France are aware of Europe's responsibilities. They are resolved to take those responsibilities upon themselves in solidarity with their eight partners...

The solution of the present problems in the European Community, the strengthening of Europe's political cohesion, the safeguarding of economic stability and economic progress, are tasks of prime importance which must be fulfilled so that Europe may resume the role that corresponds to its historical tradition.



On the occasion of the German-French consultations on Febraury 5 and 6, 1981, in Paris, a discussion that included a planned further expansion of cultural relations, Chancellor Schmidt receives an honorary doctorate from the Sorbonne. The university's President Raymond Polin confers the degree.



"Privileged"

German-

French

Relations

Within the

Western

Community

Of Interests

Chancellor Schmidt after his visit to Paris on his return trip from the U.S.

Statement on German Television, Channel 1 (May 24, 1981)

There will certainly be continuity (in German-French relations); incidentally, I had a feeling to that effect even before I came here to Paris. I already knew M. Mitterrand very well from previous meetings. And I do know this above all: that among the French people and the German people the awareness of being dependent on each other – of wanting to live together in friendship – is so strong that, independently of political parties and personalities, German-French cooperation is deeply rooted.

Interview With German Television, Channel 2 (May 24, 1981)

Question: During this first discussion with President Mitterrand, did you have the feeling that something is changing in the East-West relationship of the two big European countries – especially in regard to the NATO "two-track" decision (to prepare to base nuclear missiles in Western Europe, while offering the U.S.S.R. disarmament negotiations)?

Answer: No, I don't have that feeling at all. On the contrary, I have a feeling of continuity. In any event, what we compared views about in regard to, for example, the NATO "two-track" decision, President Mitterrand and I, showed our full agreement. Our views were entirely along the same line. We both believe that the equilibrium was upset by the Soviet Union, via its SS-20 armament programme; that this balance must be restored; but we also believe that the dialogue with the Soviet Union must take place.

Question: President Mitterrand again spoke of "privileged" (German-French) relations. Will those extend to the economic sphere, too?

Answer: I believe German-French relations will continue to be expanded in the future, and surely this development will also extend to the economic field – and by no means only, let's say, within the European Community.



On the return flight from Washington, Chancellor Schmidt confers with new French President Mitterrand.