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MEMORANDUM

NATIONAL SECURITY COUNCIL

ACTION

November 24, 1981

MEMORANDUM FOR RICHARD V. ALLEN

FROM: JAMES M. RENTSCHLER *J.M.R.*

SUBJECT: Von Staden Visit

The German Embassy called to confirm that Berndt von Staden will be in town later this week, as Schmidt indicated in his Saturday phone conversation with the President. He is scheduled to arrive late Thanksgiving Day and will be devoting Friday, November 27 to his debrief of the Brezhnev trip. Relevant details:

- Will see Haig at 11 a.m. on Friday;
- Stoessel will host a working lunch;
- Will leave for New York on the 4 p.m. shuttle.

The Germans have requested a meeting with you between 2:30 and 3:30 on Friday. I think you should say yes. Dennis Blair concurs.

RECOMMENDATION:

That you meet with Von Staden on Friday, November 27 between 2:30 and 3:30.

Approve _____

Prefer alternate time _____

Sorry, can't see him _____

for Berndt von Staden who is providing briefing on Brezhnev trip to the Federal Republic of Germany.

NSC 8106815

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DEPARTMENT OF STATE

Washington, D.C. 20520

UNCLASSIFIED

November 24, 1981

81 NOV 24 PIO: 29

MEMORANDUM FOR MR. RICHARD V. ALLEN
THE WHITE HOUSE

WHITE HOUSE
SITUATION ROOM

Subject: Request for Appointment by FRG Foreign Office
State Secretary Berndt von Staden -

M.
COO 54-82

Ambassador von Staden will be in Washington on Friday as the Chancellor's personal emissary to brief the Department on the Brezhnev visit to Bonn. He will meet with the Secretary on Friday morning and will follow with longer discussions with Under Secretary Stoessel and Assistant Secretary Eagleburger. Ambassador Stoessel will host a luncheon for Ambassador von Staden which will end at about 2:00 p.m.

In order to stress the Chancellor's personal interest in providing the most thorough possible briefing on the Brezhnev visit, Ambassador von Staden also wishes to arrange a short discussion with you on Friday afternoon. Most appropriate time for the meeting would be 2:30 p.m. He must leave Washington at 4:00 p.m. for his return flight to Germany.

Given the importance of this visit and the personal interest of the Chancellor in the matter, the Department recommends that you agree to receive Ambassador von Staden on Friday afternoon, November 27.

L. Paul Bremer, III
Executive Secretary

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RECEIVED 24 NOV 81 19

TO ALLEN

FROM RENTSCHLER

DOC DATE 24 NOV 81

KEYWORDS: GERMANY F R

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VON STADEN, BERNDT

SUBJECT: PROPOSED ALLEN MTG W/ VON STADEN 27NOV

ACTION: FOR DECISION

DUE: 25 NOV 81 STATUS X FILES

FOR ACTION

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EMBASSY
OF THE
FEDERAL REPUBLIC OF GERMANY
WASHINGTON, D.C.

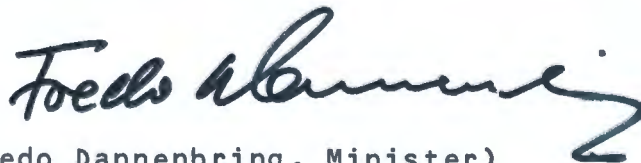
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Dear Mr. Clark:

I should like to draw your attention to the government statement which Federal Chancellor Helmut Schmidt delivered to the German Bundestag on January 14, 1982.

An English translation of the main elements is attached.

Sincerely yours,



(Dr. Fredo Dannenbring, Minister)

Chargé d'Affaires a.i.

Washington, D.C. January 14, 1982

Mr. William Clark
National Security Adviser
National Security Council
Washington, D.C.

NSC 8200249

new: 298-4000

January 15, 1982

POLICY STATEMENT BY
CHANCELLOR HELMUT SCHMIDT
ON HIS VISIT TO WASHINGTON AND
ON CURRENT ISSUES OF EAST-WEST RELATIONS

(complete text)

POLICY STATEMENT BY CHANCELLOR SCHMIDT ON HIS VISIT TO WASHINGTON
AND ON CURRENT ISSUES OF EAST-WEST RELATIONS

-4-

- 14 JANUARY 1982 -

I SHOULD LIKE TO INFORM YOU TODAY OF MY TALKS WITH PRESIDENT REAGAN AND PRESIDENT MITTERRAND. HERR GENSCHER, WHO REPRESENTED OUR COUNTRY AT TWO MAJOR MEETINGS OF FOREIGN MINISTERS DURING THE PAST TEN DAYS, WILL ALSO SPEAK IN THE DEBATE.

AS WAS ALSO THE CASE FIVE WEEKS AGO, MY STATEMENT TODAY IS MARKED BY THE QUESTION OF POLAND'S FATE. WE WANT TO DO JUSTICE TO THE INTERESTS OF OUR NEIGHBOURS, THE POLISH PEOPLE, NOT ONLY IN OUR SENTIMENTS AND HOPES BUT ALSO IN OUR POLITICAL ACTION.

THE POLISH CRISIS HAS DEEPLY MOVED PEOPLE AND GOVERNMENTS IN EUROPE AND AMERICA, AND RIGHTLY SO. THE EVENTS IN POLAND HAVE SHOWN ONCE MORE THE RIGIDITY OF THE COMMUNIST REGIMES OF THE WARSAW PACT WHEN FACED WITH THE CHALLENGE OF PERMITTING PEACEFUL CHANGE TO TAKE PLACE. THEY CONSEQUENTLY IMPOSE GREAT SUFFERING ON THEIR PEOPLES. AND THEY ENDANGER THE TRUST IN CO-OPERATION BETWEEN EAST AND WEST.

THE FEDERAL GOVERNMENT AND THE BUNDESTAG, THE FEDERAL PARLIAMENT, HAVE, BY DINT OF THEIR NATIONAL RESPONSIBILITY AND THEIR RESPONSIBILITY FOR PEACE, EKSPRESSED IN VERY CLEAR TERMS THEIR CONCERN ABOUT THE POLISH CRISIS. THE BUNDESTAG WAS THE FIRST PARLIAMENT IN THE WORLD TO PROFESS ITS SOLIDARITY WITH THE POLISH PEOPLE ON 18 DECEMBER 1981. IT CALLED FOR THE RESUMPTION OF THE DIALOGUE WITH THE SOLIDARITY TRADE UNION AND WITH THE CATHOLIC CHURCH, AS WELL AS THE RELEASE OF ALL DETAINEES. THE RESOLUTION ADOPTED BY THE BUNDESTAG STATES, WITH REFERENCE TO THE HELSINKI FINAL ACT: 'THE BUNDESTAG IS FOLLOWING WITH ... GREAT CONCERN THE GROWING PROPAGANDA CAMPAIGN AGAINST THE COURSE OF REFORM IN POLAND AND THE OPEN OR CONCEALED THREATS OF FORCE FROM WITHOUT AGAINST POLISH INDEPENDENCE'.

HERR BARZEL READ THE RESOLUTION OUT, AND IN THE BUNDESTAG RECORDS YOU WILL FIND THAT AT THIS POINT, TOO, ALL OF THE PARLIAMENTARY GROUPS APPLAUDED, AND IT WAS CLEAR TO EVERYONE THAT THE CONCERN AT OPEN OR CONCEALED THREATS OF FORCE AGAINST POLISH INDEPENDENCE WAS NOT A REFERENCE JUST TO ANYONE BUT TO THE SOVIET UNION. -2-

ON THE BASIS OF THIS BUNDESTAG RESOLUTION, I WROTE IN THE SAME VEIN AT CHRISTMAS TO GENERAL JARUZELSKI AND TO GENERAL-SECRETARY BREZHNEV. AS FAR AS I KNOW, I HAVE UNTIL NOW BEEN - APART FROM PRESIDENT REAGAN - THE ONLY WESTERN HEAD OF GOVERNMENT TO HAVE EMPHASIZED PUBLICLY, IN A LETTER TO THE SOVIET GENERAL-SECRETARY, THE SOVIET UNION'S RESPONSIBILITY FOR DEVELOPMENTS IN POLAND.

NOW, FOUR WEEKS LATER, I CAN STATE THAT, ESPECIALLY WITH REGARD TO THE POLISH CRISIS, IT HAS BEEN IMPORTANT AND ESSENTIAL FOR GERMAN POLICY TO HAVE BEEN BACKED BY THE WHOLE OF THE BUNDESTAG. GIVEN THE PAINFUL AND GUILT-LADEN HISTORY OF GERMAN-POLISH RELATIONS, ANY ATTACK ON HUMAN DIGNITY AND THE NATIONAL INDEPENDENCE OF THE POLES IS OF PARTICULAR CONCERN TO US GERMANS. THE NEW NEIGHBOURLY RELATIONSHIP THAT HAS EVOLVED BETWEEN MILLIONS OF POLES AND GERMANS ON THE BASIS OF THE WARSAW TREATY MUST NOT DISINTEGRATE.

WHEN IT WAS CONCLUDED TEN YEARS AGO, WILLY BRANDT'S WARSAW TREATY MET WITH ONLY LITTLE CRITICISM HERE IN THE FEDERAL REPUBLIC OF GERMANY, UNLIKE THE MOSCOW AND THE BASIC TREATY AT THE TIME OF THEIR CONCLUSION. FOR THE DESIRE FOR RECONCILIATION WITH THE NEIGHBOURING POLISH NATION WAS THEN, TOO, INSPIRED BY A DEEPLY ROOTED FEELING OF ALL GERMANS.

THE SAME WILL IS REFLECTED TODAY IN THE SPONTANEOUS READINESS TO HELP SHOWN BY THE GERMANS. BY THE END OF 1981 OUR FELLOW COUNTRYMEN HAD SENT ROUGHLY TWO MILLION PARCELS TO POLAND. IN THE SHORT SPACE OF TIME SINCE THE START OF THIS YEAR ANOTHER 94,800 PARCELS WERE SENT, AND AT PRESENT THE FIGURE IS OVER 10,000 EVERY DAY. I AM PARTICULARLY GRATEFUL FOR THIS DISPLAY OF READINESS TO HELP. AND I ADD: IT MUST BE CONTINUED.

ALLOW ME TO TAKE THIS OPPORTUNITY TO NAME ONCE MORE THE MAJOR RELIEF CAMPAIGNS FOR POLAND:

- 3-
1. ''AID FOR POLAND'', ORGANIZED BY THE GERMAN RED CROSS, WHICH IS SIMILAR TO THE WORKERS' RELIEF SCHEME.
 2. ''AID FOR POLAND'', ORGANIZED BY THE DIAKONISCHES WERK OF THE EVANGELICAL CHURCH.
 3. ''AID FOR POLAND'', ORGANIZED BY THE CARITASVERBAND OF THE CATHOLIC CHURCH.
 4. ''SOLIDARITY WITH POLAND'', ORGANIZED BY THE GERMAN FEDERATION OF TRADE UNIONS.

ANYONE CAN EASILY OBTAIN THE ACCOUNT NUMBERS OF THESE RELIEF ORGANIZATIONS BY PHONING UP, UNLESS HE OF COURSE INTENDS TO SEND PARCELS HIMSELF.

ONLY YESTERDAY THE FRENCH PRESIDENT AND I STATED THAT HUMANITARIAN AND FOOD AID TO POLAND SHOULD CONTINUE.

WE WERE AGREED ON WHAT I HAD ALREADY SAID ON 18 DECEMBER: WE ARE ''WHOLEHEARTEDLY ON THE SIDE OF THE WORKERS AND WE CHERISH THE HEARTFELT WISH THAT THE STATE OF WAR IN POLAND WILL BE TERMINATED AS SOON AS POSSIBLE''.

THE EVENTS IN POLAND CONCERN NOT ONLY THE POLES THEMSELVES BUT ALSO ALL OTHER PEOPLES BECAUSE THE CONTINUING SUPPRESSION OF THE ELEMENTARY RIGHTS OF POLISH CITIZENS HAS GRAVE REPERCUSSIONS ON INTERNATIONAL RELATIONS, ON STABILITY IN EUROPE AND ON EAST-WEST CO-OPERATION.

JOINTLY WITH OUR ALLIES THE FEDERAL GOVERNMENT HAS THEREFORE APPEALED TO THE POLISH GOVERNMENT TO LIFT MARTIAL LAW, RELEASE THE DETAINEES AND RESUME THE DIALOGUE WITH THE CHURCH AND THE ELECTED REPRESENTATIVES OF SOLIDARITY.

SIMILARLY WE APPEAL TO THE SOVIET UNION TO RESPECT THE WILL OF THE POLES FOR NATIONAL INDEPENDENCE AND INTERNAL RENEWAL AND REFORM. THIS WILL STEMS FROM THE HUMAN RIGHTS OF THE POLES. IT IS LEGITIMATE, JUSTIFIED AND MORALLY IMPERATIVE.

-4-

I HAVE TO STATE TODAY THAT THE DEVELOPMENTS IN POLAND HAVE NOT YET CHANGED FOR THE BETTER. UNTIL NOW WE HAVE NOT OBTAINED ADEQUATE POLITICAL SIGNALS THAT THE MILITARY COUNCIL IN POLAND IS, IN ACCORDANCE WITH ITS OWN ASSURANCES, RETURNING TO THE PATH OF RENEWAL AND REFORM.

ON ACCOUNT OF THEIR PARTICULAR ROLE IN POLAND AND THEIR RESPONSIBILITY THERE, THE CATHOLIC CHURCH IN POLAND AND THE POPE HAVE A BETTER PICTURE THAN SOME OTHERS OF EVENTS AND DEVELOPMENTS IN THE COUNTRY: THEIR CONCERN HAS PLAINLY GROWN SINCE DECEMBER. THE FEDERAL GOVERNMENT WILL, AS IT HAS DONE FOR THE PAST FEW WEEKS, CONTINUE TO USE THIS AS A SOURCE OF ORIENTATION.

I SHARE AND UNDERSTAND THE PASSIONATE INDIGNATION FELT BY MANY PEOPLE IN GERMANY AND IN OTHER COUNTRIES - IN FRANCE, IN ITALY, IN THE UNITED STATES, INDEED EVERYWHERE.

BUT LET ME ADD THAT OUR AIM IS NOT CONFINED TO OUT CONFRONTATION. NOR IS IT JUST OUR INTENTION TO EKSPRESS PUBLICLY OUR MORAL INDIGNATION. WHAT IS ESSENTIALLY REQUIRED IS A POSITIVE INFLUENCE ON THE ACTUAL SITUATION OF THE PEOPLE IN POLAND, FOR AN IMPROVEMENT OF THE SITUATION, AND FOR THE RESTORATION OF HUMAN RIGHTS.

TOGETHER WITH OUR ALLIES WE ARE SEEKING AN EFFECTIVE POLICY WHICH WILL HELP POLAND TO RETURN TO THE COURSE EMBARKED UPON WITH THE GDANSK AGREEMENT OF AUGUST 1980. ONLY THIS COURSE WOULD CLEARLY BE IN KEEPING WITH THE WISHES OF THE POLISH PEOPLE AND WITH THE ASSURANCES GIVEN BY THE MILITARY GOVERNMENT BOTH TO ITS OWN PEOPLE AND - THROUGH DIPLOMATIC CHANNELS - TO US AND THE GOVERNMENTS OF OTHER WESTERN STATES. OUR DEMANDS TO GENERAL JARUZELSKI ARE SUBSTANTIATED BY HIS OWN ASSURANCES OF WHICH WE WERE NOTIFIED. WE ARE FULLY AWARE OF THE CONDITIONS UNDER WHICH HE MOVES, I.E. WARSAW PACT AND COMECON, BUT OUR DEMANDS INVOKING THE RESPONSIBILITY OF THE LEADING POWER OF THESE TWO SYSTEMS, THE WARSAW PACT AND COMECON, ARE BASED ON THE HELSINKI FINAL ACT, WHICH WAS SIGNED BY ALL, AND ON INTERNATIONAL LAW. THE SOVIET UNION IS NOT ENTITLED TO OPPOSE THE NECESSARY SOCIAL ADJUSTMENTS AND EVOLUTIONS IN THE STATES BELONGING TO ITS ALLIANCE - IT MUST NOT PREVENT THEM.

PUBLIC INDIGNATION AT THE EVENTS IN POLAND HAS RESULTED IN OUR POSITION BEING MISINTERPRETED IN THE MEDIA OF SOME FRIENDLY COUNTRIES. IN MANY CASES, SIMPLY NO NOTICE WAS TAKEN OF WHAT WE, THE FEDERAL GOVERNMENT, THE BUNDESTAG HAVE SAID AND DONE. THE RESTRAINT WAS SOMETIMES MISUNDERSTOOD, WHICH, AGAINST THE BACKGROUND OF GERMAN-POLISH HISTORY, BECOMES EVERY GERMAN WHENEVER POLAND IS INVOLVED.

BUT WE GERMANS DO NOT VACILLATE BETWEEN TWO WORLDS. I COULD COUNT ON THE SUPPORT OF THE OVERWHELMING MAJORITY OF THE GERMAN PEOPLE WHEN I STATED IN MY NEW YEAR ADDRESS: "AT TIMES OF DANGER THE STATES OF THE EUROPEAN COMMUNITY AND THE ATLANTIC ALLIANCE STAND CLOSELY AND RESOLUTELY BY ONE ANOTHER. THIS IS THE VERY FOUNDATION OF THE SECURITY OF OUR PEACE AND ALSO THE SECURITY OF BERLIN."

I WAS AGREED WITH PRESIDENT MITTERRAND AND PRESIDENT REAGAN THAT NOW - AT THIS TIME OF DANGER - THE UNITY OF THE ALLIANCE MUST NOT BE JEOPARDIZED.

OUR ALLIES CAN RELY ON US, JUST AS WE CAN RELY ON THEM. WE SHALL NOT LET ANYONE CONVINCED US THAT THERE IS A CRISIS IN THE ALLIANCE WHEN, IN FACT, THERE IS A CRISIS IN THE COMMUNIST SYSTEM. INCIDENTALLY, NOT ONLY OUR ALLIES RELY ON THE FIRM COHESION OF THE ALLIANCE, BUT ALSO NEUTRAL EUROPEAN STATES WHO ARE EQUALLY DEPENDENT ON EQUILIBRIUM IN EUROPE, AND EVEN COMMUNIST GOVERNMENTS AND MANY MILLIONS OF PEOPLE IN EASTERN EUROPE.

THE SOVIET UNION AND ITS ALLIES KNOW THAT WE INTEND TO ADHERE TO A STEADFAST POLICY OF DIALOGUE AND CO-OPERATION BASED ON EQUILIBRIUM. BUT THEY MUST ALSO KNOW THAT EVENTS SUCH AS THE STATE OF WAR IN POLAND CANNOT FAIL TO HAVE REPERCUSSIONS.

THIS IS THE JOINT VIEW HELD IN THE WEST. LAST NIGHT PRESIDENT MITTERRAND DREW MY ATTENTION TO A PARAGRAPH IN THE SPEECH BY THE FRENCH PRIME MINISTER, M. PIERRE MAUROY, BEFORE THE FRENCH NATIONAL ASSEMBLY ON 23 DECEMBER. HE STATED:

"GIVEN THE GEO-POLITICAL SITUATION IN WHICH POLAND HAS BEEN SINCE THE END OF THE SECOND WORLD WAR, EVERYONE KNOWS THAT THE SOVIET UNION IS INVOLVED IN EVERYTHING AFFECTING EASTERN EUROPE... IN VIEW OF THIS SITUATION IT IS THE RESPONSIBILITY OF THE FRENCH

GOVERNMENT TO STATE AS PRECISELY AS POSSIBLE ITS VIEW OF THE PROBLEMS. TODAY, THE POLISH PEOPLE HAVE FALLEN VICTIM TO COERCION BY THEIR OWN ARMY. WE CONDEMN THIS SITUATION AND SHALL NOT LET UP IN OUR ENDEAVOURS TO SECURE AN END TO IT. EVEN IF INTERFERENCE BY THE SOVIET UNION IS A FACT, THERE IS NONETHELESS A CLEAR DIFFERENCE BETWEEN THE PRESENT NATIONAL SUPPRESSION AND A MORE MASSIVE, A MORE DIRECT INTERVENTION FROM OUTSIDE. THE FRENCH GOVERNMENT MUST TAKE ACCOUNT OF THIS DIFFERENCE...''

PRESIDENT MITTERRAND YESTERDAY SAID TO ME IN THE PRESENCE OF M. MAUROY THAT HE CONSIDERED IT VERY IMPORTANT TO MAKE THIS POINT CLEAR. WE DID NOT DETECT ANY DIVERGENCIES IN THE ESSENCE OF OUR ASSESSMENT AND OUR POLICIES. THERE WERE DIFFERENT FORMS OF PRESENTATION, BUT NO DIFFERENCES IN ASSESSMENTS, OBJECTIVES AND MEANS. AFTER ALL, BOTH OUR GOVERNMENTS PARTICIPATED IN FORMULATING AND ADOPTING THE DECISIONS OF THE COUNCILS OF MINISTERS OF THE EUROPEAN COMMUNITY AND OF THE NORTH ATLANTIC PACT.

II

ORIGINALLY MY VISIT TO WASHINGTON WAS INTENDED TO BE AN INFORMAL EKSCHANGE OF VIEWS FOLLOWING A HOLIDAY. IT WAS, AS FAR AS I WAS CONCERNED, ORIGINALLY TO DEAL PRIMARILY WITH THE INTERNATIONAL ECONOMIC CRISIS AND UNEMPLOYMENT. THEN, HOWEVER, THE VISIT TOOK ON SPECIAL SIGNIFICANCE BECAUSE OF THE CRISIS IN POLAND. OUR TALKS IN WASHINGTON SHOWED THAT THERE IS ENCOURAGING AGREEMENT BETWEEN THE AMERICAN PRESIDENT AND HIS SECRETARY OF STATE ON THE ONE SIDE AND THE GERMAN CHANCELLOR AND FOREIGN MINISTER GENSCHER ON THE OTHER.

IN SPITE OF CRITICISM VOICED IN SOME OF THE MEDIA, I AM PLEASED TO NOTE THAT TODAY, TOO, THE INDISPENSABLE CO-OPERATION BETWEEN THE FEDERAL REPUBLIC AND THE UNITED STATES IS CONTINUING TO PROVE ITSELF.

TOGETHER WE TOOK AN IMPORTANT STEP TOWARDS NECESSARY ACTION BY THE AMERICAN WORLD POWER, CO-ORDINATED WITH THE EUROPEAN ALLIES. THE JOINT STATEMENT BY PRESIDENT REAGAN AND MYSELF WHICH, CONTRARY TO DIPLOMATIC CUSTOM, WAS DRAWN UP AT LUNCH, IS EVIDENCE OF BOTH: GERMAN-AMERICAN COMMUNALITY AND THE GREAT IMPORTANCE OF CO-ORDINATION OR CONSULTATION AMONG ALLIES.

ON THE EVE OF MY TALKS WITH PRESIDENT REAGAN, THE FOREIGN MINISTERS OF THE EUROPEAN COMMUNITY HAD FORMULATED A JOINT RESOLUTION IN BRUSSELS CONCERNING THE DEVELOPMENTS IN POLAND. FOREIGN MINISTER GENSCHER WAS ABLE IMMEDIATELY TO INFORM THE AMERICAN SIDE ABOUT IT. THE EUROPEANS' BRUSSELS RESOLUTION PROVIDED THE FOREIGN MINISTER AND MYSELF WITH A GOOD BASIS FOR OUR TALKS IN WASHINGTON. PRESIDENT REAGAN ADOPTED SUBSTANTIAL PARTS OF THE BRUSSELS RESOLUTION IN OUR JOINT STATEMENT, AND HE VOICED HIS EKSPRESS APPROVAL OF IT.

IN OUR TALKS WE WERE AGREED ON OUR ASSESSMENT OF EVENTS IN POLAND. WE WERE ALSO IN AGREEMENT THAT THOSE EVENTS WOULD NOT HAVE OCCURRED WITHOUT STRONG SOVIET PRESSURE. THIS DOES NOT MEAN THAT WE ARE WILLING TO ABSOLVE THE PRESENT AUTHORITIES IN POLAND FROM THEIR RESPONSIBILITY TO RETURN TO THE PATH OF RENEWAL, IN ACCORDANCE WITH THEIR OWN ASSURANCES.

MY AMERICAN INTERLOCUTORS EKSPAINED THAT THEY REGARD THEIR MEASURES OF 29 DECEMBER AS AN EMPHATIC POLITICAL SIGNAL DIRECTED TOWARDS THE SOVIET UNION, AND THAT IN THEIR OPINION THE CONTINUING SUPPRESSION OF HUMAN RIGHTS AND CIVIL LIBERTIES IN POLAND HAS GRAVE CONSEQUENCES FOR INTERNATIONAL RELATIONS. I AGREED WITH THIS INTERPRETATION.

OUR TALKS WITH THE AMERICAN PRESIDENT, VICE PRESIDENT, SECRETARY OF STATE AND SECRETARY OF DEFENCE, WITH SENATORS, WITH THE TRADE UNION LEADER LANE KIRKLAND AND MANY OLD FRIENDS PROVIDED ME WITH THE OPPORTUNITY FOR AN IN-DEPTH AND IMPRESSIVE EKSCCHANGE OF VIEWS. IT COVERED THE ENTIRE RANGE OF RELATIONS BETWEEN THE GREAT POWERS, BETWEEN THE UNITED STATES AND WESTERN EUROPE, AND BETWEEN WESTERN AND EASTERN EUROPE. WE DISCUSSED THE BASIC POLITICAL TRENDS IN OUR COUNTRIES AND THE LONG-TERM PERSPECTIVES OF AN INTERNATIONAL POLICY FOR PEACE.

WE SPOKE OF THE POLITICAL REALITIES IN EUROPE AS WELL, WHICH IN MANY DISCUSSIONS OF THE PAST FEW WEEKS HAVE BEEN REDUCED TO THE SIMPLISTIC FORMULA OF 'YALTA', WHICH WAS MENTIONED FIRST IN THE SPEECH BY PIERRE MAUROY THAT I QUOTED EARLIER, THEN LATER IN

PRESIDENT MITTERRAND'S NEW YEAR ADDRESS. PRESIDENT FRANCOIS MITTERRAND SAID THAT ANYTHING THAT WOULD HELP OVERCOME YALTA WOULD BE GOOD 'ON CONDITION OF NEVER CONFUSING THIS DESIRE OF OURS WITH THE REALITY OF TODAY'. I CONCURRED WITH THIS SENTENCE AND, LIKEWISE AGREEING, I SAID THAT IT IS MORALLY UNACCEPTABLE TO DIVIDE THE WORLD INTO SPHERES OF INTEREST. THOSE WHO INTERPRET MY STATEMENT ON THIS SUBJECT DIFFERENTLY HAVE EITHER MISUNDERSTOOD OR TWISTED WHAT I SAID - AND THOSE ARE THE KINDER WAYS OF PUTTING IT.

DAY AFTER DAY WE GERMANS ARE CONFRONTED WITH THE DIVIDING LINE THROUGH EUROPE. WE SHARE THE INTEREST OF INNUMERABLE PEOPLE IN EUROPE IN SEEING THAT LINE BECOME MORE PERMEABLE - INDEED, IN SEEING IT OVERCOME. AS A MATTER OF GOOD SENSE AND CONVICTION, HOWEVER, WE MAINTAIN THAT FORCE MUST NOT BE USED AS A POLITICAL TOOL. WHAT WE ARE LOOKING FOR IS A POLICY OF PEACEFUL CHANGE IN EUROPE.

CONSEQUENTLY THE WEST'S RESPONSE TO THE CHALLENGE OF THE POLISH CRISIS IS NOT A RETURN TO THE COLD WAR OR A MILITARY CONFRONTATION, BUT - ON THE BASIS OF CAREFUL PRESERVATION AND CONSOLIDATION OF THE MILITARY BALANCE - WE WANT TO PURSUE A CAREFULLY BALANCED POLICY TO INDUCE THE SOVIET UNION AND THE PRESENT RULERS IN POLAND - IN THEIR OWN INTEREST TOO - TO TRANSLATE THE POLISH SIGNATURE AND THE SOVIET SIGNATURE ON THE HELSINKI FINAL ACT INTO ACTION.

III

AS FOR THE TOPICS OF EQUILIBRIUM AND DIALOGUE, MY TALKS IN WASHINGTON RESULTED IN THREE IMPORTANT CLARIFICATIONS:

1. PRESIDENT REAGAN ASSURED US AGAIN THAT HE INTENDS TO CONTINUE THE GENEVA NEGOTIATIONS ON A REDUCTION OF INTERMEDIATE-RANGE NUCLEAR WEAPONS IN EUROPE. IN OUR JOINT STATEMENT, ARMS CONTROL IS DESCRIBED AS AN INDISPENSABLE ELEMENT OF OUR COMMON SECURITY POLICY. THE PRESIDENT'S PROGRAMME FOR NEGOTIATIONS OF 18 NOVEMBER 1981, WHICH WE HEARTILY WELCOMED AND WITH WHICH THE PARTNERS OF THE ALLIANCE IDENTIFIED THEMSELVES, HAS LOST NONE OF ITS VALIDITY. AND INDEED, FOR TWO DAYS NOW THE GENEVA NEGOTIATIONS ON INTERMEDIATE-RANGE NUCLEAR WEAPONS HAVE BEEN UNDERWAY AGAIN. THE OPPOSITION, TOO, SHOULD WELCOME THIS.

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2. WE WERE IN AGREEMENT THAT THE CSCE PROCESS SHOULD CONTINUE. FOR IT IS PRECISELY THE CSCE FINAL ACT OF HELSINKI THAT PROVIDES AN IMPORTANT FOUNDATION FOR OUR DEMAND THAT THE CURRENT POLISH REGIME RETURN TO THE COURSE OF REFORM. THIS HAS NOTHING TO DO WITH INTERFERENCE IN POLAND'S INTERNAL AFFAIRS. RATHER, ALL SIGNATORY STATES OF THE CSCE FINAL ACT OF HELSINKI, INCLUDING THE SOVIET UNION, EXPRESSLY CONSENTED THAT THE CSCE FOLLOW-UP CONFERENCE OF MADRID SHOULD EVALUATE WHAT THE FINAL ACT OF 1975 HAS ACTUALLY ACCOMPLISHED SINCE THEN. THE CRISIS IN AND AROUND POLAND, PRESIDENT REAGAN AND I AGREED, MUST BE THE SUBJECT OF THOROUGH CONSIDERATION AT A FOREIGN MINISTERS' MEETING IN MADRID.

3. LIKE US, PRESIDENT REAGAN AND HIS ADMINISTRATION RECOGNIZE THAT IT IS IMPORTANT TO MAINTAIN CONTACT WITH ONE ANOTHER, PARTICULARLY IN TIMES OF CRISIS. AGAINST THE BACKGROUND OF MY TALKS WITH GENERAL-SECRETARY BREZHNEV IN BONN, I SPOKE UP IN FAVOUR OF A MEETING BETWEEN THE PRESIDENT AND THE GENERAL-SECRETARY AT THE APPROPRIATE TIME. FOR IT IS CERTAINLY FAR MORE IMPORTANT THAN OUR GERMAN-SOVIET TALKS THAT EACH WORLD POWER BE ABLE TO ASSESS CORRECTLY THE OTHER'S FUTURE BEHAVIOUR.

OF COURSE, THE DIFFICULT ECONOMIC SITUATION IN POLAND ALSO PLAYED AN IMPORTANT ROLE IN WASHINGTON. TOGETHER WE WANT TO CONTINUE PROVIDING HUMANITARIAN AID THAT DIRECTLY BENEFITS THE POLISH PEOPLE. WE WILL HOLD PUBLIC ECONOMIC AID FOR POLAND IN ABEYANCE AS LONG AS THE OPPRESSIVE MEASURES CONTINUE. WE ALSO DISCUSSED THE POSSIBILITY OF PROVIDING SUPPORT FOR A POLAND ON ITS WAY BACK TO A COURSE OF REFORM AND RENEWAL THROUGH FINANCIAL AID ON THE USUAL INTERNATIONAL TERMS.

IV

PRESIDENT REAGAN AND I AGREED THAT FURTHER MEASURES WITH REGARD TO POLAND AND THE SOVIET UNION SHOULD BE THOROUGHLY DISCUSSED AND CONSIDERED JOINTLY WITHIN THE ALLIANCE. A WEEK LATER IN BRUSSELS, LAST MONDAY, THE MEETING OF THE ALLIANCE'S FOREIGN MINISTERS GAVE CLEAR POLITICAL SIGNALS. THE ALLIES RESPONDED WITH FIRMNESS AND A SENSE OF PROPORTION.

1. THE ALLIANCE ARRIVED AT A COMMON, UNIFORM APPRAISAL OF THE SITUATION. THE SHARED VIEW IS THAT EVENTS IN POLAND ARE OF GREAT SIGNIFICANCE FOR THE DEVELOPMENT OF SECURITY AND CO-OPERATION IN EUROPE. CONTINUED REPRESSION IN POLAND UNDERMINES THE POLITICAL BASIS FOR PROGRESS IN EAST-WEST RELATIONS.

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2. IT IS THE COMMON GOAL OF ALL MEMBERS OF THE ALLIANCE TO HELP SEE TO IT THAT THE COURSE OF RENEWAL AND REFORM IN POLAND CAN BE TAKEN UP AGAIN AND CONTINUED.

WE CANNOT AND MUST NOT SIMPLY ACCEPT WITHOUT PROTEST THE VIOLATIONS OF THE CHARTER OF THE UNITED NATIONS, THE UNIVERSAL DECLARATION OF HUMAN RIGHTS AND THE FINAL ACT OF HELSINKI. WE CANNOT CONTINUE A POLICY OF CO-OPERATION WITH THOSE RESPONSIBLE FOR THE SITUATION IN POLAND AS IF NOTHING HAD HAPPENED.

3. THEREFORE THE ALLIANCE HAS DRAWN UP A CATALOGUE OF POLITICAL AND ECONOMIC MEASURES TO PERSUADE THE MILITARY COUNCIL IN WARSAW AND THE SOVIET LEADERSHIP OF THE SERIOUSNESS OF WESTERN CONCERN. IN MUTUAL CO-ORDINATION, AND DEPENDING ON HOW THE SITUATION IN POLAND DEVELOPS, THE MEMBERS OF THE ALLIANCE WILL TAKE THESE MEASURES. INDIVIDUAL NATIONAL MEASURES NEED NOT BE IDENTICAL, AS THE JOINT RESOLUTION CLEARLY STATES, BUT THEY SHOULD NOT UNDERMINE EACH OTHER.

V

IT WAS AGAINST THE BACKDROP OF THIS AGREEMENT AMONG THE PARTNERS IN THE NORTH ATLANTIC ALLIANCE THAT MY VISIT TO FRANC, OIS MITTERRAND TOOK PLACE YESTERDAY. IN THE VERY COMPREHENSIVE, VERY FRANK AND VERY FRIENDLY TALKS WE HELD TOGETHER, WE NOTED OUR COMPLETE AGREEMENT IN MATTERS OF SUBSTANCE. THERE CAN BE NO MISUNDERSTANDING ABOUT THAT. THIS IS ALSO ILLUSTRATED BY THE PUBLIC REMARKS MADE BY THE FRENCH PRIME MINISTER THIS MORNING.

HOWEVER, AS I SAID EARLIER, THERE HAVE BEEN DIFFERENCES IN HOW THE POLITICAL REACTION TO EVENTS IN POLAND HAS BEEN PRESENTED IN OUR TWO COUNTRIES. ESPECIALLY IN CONNECTION WITH POLAND, OUR HISTORICAL EXPERIENCES AND TRADITIONS - AND THUS ALSO THE TONE OF EXPRESSING FEELINGS - ARE NOT IDENTICAL IN FRANCE AND IN GERMANY.

LIKE US, OUR FRENCH FRIENDS, THE PRESIDENT AND THE PRIME MINISTER, ARE WORKING TO COUNTER THE FALSE IMPRESSION THAT WE HAVE DIFFERENCES IN MATTERS OF SUBSTANCE. LAST SUNDAY THE FRENCH FOREIGN MINISTER CLAUDE CHEYSSON COMMENDABLY MADE THAT CLEAR IN A TELEVISION INTERVIEW. RESPONDING TO THE QUESTION OF WHETHER THE

CHANCELLOR WAS A NEUTRALIST, HE ANSWERED THAT IT WAS REMARKABLY ABSURD TO SAY SUCH A THING. "JUST LOOK AT WHAT HE HAS DONE," CHEYSSON WENT ON, "AT WHAT HE HAS STOOD FOR IN THE RECENT PAST ... FOR EKSAKPLE IN THE QUESTION OF HOW TO REACT TO EKSCCESSIVE SOVIET ARMAMENTS THAT THREATEN WESTERN EUROPE, THE CHANCELLOR IS FOREMOST AMONG THOSE WHO TAKE A CLEAR POSITION." THAT IS CERTAINLY TRUE. -11-

ON ANOTHER MATTER THAT HAS ALSO BEEN BLOWN UP ARTIFICIALLY BY SOME OF THE MEDIA INTO A DISPUTE BETWEEN PARIS AND BONN, CHEYSSON SAID, "AS FOR THE GAS DEAL WITH THE SOVIET UNION, I THINK THAT IT WOULD BE COMPLETELY ABSURD IF FRANCE ALONE WERE TO MAKE A STATEMENT ON THAT, WHEN THERE ARE THREE OF US WHO ARE PURCHASING THAT SOVIET GAS. AND SECOND, WE SHOULD NOT PUNISH OURSELVES WITH SANCTIONS BECAUSE THERE ARE DEVELOPMENTS IN EASTERN EUROPE THAT CANNOT BE PUT UP WITH. WE NEED THAT GAS."

IN OUR POSITION ON PRACTICAL MEASURES VIS-A-VIS THE SOVIET UNION AND POLAND, WE ARE IN AGREEMENT WITH THE FRENCH GOVERNMENT. IT IS CONCERNED WITH CREDIBILITY AND EFFECTIVENESS, AS ARE WE.

I DO NOT WISH TO ANTICIPATE THE FOREIGN MINISTER'S REPORT ON THE NATO MINISTERIAL MEETING. HOWEVER, AT THIS POINT I WOULD LIKE TO EMPHASIZE THE FACT THAT WE GERMANS, THE FEDERAL GOVERNMENT, THE FEDERAL REPUBLIC HAVE NEVER LIGHTLY COMMITTED OURSELVES TO SUCH MEASURES. I RECALL THE SANCTIONS THAT WERE DEMANDED AND PROMISED THROUGHOUT THE WORLD AFTER THE TAKING OF THE HOSTAGES IN TEHRAN. I RECALL THE SANCTIONS AFTER THE SOVIET INVASION OF AFGHANISTAN. WHEN THE UNITED STATES CALLED FOR A BOYCOTT OF THE OLYMPIC SUMMER GAMES IN MOSCOW, IT TOOK US IN THE FEDERAL GOVERNMENT AND THE BUNDESTAG A LONG TIME TO CONVINCING OUR NATIONAL SPORTS ASSOCIATIONS OF THE SIGNIFICANCE OF SOLIDARITY WITH THE UNITED STATES AND THE MORAL JUSTIFICATION FOR STAYING AWAY FROM THE OLYMPICS IN MOSCOW. THEN, HOWEVER, WE GERMANS FULFILLED THIS COMMITMENT, NOT ONLY PAYING LIP SERVICE TO IT AS SOME OTHERS DID.

IN EUROPE IT WAS FINALLY ONLY NORWAY, TURKEY AND THE FEDERAL REPUBLIC (AND, INCIDENTALLY, MONACO) WHICH PARTICIPATED IN THE SANCTION AGAINST THE OLYMPIC GAMES. IT IS NO COINCIDENCE THAT ALL THREE OF THESE COUNTRIES THAT ACTUALLY DID WHAT HAD PREVIOUSLY BEEN LOUDLY PROCLAIMED BORDER DIRECTLY ON THE SOVIET UNION'S SPHERE OF MILITARY POWER.

WE HAVE NEVER ASSUMED SUCH OBLIGATIONS LIGHTLY, BUT WHEN WE COMMIT OURSELVES TO SOMETHING WE STICK TO THAT COMMITMENT AND FULFIL IT.

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VI

BOTH IN WASHINGTON AND IN PARIS WE ALSO DEALT WITH THE PROBLEM OF THE WORLD ECONOMIC CRISIS. A LARGE PART OF MY TALK WITH PRESIDENT REAGAN, IN PARTICULAR, WAS DEVOTED TO THIS SUBJECT.

I STRONGLY POINTED OUT THE STRATEGIC SIGNIFICANCE OF A REDUCTION OF UNEMPLOYMENT FOR THE POLITICAL AND SOCIAL STABILITY OF THE INDUSTRIALIZED COUNTRIES OF THE WEST. I SAID THAT NEVER SINCE THE END OF THE WAR HAD AN INTEREST LEVEL AS HIGH AS THE PRESENT ONE BEEN MAINTAINED WORLD-WIDE AND INTO THE DEPTH OF RECESSION. IT WAS THEREFORE OF PRIME IMPORTANCE TO ACHIEVE A CLEAR AND, ABOVE ALL, LASTING LOWERING OF INTEREST RATES WORLD-WIDE. A RENEWED INCREASE IN RATES DURING 1982 COULD, I SAID, MEAN A DISASTER FOR CAPITAL INVESTMENT AND, CONSEQUENTLY, THE LABOUR MARKETS IN INDUSTRIAL AND DEVELOPING COUNTRIES ALIKE.

TO THE AMERICAN PRESIDENT I EKSPRESSED THE VIEW THAT BECAUSE OF THE OVERRIDING ROLE OF THE DOLLAR IN THE COMMON INTERNATIONAL MONEY AND CAPITAL MARKET, AN INTEREST RATE REDUCTION WOULD ONLY BE POSSIBLE IF THE UNITED STATES TOOK THE LEAD. IN MY TALKS WITH PRESIDENT MITTERRAND I FOUND THAT THE FRENCH POSITION TALLIES WITH OURS ON THIS POINT.

PRESIDENT REAGAN AND I JOINTLY STATED OUR AGREEMENT IN THE MATTER OF COMBATING TRADE PROTECTIONISM AND MAINTAINING LIBERAL WORLD TRADE. IN PARTICULAR WE JOINTLY STATED, AS REGARDS THE AIM OF OUR ECONOMIC POLICIES, THAT OUR GOAL IS A LOWERING OF INTEREST RATES BY MEANS OF CHECKING BUDGETARY DEFICITS. IT IS IMPERATIVE TO FIGHT INFLATION AND OVERCOME RECESSION.

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SUCH INTERNATIONAL RELATIONSHIPS ARE OBVIOUSLY ALIEN TO SOME PEOPLE. EVEN AT THIS JUNCTURE, ALL THAT DR KOHL CAN SEE IS A CONNECTION BETWEEN WHAT HE REFERS TO AS THE 'SCHMIDT ERA' AND UNEMPLOYMENT. AS THOUGH UNEMPLOYMENT EKSIDED ONLY IN GERMANY. AS THOUGH IT WERE NOT PRECISELY THE FEDERAL REPUBLIC WHICH, AFTER

ALL, IS STILL BETTER OFF THAN ALL THE OTHER COUNTRIES IN THE WESTERN ALLIANCE. I SHOULD LIKE TO CALL THE ATTENTION OF THE OPPOSITION AND THE HOUSE AS A WHOLE TO THE FACT THAT SOLELY BY INVESTIVE AND TAKS POLICY MEASURES WHICH WE INITIATED IN CONNECTION WITH THE 1982 BUDGET, THAT IS BY SELECTIVE INVESTMENT, BY INCREASING THE CAPITAL OF THE KREDITANSTALT, AND BY IMPROVING DEPRECIATION ALLOWANCES, A TOTAL OF 26,000 M. DM WILL BE AVAILABLE FOR STRENGTHENING THE ECONOMY DURING THE PERIOD UNTIL 1985.

WE ARE MOREOVER AWAITING THE ANNUAL ECONOMIC REPORT WHICH WILL BE AVAILABLE EARLY IN FEBRUARY. AFTER THE 1982 BUDGET HAS BEEN PASSED WE SHALL - AND HERE I QUOTE MY COLLEAGUE, HERR MISCHNICK - HOLD DETAILED TALKS ON FURTHER INITIATIVES FOR PROMOTING EMPLOYMENT ON THE BASIS OF THE LATEST ECONOMIC DATA.

VII

AS I ALREADY SAID, THE GERMAN POSITION IN THE BILATERAL TALKS AND MULTILATERAL NEGOTIATIONS HAS BENEFITED FROM HAVING THE JOINT DECLARATION OF THE BUNDESTAG OF 18 DECEMBER AS A BASIS. AFTER THE DECLARATION OF THE NORTH ATLANTIC COUNCIL OF MINISTERS ON MONDAY THIS WEEK IT IS CLEAR THAT THE POLISH CRISIS CANNOT BE BLOWN UP INTO A CRISIS OF THE WESTERN ALLIANCE.

BUT IF ONE READS THE SOVIET PRESS OR THE PARTY-CONTROLLED PAPERS OF OTHER COMMUNIST COUNTRIES, ONE NOTES THE ATTEMPT OF SOWING THE SEEDS OF DISCORD BETWEEN BONN AND WASHINGTON OR BONN AND OTHER CAPITALS. SOVIET OR COMMUNIST PROPAGANDA HAS NEVER IMPRESSED ME, AND THAT WILL NOT CHANGE.

HOWEVER, AND HERE I TURN TO THE OPPOSITION, THE PARLIAMENTARY GROUPS AND PARTIES IN THE BUNDESTAG SHOULD INDEED BE CAREFUL NOT TO SOW DRAGON'S TEETH AND CAUSE DISCORD IN THE ALLIANCE BY THE LANGUAGE THEY USE. IF MEMBERS OF THE BUNDESTAG TALK OF THE WESTERN WORLD BEING SNUBBED, IF THEY SAY THAT I AM MAKING MYSELF THE ADVOCATE OF THE YALTA ARRANGEMENT, IF THEY DECLARE THE FEDERAL REPUBLIC 'A FACTOR OF UNCERTAINTY', IF HERR STRAUSS EVEN SAYS THAT

THE FEDERAL GOVERNMENT IS CRINGING COWARDLY BEFORE THE POLITICAL BLACKMAIL OF COMMUNIST POWER POLITICS, THEN I MUST STRONGLY WARN AGAINST THIS KIND OF RABBLE-ROUSING CONTEST. AND HERE AGAIN I QUOTE MY COLLEAGUE HERR MISCHNICK.

SUCH LANGUAGE IS BOUND TO LEAD TO MISINTERPRETATIONS ABROAD - OR IS THAT PERHAPS WHAT IS INTENDED? VOICES ARE BEING EVOKED ONCE AGAIN OF WHICH I HAD WISHED THAT THEY WOULD NEVER BE HEARD AGAIN. THIS OCCURS IN MEDIA ABROAD, BUT ALSO AT HOME. AND AS A CONSEQUENCE ONE RECEIVES LETTERS FROM OLD NAZIS LIVING AMONG US. LETTERS, CONTAINING A GOOD MANY WICKED REMARKS ABOUT THE POLES, THE RUSSIANS AND THE FEDERAL GOVERNMENT, ALL IN ONE BREATH. THAT IS THE SEED SOWN BY SUCH LANGUAGE.

BOTH AT HOME AND ABROAD I HAVE FOR MANY WEEKS REFRAINED FROM REJECTING SUCH OFFENCES. BUT, FOR ONCE, AT THIS PLACE, I FEEL I HAVE A RIGHT TO DO SO. NOBODY HAS HEARD A HARSH WORD FROM ME UNTIL THIS DAY BECAUSE I AGREE WITH WHAT THE GOVERNING MAYOR OF BERLIN SAID WHEN HE CALLED FOR CAUTION IN MAKING POLITICAL STATEMENTS ON THE POLISH CRISIS. SURELY HE NOT ONLY MEANT THE CAREFUL WEIGHING OF WORDS IN DEALING WITH POLITICAL OPPONENTS AT HOME OR WITH THE FEDERAL GOVERNMENT. HE CERTAINLY ALSO MEANT A CAUTIOUS LANGUAGE IN THE DIRECTION OF NEIGHBOURS IN THE EAST AND FRIENDS IN THE WEST.

IN ANY CASE, HERR VON WEIZSAECKER KNOWS WHAT NONE OF US SHOULD FORGET. NO HARSH LANGUAGE, NO INSULT CAN CHANGE THE FACT THAT THE SOVIET UNION IS AND REMAINS A WORLD POWER. THAT IT DOES REMAIN OUR NOT VERY DISTANT NEIGHBOUR. THAT IT MAINTAINS STRONG TROOPS IN THE OTHER GERMAN STATE IN WHICH MANY MILLIONS OF GERMANS LIVE.

FOR THAT REASON IT REMAINS NECESSARY TO DEFEND OUR GERMAN INTERESTS VIS-A-VIS THE SOVIET LEADERSHIP IN CLEAR AND UNMISTAKABLE LANGUAGE. BUT IT SHOULD PLEASE BE IN A CIVIL TONE AND WITH A READINESS TO LISTEN TO THE OTHER SIDE. WHETHER HUMAN RIGHTS ARE CONCERNED OR IMPROVEMENTS IN THE HUMANITARIAN SPHERE, WHETHER IT IS AFGHANISTAN OR POLAND, THE SOVIET INTERMEDIATE-RANGE MISSILES THREATENING US OR DISARMAMENT AND ARMS CONTROL NEGOTIATIONS: NO LEADER OF THE OPPOSITION HAS EVER IN THE PAST DEFENDED OUR INTERESTS VIS-A-VIS THE SOVIET WORLD POWER IN THE KREMLIN IN MOSCOW OR THE REDOUTE IN GODESBERG - FOR THE WORLD PUBLIC TO HEAR, AS IT WERE - AS CLEARLY AND AS FIRMLY AND AT THE SAME TIME AS COURTEOUSLY AND READY FOR DIALOGUE AS MY COLLEAGUE, HERR GENSCHER, AND I HAVE DONE. AND WE SHALL DO SO IN FUTURE.

THE FEDERAL REPUBLIC, THE FEDERAL GOVERNMENT WILL NOT BE DISTRACTED FROM THE COURSE OF ITS POLICY. IT IS A COURSE WITH A FIRM ORIENTATION. WHOEVER IN EUROPE, IN THE EAST OR IN THE WEST, WANTS TO STRENGTHEN AND CONTINUE DETENTE POLICY, NEEDS EQUILIBRIUM TO DO SO - POLITICAL AS WELL AS MILITARY EQUILIBRIUM. HE THEREFORE NEEDS THE ALLIANCE OF THE WESTERN DEFENCE COMMUNITY. HE NEEDS THE BRUSSELS TWO-TRACK DECISION WHICH HAS BEEN INSTRUMENTAL IN MAKING NEGOTIABLE FOR EITHER SIDE THE INTERMEDIATE-RANGE MISSILES THREATENING EUROPE.

AGREEMENT TO BOTH CAN NEVER BE A MERE LIP SERVICE, IT DERIVES FROM INSIGHTS AND CONVICTIONS RESULTING FROM THE SITUATION OF OUR COUNTRY. THE SOVIET LEADERSHIP, FOR ITS PART, HAS IN ANY CASE ACCEPTED THE LOGIC INHERENT IN THE NATO TWO-TRACK DECISION, HOWEVER MUCH ITS PROPAGANDA MAY FIGHT IT.

ONLY A SOLID ALLIANCE WILL LEND THE WEST EUROPEAN COUNTRIES THE NECESSARY WEIGHT FOR ACTION IN EKSTERNAL AFFAIRS. PRESIDENT MITTERRAND AND I SHARE THIS CONVICTION WITHOUT ANY QUALIFICATION. WE ALSO AGREE THAT THE SUBSTANCE OF OUR POLICY OF CONDUCTING A DIALOGUE, OF MODERATION AND OF A REASONABLE BALANCE OF INTERESTS MUST BE MAINTAINEDM THIS POLICY, TOO, SERVES US ALL. IT IS A PART OF OUR JOINT POLICY, IT IS OF DECISIVE SIGNIFICANCE FOR OUR SECURITY AND FOR THE SECURITY OF BERLIN.

NO ONE, IF HE IS HONEST, CAN IGNORE THE FACT THAT THE FEDERAL GOVERNMENT'S FOREIGN AND SECURITY POLICIES MEET WITH BROAD POPULAR APPROVAL. AND THAT NOT ONLY HERE IN THE FEDERAL REPUBLIC: I ALSO RECEIVE MANY APPROVING LETTERS FROM THE GDR. MANY POLES, TOO, WHO ARE NOW ARRIVING HERE FROM POLAND, ENCOURAGE THE FEDERAL GOVERNMENT TO ABIDE BY ITS COURSE.

BUT ABOVE ALL THIS COURSE IS SUPPORTED BY AN OVERWHELMING MAJORITY OF THE CITIZENS OF THE FEDERAL REPUBLIC. THREE QUARTERS OF OUR FELLOW-CITIZENS ARE IN FAVOUR OF THE FEDERAL REPUBLIC'S FIRM INTEGRATION IN THE ATLANTIC ALLIANCE AND OF A CLOSE HARMONIZATION OF OUR POLICY WITH THAT OF THE UNITED STATES. ONLY 20 PER CENT DIFFER. THIS SITUATION IS NOT ALTERED BY THE FACT THAT A GOOD HALF OF OUR COMPATRIOTS DO NOT REGARD SOCIAL AND ECONOMIC CONDITIONS IN THE UNITED STATES AS A MODEL. THE LATTER IS ONLY BEING DONE BY A COMPARATIVELY VERY SMALL MINORITY.

BUT SURELY THERE IS NO DOUBT THAT AMERICANS AND EUROPEANS ARE NOT IDENTICAL TWINS WITH AN IDENTICAL BEHAVIOUR AT ALL TIMES AND ALL PLACES. RATHER, THEY ARE PARTNERS WITH SHARED IDEALS, WITH JOINT FUNDAMENTAL INTERESTS BUT ALSO WITH VERY DIFFERENT VIEWS AND INTERESTS IN MATTERS OF DETAIL. THEY ARE PARTNERS WHO TIME AND AGAIN MUST SEEK CO-ORDINATION AND ARE ABLE TO DO SO, BECAUSE THEY ARE CLOSELY LINKED NOT ONLY HISTORICALLY AND POLITICALLY AND NOT ONLY ECONOMICALLY AND MILITARILY BUT BY COMMON VALUE CONCEPTS OF DEMOCRACY, INDIVIDUAL FREEDOM AND PEACE.

WE GERMANS OWE A GREAT DEAL TO THE AMERICANS: THE FACT THAT WE GOT ON OUR FEET AGAIN POLITICALLY AND ECONOMICALLY AFTER THE WAR. THAT BERLIN DID NOT HAVE TO SURRENDER IN THE FACE OF COMMUNIST THREATS. THAT WE CAN LIVE WITHOUT HAVING TO FEAR AN ASSAULT SUCH AS WAS EXPERIENCED BY A COUNTRY IN WEST ASIA TWO YEARS AGO. WE OWE THANKS - AND GRATITUDE IS NOT A VIRTUE EASILY PRACTISED. MAINLY YOUNG PEOPLE FIND IT DIFFICULT AT TIMES TO BE GRATEFUL PERHAPS BECAUSE THEY FEEL ASHAMED OR ILL AT EASE. IN SUCH A CASE THE MOTE IN THE FRIEND'S EYE IS CONSIDERED TO BE BIGGER THAN THE BEAMS IN THE EYES OF THE OTHERS. BUT THAT OUGHT NOT TO BE SO.

NOR IS IT SO FOR THE VERY LARGE MAJORITY OF THE PEOPLE. ABOUT ONE FIFTH OF THE PEOPLE IN THE FEDERAL REPUBLIC ADVOCATE GERMAN NEUTRALITY. THERE ARE OTHER STATES IN THE WEST WITH HIGHER PERCENTAGES. THE OVERWHELMING MAJORITY SUPPORTS THE ALLIANCE, BUT ALSO A POLICY OF ARMS CONTROL. TO BE CERTAIN, NO ONE IS ENTHUSIASTIC AT THE THOUGHT THAT WE MIGHT POSSIBLY BE OBLIGED TO INSTALL NEW MISSILES ON GERMAN SOIL. ONLY ABOUT 20 PER CENT OF THE POPULATION WANT THIS IN ANY EVENT. BUT THE LARGE MAJORITY FAVOURS A POLICY ORIENTED TO THE NATO TWO-TRACK DECISION OF BRUSSELS. THE GREAT MAJORITY IS IN FACT IN FAVOUR OF THE ALLIANCE AND OF OUR CONTRIBUTION TO IT, OUR FEDERAL ARMED FORCES WHO DESPITE SOME PUBLIC DISAPPROVAL HAVE BECOME ONE OF THE MOST POPULAR INSTITUTIONS IN THIS COUNTRY UNDER DR APPEL'S POLITICAL LEADERSHIP.

THERE ARE VOICES ABROAD MAINTAINING THAT PACIFISM IS SPREADING IN THE FEDERAL REPUBLIC. I RECALLED ABROAD THAT IN FORMER YEARS THE YOUNG GERMANS WERE SCOLDED ABROAD FOR EXACTLY THE CONTRARY, NAMELY MILITARISTIC TENDENCIES.

1985/11/17 STATEMENT (CONT.)

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HERE IN MY OWN COUNTRY I SHOULD LIKE, HOWEVER, TO ADDRESS A FEW REMARKS TO SOME SPOKESMEN OF THE PEACE MOVEMENT: ONE SHOULD NOT ACT AS IF EXISTING SOVIET SS-20 MISSILES DIRECTED ALSO AT TARGETS IN GERMANY WERE LESS DANGEROUS THAN AMERICAN MISSILES THAT ARE NOT EVEN HERE YET. I ASKED BOTH GENERAL-SECRETARY BREZHNEV AND PRESIDENT REAGAN NOT TO MISTAKE SUCH ABERRATIONS AS SYMPTOMATIC OF THE BASIC ATTITUDE OF THE GERMAN PEOPLE. SUCH MISUNDERSTANDING COULD LEAD TO WRONG DECISIONS OF GRAVE CONSEQUENCE IN EITHER CAPITAL.

LET ME JUST ADD THAT PEOPLE ADDRESSING VOCIFEROUS PROTESTS TO WESTERN QUARTERS BUT RELUCTANT TO SPEAK UP OR DEMONSTRATE FOR THE PEOPLE IN POLAND WILL MAKE NO DEEP IMPRESSION ON ME, NEITHER MORALLY NOR POLITICALLY.

ANYONE WHO AT PRESENT TALKS TO OTHER PEOPLE IN THE STREET, IN SHOPS OR AT WORK WILL FIND THAT THE VAST MAJORITY OF GERMANS, REGARDLESS OF WHETHER THEY VOTE FOR THE FDP, THE SPD OR THE CDU'CSU, EXPRESSLY SUPPORT OUR POLICY AIMING AT EQUILIBRIUM, AND INSPIRED BY A SENSE OF MODERATION AND PROPORTION. AS REGARDS OUR FOREIGN AND SECURITY POLICY IT IS IN THIS SPIRIT THAT I PASSIONATELY PLEDGE MY ADHERENCE TO REASON - FOR THE SAKE OF PEACE.

THE POLISH AUTHOR AND NOBEL PRIZE WINNER, CZESLAW MILOSZ, DESCRIBED THE PASSION FOR REASON AS FOLLOWS IN HIS "APPEAL TO REASON": "HUMAN REASON IS BEAUTIFUL AND UNDEFEATABLE. BARS, BARBED WIRE AND EXILE CANNOT HARM IT." AND HE GOES ON: "IT RAISES IMPERATIVES ABOVE REALITY, IT IS A FRIEND OF HOPE AND A FOE OF DISPAIR." - INDEED, REASON IS A FRIEND OF HOPE.

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EXCERPTS OF POLICY STATEMENT BY CHANCELLOR SCHMIDT
ON HIS VISIT TO WASHINGTON AND ON CURRENT ISSUES OF
EAST - WEST RELATIONS

January 14, 1982

as was also the case five weeks ago, my statement today is marked by the question of poland's fate. we want to do justice to the interests of our neighbours, the polish people, not only in our sentiments and hopes but also in our political action. the polish crisis has deeply moved people and governments in europe and america, and rightly so. the events in poland have shown once more the rigidity of the communist regimes of the warsaw pact when faced with the challenge of permitting peaceful change to take place. they consequently impose great suffering on their peoples. and they endanger the trust in co-operation between east and west.

on the basis of this bundestag resolution, i wrote in the same vein at christmas to general jaruzelski and to general-secretary brezhnev. as far as i know, i have until now been - apart from president reagan - the only western head of government to have emphasized publicly, in a letter to the soviet general-secretary, the soviet union's responsibility for developments in poland. now, four weeks later, i can state that, especially with regard to the polish crisis, it has been important and essential for german policy to have been backed by the whole of the bundestag. given the painful and guilt-laden history of german-polish relations, any attack on human dignity and the national independence of the poles is of particular concern to us germans. the new neighbourly relationship that has evolved between millions of poles and germans on the basis of the warsaw treaty must not disintegrate.

for the desire for reconciliation with the neighbouring polish nation was then, too, inspired by a deeply rooted feeling of all germans. the same will is reflected today in the spontaneous readiness to

help shown by the germans. by the end of 1981 our fellow countrymen had sent roughly two million parcels to poland. in the short space of time since the start of this year another 94,800 parcels were sent, and at present the figure is over 10,000 every day. i am particularly grateful for this display of readiness to help.

the events in poland concern not only the poles themselves but also all other peoples because the continuing suppression of the elementary rights of polish citizens has grave repercussions on international relations, on stability in europe and on east-west co-operation.

jointly with our allies the federal government has therefore appealed to the polish government to lift martial law, release the detainees and resume the dialogue with the church and the elected representatives of solidarity.

similarly we appeal to the soviet union to respect the will of the poles for national independence and internal renewal and reform.

this will stems from the human rights of the poles. it is legitimate, justified and morally imperative.

i have to state today that the developments in poland have not yet changed for the better. until now we have not obtained adequate political signals that the military council in poland is, in accordance with its own assurances, returning to the path of renewal and reform.

I share and understand the passionate indignation felt by many people in germany and in other countries - in france, in italy, in the united states, indeed everywhere.

but let me add that our aim is not confined to outraged confrontation. nor is it just our intention to express publicly our moral indignation. what is essentially required is a positive influence on the actual situation of the people in poland, for an improvement of the situation, and for the restoration of human rights.

together with our allies we are seeking an effective policy which will help poland to return to the course embarked upon with the gdansk agreement of august 1980. only this course would clearly be in keeping with the wishes of the polish people and with the assurances given by the military government both to its own people and - through diplomatic channels - to us and the governments of other western states. our demands to general jaruzelski are substantiated by his own assurances of which we were notified. we are fully aware of the conditions under which he moves, i.e. warsaw pact and comecon, but our demands invoking the responsibility of the leading power of these two systems, the warsaw pact and comecon, are based on the helsinki final act, which was signed by all, and on international law. the soviet union is not entitled to oppose the necessary social adjustments and evolutions in the states belonging to its alliance - it must not prevent them.

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public indignation at the events in poland has resulted in our position being misinterpreted in the media of some friendly countries. in many cases, simply no notice was taken of what we, the federal government, the bundestag have said and done. the restraint was sometimes misunderstood, which, against the background of german-polish history, becomes every german whenever poland is involved.

but we germans do not vacillate between two worlds. i could count on the support of the overwhelming majority of the german people when i stated in my new year address: "at times of danger the states of the european community and the atlantic alliance stand closely and resolutely by one another. this is the very foundation of the security of our peace and also the security of berlin." i was agreed with president mitterrand and president reagan that now - at this time of danger - the unity of the alliance must not be jeopardized. our allies can rely on us, just as we can rely on them. we shall not let anyone convince us that there is a crisis in the alliance when, in fact, there is a crisis in the communist system.

the soviet union and its allies know that we intend to adhere to a steadfast policy of dialogue and co-operation based on equilibrium. but they must also know that events such as the state of war in poland cannot fail to have repercussions.

this is the joint view held in the west.

our talks in washington showed that there is encouraging agreement between the american president and his secretary of state on the one side and the german chancellor and foreign minister genscher on the other. in spite of criticism voiced in some of the media, i am pleased to note that today, too, the indispensable co-operation between the federal republic and the united states is continuing to prove itself.

together we took an important step towards necessary action by the american world power, co-ordinated with the european allies. the joint statement by president reagan and myself which, contrary to diplomatic custom, was drawn up at lunch, is evidence of both: german-american communality and the great importance of co-ordination or consultation among allies.

in our talks we were agreed on our assessment of events in poland. we were also in agreement that those events would not have occurred without strong soviet pressure. this does not mean that we are willing to absolve the present authorities in poland from their responsibility to return to the path of renewal, in accordance with their own assurances.

my american interlocutors explained that they regard their measures of 29 december as an emphatic political signal directed towards the soviet union, and that in their opinion the continuing suppression of human rights and civil liberties in poland has grave consequences for international relations. i agreed with this interpretation.

day after day we germans are confronted with the dividing line through europe. we share the interest of innumerable people in europe in seeing that line become more permeable - indeed, in seeing it overcome. as a matter of good sense and conviction, however, we maintain that force must not be used as a political tool. what we are looking for is a policy of peaceful change in europe.

consequently the west's response to the challenge of the polish crisis is not a return to the cold war or a military confrontation, but - on the basis of careful preservation and consolidation of the military balance - we want to pursue a carefully balanced policy to induce the soviet union and the present rulers in poland - in their own interest too - to translate the polish signature and the soviet signature on the helsinki final act into action.

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as for the topics of equilibrium and dialogue, my talks in washington resulted in three important clarifications:
1. president reagan assured us again that he intends to continue the geneva negotiations on a reduction of intermediate-range nuclear weapons in europe. in our joint statement, arms control is described as an indispensable element of our common security policy. the president's programme for negotiations of

18 november 1981, which we heartily welcomed and with which the partners of the alliance identified themselves, has lost none of its validity.

2. we were in agreement that the csce process should continue. for it is precisely the csce final act of helsinki that provides an important foundation for our demand, that the current polish regime return to the course of reform.

the crisis in and around poland, president reagan and i agreed, must be the subject of thorough consideration at a foreign ministers' meeting in madrid.

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president reagan and i agreed that further measures with regard to poland and the soviet union should be thoroughly discussed and considered jointly within the alliance. a week later in brussels, last monday, the meeting of the alliance's foreign ministers gave clear political signals. the allies responded with firmness and a sense of proportion.

1. the alliance arrived at a common, uniform appraisal of the situation. the shared view is that events in poland are of great significance for the development of security and co-operation in europe. continued repression in poland undermines the political basis for progress in east-west relations.

2. it is the common goal of all members of the alliance to help see to it that the course of renewal and reform in poland can be taken up again and continued.

we cannot and must not simply accept without protest the violations of the charter of the united nations, the universal declaration of human rights and the final act of helsinki. we cannot continue a policy of co-operation with those responsible for the situation in poland as if nothing had happened.

3. therefore the alliance has drawn up a catalogue of political and economic measures to persuade the military council in warsaw and the soviet leadership of the seriousness of western concern. in mutual co-ordination, and depending on how the situation in poland develops, the members of the alliance will take these measures. individual national measures need not be identical, as the joint resolution clearly states, but they should not undermine each other.

, the federal government, the federal republic have never lightly committed ourselves to such measures. i recall the sanctions that were demanded and promised throughout the world after the taking of the hostages in tehran. i recall the sanctions after the soviet invasion of afghanistan. when the united states called for a boycott of the olympic summer games in moscow, it took us in the federal government and the bundestag a long time to convince our national sports associations of the significance of solidarity with the united states and the moral justification for staying away from the olympics in moscow. then, however, we germans fulfilled this commitment, not only paying lip service to it as some others did.

vi

both in washington and in paris we also dealt with the problem of the world economic crisis. a large part of my talk with president reagan, in particular, was devoted to this subject. i strongly pointed out the strategic significance of a reduction of unemployment for the political and social stability of the industrialized countries of the west. i said that never since the end of the war had an interest level as high as the present one been maintained world-wide and into the depth of recession. it was therefore of prime importance to achieve a clear and, above all, lasting lowering of interest rates world-wide.

president reagan and i jointly stated our agreement in the matter of combating trade protectionism and maintaining liberal world trade. in particular we jointly stated, as regards the aim of our economic policies, that our goal is a lowering of interest rates by means of checking budgetary deficits. it is imperative to fight inflation and overcome recession.

ende uebersetzung teil 6

after the declaration of the north atlantic council of ministers on monday this week it is clear that the polish crisis cannot be blown up into a crisis of the western alliance. but if one reads the soviet press or the party-controlled papers of other communist countries, one notes the attempt of sowing the seeds of discord between bonn and washington or bonn and other capitals. soviet or communist propaganda has never impressed me, and that will not change.

the federal republic, the federal government will not be distracted from the course of its policy. it is a course with a firm orientation. whoever in europe, in the east or in the west, wants to strengthen and continue detente policy, needs equilibrium to do so - political as well as military equilibrium. he therefore needs the alliance of the western defence community. he needs the brussels two-track decision which has been instrumental in making negotiable for either side the intermediate-range missiles threatening europe.

only a solid alliance will lend the west european countries the necessary weight for action in external affairs.

no one, if he is honest, can ignore the fact that the federal government's foreign and security policies meet with broad popular approval.

but above all this course is supported by an overwhelming majority of the citizens of the federal republic. three quarters of our fellow-citizens are in favour of the federal republic's firm integration in the atlantic alliance and of a close harmonization of our policy with that of the united states.

but surely there is no doubt that americans and europeans are not identical twins with an identical behaviour at all times and all places. rather, they are partners with shared ideals, with joint fundamental interests but also with very different views and interests in matters of detail. they are partners who time and again must seek co-ordination and are able to do so, because they are closely linked not only historically and politically and not only economically and militarily but by common value concepts of democracy, individual freedom and peace.

we germans owe a great deal to the americans: the fact that we got on our feet again politically and economically after the war. that berlin did not have to surrender in the face of communist threats. that we can live without having to fear an assault such as was experienced by a country in west asia two years ago. we owe thanks - and gratitude is not a virtue easily practised. mainly young people find it difficult at times to be grateful perhaps because they feel ashamed or ill at ease.

nor is it so for the very large majority of the people. about one fifth of the people in the federal republic advocate german neutrality.

the overwhelming majority supports the alliance, but also a policy of arms control. to be certain, no one is enthusiastic at the thought that we might possibly be obliged to install new missiles on german soil. only about 20 per cent of the population want this in any event. but the large majority favours a policy oriented to the nato two-track decision of brussels. the

great majority is in fact in favour of the alliance and of our contribution to it, our federal armed forces

NATIONAL SECURITY COUNCIL
THE WHITE HOUSE

Package # _____

RECEIVED

82 JAN 15 P 1:45

| | <u>TO</u> | <u>SEEN</u> |
|-----------------|-----------|-------------|
| JANET COLSON | _____ | _____ |
| BUD NANCE | _____ | _____ |
| JOHN POINDEXTER | _____ | _____ |
| JACQUE HILL | _____ | _____ |
| JUDGE CLARK | _____ | _____ |
| JANET COLSON | _____ | _____ |

Jo Staff

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COMMENTS

RECEIVED 16 JAN 82 12

TO CLARK

FROM DANNENBRING, FREDO

DOCDATE 14 JAN 82

KEYWORDS: GERMANY F R

POLAND

SCHMIDT, HELMUT

USSR

SUBJECT: GERMAN CHARGE FWDS CY OF GOVT STATEMENT CHANCELLOR DELIVERED TO BUNDESTAG ON 14 JAN

ACTION: PREPARE MEMO FOR CLARK

DUE: 19 JAN 82 STATUS S FILES

FOR ACTION

FOR CONCURRENCE

FOR INFO

RENTSCHLER

STEARMAN

PIPES

LENZ

OBE

*No further action required - material orally summarized
JA 18 JAN 82*

COMMENTS

REF#

LOG

NSCIFID

(D /)

ACTION OFFICER (S)

ASSIGNED

ACTION REQUIRED

DUE

COPIES TO

C 1/18 NFAR Per Rentschler

Re

DISPATCH

W/ATTCH FILE UN (C) *ms*

**WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET**

- O - OUTGOING
 H - INTERNAL
 I - INCOMING
 Date Correspondence Received (YY/MM/DD) / /

Name of Correspondent: Bob Packwood

MI Mail Report User Codes: (A) (B) (C)

Subject: Letter from Walter W. O'Hare
concerning Recognition of American
Region Ports in Germany

| ROUTE TO: | | ACTION | DISPOSITION |
|------------------|--------------|----------------|---------------------------|
| Office/Agency | (Staff Name) | Action Code | Tracking Date YY/MM/DD |
| <u>W Holland</u> | | ORIGINATOR | <u>8210215</u> |
| <u>W ATO3</u> | | Referral Note: | <u>D 8210226</u> |
| <u>W FIEL</u> | | Referral Note: | <u>A 8210315</u> |
| | | Referral Note: | <u>see comments</u> |
| | | Referral Note: | <u> </u> |
| | | Referral Note: | <u> </u> |

- ACTION CODES:**
 A - Appropriate Action
 C - Comment/Recommendation
 D - Draft Response
 F - Furnish Fact Sheet to be used as Enclosure
 I - Info Copy Only/No Action Necessary
 R - Direct Reply w/Copy
 S - For Signature
 X - Interim Reply
- DISPOSITION CODES:**
 A - Answered
 B - Non-Special Referral
 C - Completed
 S - Suspended
- FOR OUTGOING CORRESPONDENCE:**
 Type of Response = Initials of Signer
 Code = "A"
 Completion Date = Date of Outgoing

Comments: Mar 15 82 Gilding memo to
W. Howard Galt, General Counsel,
Department of Defense

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PRESIDENTIAL REPLY

| Code | Date | Comment | Form |
|------|-------|-------------|--------------|
| C | _____ | Time: _____ | P- _____ |
| DSP | _____ | Time: _____ | Media: _____ |

SIGNATURE CODES:

- CPn - Presidential Correspondence**
- n - 0 - Unknown
- n - 1 - Ronald Wilson Reagan
- n - 2 - Ronald Reagan
- n - 3 - Ron
- n - 4 - Dutch
- n - 5 - Ron Reagan
- n - 6 - Ronald
- n - 7 - Ronnie

- CLn - First Lady's Correspondence**
- n - 0 - Unknown
- n - 1 - Nancy Reagan
- n - 2 - Nancy
- n - 3 - Mrs. Ronald Reagan

- CBn - Presidential & First Lady's Correspondence**
- n - 1 - Ronald Reagan - Nancy Reagan
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- P - Photo
- R - Report
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- T - Telegram
- V - Telephone
- X - Miscellaneous
- Y - Study

THE WHITE HOUSE
WASHINGTON

Date 5.24.82

Suspense Date _____

MEMORANDUM FOR: Central Files

FROM: DIANNA G. HOLLAND

ACTION

- _____ Approved
- _____ Please handle/review
- _____ For your information
- _____ For your recommendation
- _____ For the files
- _____ Please see me
- _____ Please prepare response for
_____ signature
- _____ As we discussed
- _____ Return to me for filing

COMMENT

*Please add to document
062821*

THE WHITE HOUSE
WASHINGTON

062821

DD

C0054-02

May 18, 1982

Dear Mr. O'Haire:

This is in response to your letter to the President with respect to recognition of American Legion Posts in Germany. As I understand your request, the American Legion Posts in the Federal Republic of Germany would like recognition as a non-German, non-commercial private organization under Article 71 of the German Supplementary Agreement.

I have been advised that non-German, non-commercial organizations may apply for treatment as an integral part of the United States forces under Article 71 if they are determined to be (a) necessary to meet the military requirements of a force and if they (b) operate under the general direction and supervision of the force. These determinations are made by the United States military commander in Europe referred to as USCINCEUR, located at Vaihingen, Germany, after receiving advice on the application from the component Army, Navy and Air Force commanders-CINCUSAREUR, CINCUSAFE, and USCINCNAVEUR. USCINCEUR's address where the American Legion application should be sent is: Commander-in-Chief, United States European Command, APO New York 09128.

If USCINCEUR's determination is favorable, the application would then be sent for further review by the American Embassy, Bonn. Finally, assimilation of a non-German, non-commercial organization under Article 72 requires the express agreement of the German Government through its Foreign Office. Consequently, the last step would be submission of the application by the American Embassy, Bonn, to the German Government.

If you should have any further questions, please do not hesitate to contact me.

Sincerely,

Orig. signed by FFF

Fred F. Fielding
Counsel to the President

Walter W. O'Haire, Esq.
O'Haire, Fiore & Daly
Kaiserstrasse 12
6 Frankfurt/Main 1
West Germany

cc: Senator Robert Packwood

FFF:HPG:aw 5/17/82

cc: FFFielding
HPGoldfield
Subj.
Chron

THE WHITE HOUSE
WASHINGTON



Date 3.27.82

Suspense Date _____

MEMORANDUM FOR: H.P.

FROM: DIANNA G. HOLLAND

ACTION

- Approved
- Please handle/review
- For your information
- For your recommendation
- For the files
- Please see me
- Please prepare response for
_____ signature
- As we discussed
- Return to me for filing

COMMENT



GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE

WASHINGTON, D.C. 20301

March 23, 1982

MEMORANDUM FOR FRED F. FIELDING
COUNSEL TO THE PRESIDENT

SUBJECT: Request for Recognition of American Legion Posts
in Germany, Under the Status of NATO Forces in the
Federal Republic of Germany

This responds to the materials forwarded to you by Senator Packwood on the above-referenced subject. The American Legion Posts in the Federal Republic of Germany would like recognition as a non-German, non-commercial private organization under Article 71 of the German Supplementary Agreement.

Non-German, non-commercial organizations may apply for treatment as an integral part of the United States forces under Article 71 if they are determined to be (a) necessary to meet the military requirements of a force and if they (b) operate under the general direction and supervision of the force. These determinations are made by the United States military commander in Europe referred to as USCINCEUR, located at Vaihingen, Germany, after receiving advice on the application from the component Army, Navy and Air Force commanders-CINCUSAREUR, CINCUSAFE, and USCINCNAVEUR. USCINCEUR's address where the American Legion application should be sent is: Commander-in-Chief, United States European Command, APO New York 09128.

If USCINCEUR's determination is favorable, the application would then be sent for further review by the American Embassy, Bonn. Finally, assimilation of a non-German, non-commercial organization under Article 72 requires the express agreement of the German Government through its Foreign Office. Consequently, the last step would be submission of the application by the American Embassy, Bonn, to the German Government.

Should you require further information concerning this matter, do not hesitate to call on me.

William H. Taft

William H. Taft, IV

THE WHITE HOUSE

WASHINGTON

March 15, 1982

MEMORANDUM FOR WILLIAM HOWARD TAFT, IV
GENERAL COUNSEL
DEPARTMENT OF DEFENSE

FROM: FRED F. FIELDING *Orig. signed by FFF*
COUNSEL TO THE PRESIDENT

SUBJECT: Request for Recognition of American Legion
Posts in Germany, Department of France,
Under the Status of NATO Forces in the
Federal Republic of Germany

I would appreciate your guidance as to an appropriate White House response to the materials forwarded to me by Senator Packwood on the above-referenced subject.

Many thanks.

FFF:HPG:aw 3/16/82

cc: FFFielding
HPGoldfield
Subj.
Chron

FEB 26 1982

H.P.

United States Senate
WASHINGTON, D.C. 20510

February 25, 1982

062821

The Honorable Fred F. Fielding
Counsel to the President
The White House
1600 Pennsylvania Avenue, N. W.
Washington, D. C. 20500

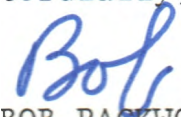
Dear Fred:

Enclosed please find a letter from Walter W. O'Haire, West Germany addressed to President Reagan concerning the recognition of American Legion Posts in Germany, Department of France, under the Status of NATO Forces in the Federal Republic of Germany. It's my understanding this recognition can be accomplished administratively.

I will very much appreciate receiving a photocopy of the response to Mr. O'Haire.

Thank you for your attention to this matter.

Cordially,



BOB PACKWOOD

BP/mc
Enclosures

O'HAIRE, FIORE & DALY

ATTORNEYS AT LAW

WALTER W. O'HAIRE
ROBERT J. FIORE
ROBERT V. DALY, Jr.
REED L. von MAUR

KAISERSTRASSE 12
6 FRANKFURT/MAIN 1
WEST GERMANY

TELEPHONE :
(06 11) 29 10 91
TELEX :
4189640

15 January 1982

The Honorable Ronald Reagan
President of the United States
The White House
Washington, D.C.
USA

RE: Recognition of American Legion Posts
in Germany, Department of France,
under the Status of NATO Forces in the
Federal Republic of Germany

Dear Mr. President:

Please be advised that we have the honor of representing American Legion Posts, Department of France, located within the Federal Republic of Germany, in their efforts to obtain recognition as a non-German, non-commercial private organization under the jurisdiction of the U.S. Forces in Germany, in accordance with the provisions of Article 71 and Article 72, of the Status of NATO Forces in the Federal Republic of Germany.

It is not our intention or desire to seek re-negotiation of the NATO Status of Forces Agreement, because the present request for recognition may be accomplished administratively, as in numerous other and similar cases.

For many years, there has been a question why the American Legion was not listed as a non-German non-commercial organization, whereas British, French and Canadian organizations of a similar status were given recognition. One reason may have been that the American Legion enjoyed status through the courtesy of former Commanders-in-Chief of the U.S. Army Europe, prior to the Status of Forces Agreement coming into effect. In any event, this is an appropriate time and occasion for the correction of what may earlier have been an oversight.

There have been many additions to the non-German non-commercial organizations under the Status of NATO Forces in the Federal Republic of Germany during the past 25 years. As

an example, the University of Maryland is no longer the only American educational organization listed, since many other American universities and colleges have been added by administrative agreements, and all are presently in operation within the Federal Republic of Germany. United Services Organization (USO) has recently been added to the list, earlier occupied solely by American Red Cross.

There are many American Legion Posts functioning within the Federal Republic of Germany - at least sixteen (16) Posts, with a combined membership of approximately 6,000, and increasing.

The primary mission of each American Legion Post is to provide off-duty recreational facilities for U.S. service personnel, active or retired, and for the promotion of social contacts between all soldiers, sailors, airmen and marines - those currently on active duty and those who have honorably served their country in past armed conflicts. For the younger soldiers and airmen, the American Legion Post homes serve as fraternal and friendship centers, where comrades in arms meet off-duty, where the atmosphere is congenial and the dollar is a welcome currency at the snack bar and in the dining room - in short, a home away from home.

Other NATO Forces sponsored their national equivalent of the American Legion, and we hope and trust the time has arrived for the recognition of the American Legion as a non-German non-commercial organization under the direction and supervision of the U.S. Forces.

Our contacts with the competent Departments and Ministries for the State of Hessen, clearly indicate that local authorities will be very cooperative with regard to the present request for recognition. Further, we believe that the State of Hessen will welcome the opportunity to cooperate in the administrative agreement to list American Legion Posts as a non-German non-commercial organization under the Status of NATO Forces in the Federal Republic of Germany.

Fortunately, there is a definite precedent upon which our request for recognition is based, and we refer specifically to Article 71 and Article 72 of the "Agreement to Supplement the Agreement between the Parties of the North Atlantic Treaty regarding the Status of their Forces with respect to Foreign Forces stationed in the Federal Republic of Germany", and we quote therefrom:

" Article 71

1. "The non-German non-commercial organizations listed in paragraph 2 of the Section in the Protocol of Signature referring to this Article shall be considered to be, and treated as, integral parts of the force.

2. (a) The non-German non-commercial organizations listed in paragraph 3 of the Section in the Protocol of Signature referring to this Article shall enjoy the benefits and exemptions accorded to the force by the NATO Status of Forces Agreement and the present Agreement to the extent necessary for the fulfillment of the purposes described in paragraph 3 of that Section. However, benefits and exemptions in respect of imports for, deliveries to, or services for these organizations shall be granted only if such imports, deliveries or services are effected through the authorities of the force or of the civilian component or through official procurement agencies designated by these authorities.
- (b) The organizations referred to in sub-paragraph (a) of this paragraph shall not have the powers enjoyed by the authorities of a force or of a civilian component under the NATO Status of Forces Agreement and the present Agreement. "
4. " Other non-German non-commercial organizations may, in specific cases, be accorded, by means of administrative agreements, the same treatment as the organizations listed in paragraph 2 or 3 of the Section in the Protocol of Signature referring to this Article, if they
 - (a) are necessary to meet the military requirements of a force and
 - (b) operate under the general direction and supervision of the force. "

" Article 72

1. The non-German commercial enterprises listed in paragraph 1 of the Section in the Protocol of Signature referring to this Article shall enjoy
 - (c) such benefits as may be determined by administrative agreement. "

Protocol of Signature to the Supplementary Agreement contains reference to the above.

" Re Article 71

1. Unless otherwise agreed with the German authorities, the total number of civilian employees within the meaning of Article 56 of the Supplementary Agreement, who, on the entry into force

of that Agreement, are permanently employed in sales agencies and clubs serving a force, may not be increased by more than 25 per cent.

2. Non-German non-commercial organizations within the meaning of paragraph 1 of Article 71:

(a) American organizations:

- (i) American Red Cross
- (ii) University of Maryland

(b) British organizations:

- (dd) British Salvation Army
- (ee) Young Men's Christian Association (Y.M.C.A.)
- (v) Soldiers' and Airmen's Scripture Readers Association
- (vi) Soldiers', Sailors' and Airmen's Families Association.

(c) French organizations:

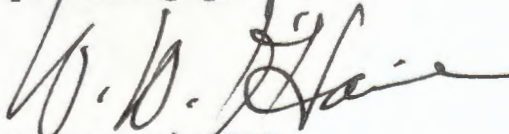
- (iv) Association d'Anciens Combattants et Victims de la Guerre.

"PURPOSE: Social and material support to members of the force or of the civilian component and dependents who are ex-servicemen or war victims and maintenance of close contact among them. "

We attach hereto, appropriate photostatic copies from "The Status of NATO Forces in the Federal Republic of Germany", containing the above citations.

With deepest respect to our Commander-in-Chief of all U.S. Forces.

Respectfully yours,



WALTER W. O'HAIRE

Encls.

interest on Deutsche Mark funds acquired with the currency of the sending State and held on daily call in accounts with the German Federal Bank (Deutsche Bundesbank).

Article 71

1. The non-German non-commercial organizations listed in paragraph 2 of the Section in the Protocol of Signature referring to this Article shall be considered to be, and treated as, integral parts of the force.

2. (a) The non-German non-commercial organizations listed in paragraph 3 of the Section in the Protocol of Signature referring to this Article shall enjoy the benefits and exemptions accorded to the force by the NATO Status of Forces Agreement and the present Agreement to the extent necessary for the fulfilment of the purposes described in paragraph 3 of that Section. However, benefits and exemptions in respect of imports for, deliveries to, or services for these organizations shall be granted only if such imports, deliveries or services are effected through the authorities of the force or of the civilian component or through official procurement agencies designated by these authorities.

(b) The organizations referred to in sub-paragraph (a) of this paragraph shall not have the powers enjoyed by the authorities of a force or of a civilian component under the NATO Status of Forces Agreement and the present Agreement.

3. In respect of their activities as non-commercial organizations, the organizations listed in paragraphs 2 and 3 of the Section in the Protocol of Signature referring to this Article shall be exempt from the German regulations, if otherwise applicable, governing the conduct of trade and business activities (Handel und Gewerbe). Such of these regulations as relate to safety measures shall, subject to Article 53 of the present Agreement, nevertheless apply.

4. Other non-German non-commercial organizations may, in specific cases, be accorded, by means of administrative agreements, the same treatment as the organizations listed in paragraph 2 or 3 of the Section in the Protocol of Signature referring to this Article, if they

(a) are necessary to meet the military requirements of a force and

(b) operate under the general direction and supervision of the force.

5. (a) Subject to the provisions of paragraph 6 of this Article, employees exclusively serving organizations listed in paragraph 2 or 3 of the Section in the Protocol of Signature referring to this Article shall be considered to be, and treated as, members of a civilian component. They shall be exempt from taxation in the Federal territory on the salaries and emoluments paid to them by the organizations if such salaries and emoluments are either

(i) liable to assessment for taxation in the sending State or

(ii) computed on the assumption that no liability to pay tax will arise.

(b) Sub-paragraph (a) of this paragraph shall also apply to employees of organizations which, in accordance with paragraph 4 of this Article, are accorded the same treatment as the organizations listed in paragraph 2 or 3 of the Section in the Protocol of Signature referring to this Article.

6. The provisions of paragraph 5 of this Article shall not apply to

(a) stateless persons;

(b) nationals of any State which is not a Party to the North Atlantic Treaty;

(c) Germans;

(d) persons ordinarily resident in the Federal territory.

Article 72

1. The non-German commercial enterprises listed in paragraph 1 of the Section in the Protocol of Signature referring to this Article shall enjoy

- (a) the exemptions accorded to a force by the NATO Status of Forces Agreement and the present Agreement from customs, taxes, import and re-export restrictions and foreign exchange control to the extent necessary for the fulfilment of their purposes;
- (b) exemptions from German regulations governing the conduct of trade and business activities (Handel und Gewerbe);
- (c) such benefits as may be determined by administrative agreement.

2. Paragraph 1 of this Article shall apply only if

- (a) the enterprise exclusively serves the force, the civilian component, their members or dependents; and
- (b) the activities of the enterprise are restricted to business transactions which cannot be undertaken by German enterprises without prejudice to the military requirements of the force.

3. Where the activities of an enterprise include business not conforming to the conditions set forth in paragraph 2 of this Article, the granting of exemptions and benefits provided in paragraph 1 shall be conditional upon a clear legal or administrative separation between those activities which are performed exclusively for the force and those which are not.

4. By agreement with the German authorities and on the conditions set forth in paragraphs 2 and 3 of this Article, other non-German commercial enterprises may be granted all or part of the exemptions and benefits referred to in paragraph 1.

5. (a) Employees of enterprises enjoying exemptions and benefits pursuant to this Article

shall, if they exclusively serve such enterprises, be granted the same exemptions and benefits as those granted to members of a civilian component unless such exemptions and benefits are restricted by the sending State.

(b) Sub-paragraph (a) of this paragraph shall not apply to

- (i) stateless persons;
- (ii) nationals of any State which is not a Party to the North Atlantic Treaty;
- (iii) Germans;
- (iv) persons ordinarily resident in the Federal territory.

6. If the authorities of a force withdraw all or part of the exemptions and benefits accorded to these enterprises or to their employees pursuant to this Article, they shall so notify the German authorities.

Article 73

Technical experts whose services are required by a force and who in the Federal territory exclusively serve that force either in an advisory capacity in technical matters or for the setting up, operation or maintenance of equipment shall be considered to be, and treated as, members of the civilian component. This provision, however, shall not apply to

- (a) stateless persons;
- (b) nationals of any State which is not a Party to the North Atlantic Treaty;
- (c) Germans;
- (d) persons ordinarily resident in the Federal territory.

Article 74

1. Articles XII and XIII of the NATO Status of Forces Agreement shall apply equally to the provisions relating to the fields of customs and taxes contained in the present Agreement.

2. The authorities of a force and of a civilian component shall take all appropriate measures to prevent abuses which might result from the granting of benefits and exemptions in the fields of customs and taxes. They shall co-operate closely with

Protocol of Signature
to the
Supplementary Agreement

Upon the signature of the Agreement to supplement the Agreement between the Parties to the North Atlantic Treaty regarding the Status of their Forces with respect to Foreign Forces stationed in the Federal Republic of Germany (hereinafter referred to as the "Supplementary Agreement") the undersigned Representatives of

THE KINGDOM OF BELGIUM,
CANADA,
THE FRENCH REPUBLIC,
THE FEDERAL REPUBLIC OF GERMANY,
THE KINGDOM OF THE NETHERLANDS,
THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND, and
THE UNITED STATES OF AMERICA,

acknowledge that the following Minutes and Declarations have been agreed:

PART I

Agreed Minutes and Declarations
concerning the NATO Status
of Forces Agreement

Re Article I, paragraph 1, sub-paragraph (a)

1. In view of the definition of a "force", the Federal Republic regards the NATO Status of Forces Agreement and the Supplementary Agreement as being applicable also to such forces of a sending State as are temporarily in the Federal territory in accordance with paragraph 3 of Article 1 of the Convention on the Presence of Foreign Forces in the Federal Republic of Germany of 23 October 1954.

2. Service attachés of a sending State in the Federal Republic, the members of their staffs and any other service personnel enjoying diplomatic or other special status in the Federal Republic shall not be regarded as constituting or included in a "force" for the purpose of the NATO Status of Forces Agreement and the Supplementary Agreement.

3. Except in cases of military exigency, the Governments of the sending States will make every effort not to station in the territory of the Federal Republic as members of a force persons who are solely Germans.

4. (a) The following non-appropriated fund organizations and activities are integral parts of the United States force:
- (i) European Exchange System (EES)
 - (ii) Air Forces Europe Exchange (AFEX)
 - (iii) USAREUR Class VI Agency
 - (iv) USAFE Class VI Agency
 - (v) European Motion Picture Service
 - (vi) USAFE Motion Picture Service
 - (vii) USAREUR Special Services Fund
 - (viii) USAREUR Special Services Reimbursable Fund
 - (ix) American Forces Network
 - (x) Dependent Education Group (including Dependent Schools)
 - (xi) Armed Forces Recreation Center Fund
 - (xii) Association of American Rod and Gun Clubs in Europe
 - (xiii) Stars and Stripes
 - (xiv) Other non-appropriated fund organizations, including authorized clubs and messes

(b) The organizations referred to under item (xiv) of sub-paragraph (a) of this paragraph shall conduct tax- and duty-free procurement through officially designated procurement agencies of the force in accordance with agreed procedures.

public for no reason other than that the member of a force or of a civilian component or the dependent is temporarily present in the Federal Republic.

(c) Tax on Inheritance and Gifts

Erbschaftsteuer.

Tax is imposed only on internal property (within the meaning of sub-paragraph (b) of this paragraph), except movable property which is in the Federal Republic for no reason other than that the member of a force or of a civilian component or the dependent is temporarily present in the Federal Republic, or on the usufruct value of such property acquired by way of inheritance or gift. If the deceased at the time of his death, or the donor at the time the gift was made, had their domicile or habitual residence (within the meaning of the tax laws) in the Federal Republic, the tax will be assessed on the basis of the total value of the inheritance or gift.

(d) Transfer and Traffic Taxes

Kapitalverkehrssteuern, Wechselsteuer, Beförderungsteuer, Versicherungssteuer, Grunderwerbsteuer (und Überpreis), Wertzuwachssteuer, Kraftfahrzeugsteuer.

As regards insurance tax those insurers and authorized representatives shall be deemed to be inland insurers and authorized inland representatives within the meaning of paragraph 2 of Article 68 who have their domicile or seat or head office in the Federal territory.

The vehicle tax for private passenger vehicles shall only be levied on motor vehicles bearing German registration numbers.

(e) Levies within the scope of "Equalization of Burdens"

Lastenausgleichsabgaben.

(i) Taxes on Hunting, Shooting and Fishing
Jagdsteuer, Fischsteuer

(g) Business Taxes

Gewerbesteuer, Umsatzsteuer, Schankerlaubnissteuer, Getränkesteuer, and other taxes which may be applicable to enterprises.

The taxes are imposed where members of a force or of a civilian component, outside their activities as members of a force or of a civilian component, act as enterprisers within the Federal territory. The concept of "enterpriser" (Unternehmer) covers the independent exercise of commercial or professional activities, i.e., any continuous activity designed to realize proceeds (Einnahmen), even if the intention to gain profit is absent. The concept of "turnover" (Umsatz) covers internal deliveries and services rendered within the Federal territory by an enterpriser against remuneration within the framework of his enterprise.

Re Article 71

1. Unless otherwise agreed with the German authorities, the total number of civilian employees within the meaning of Article 55 of the Supplementary Agreement, who, on the entry into force of that Agreement, are permanently employed in sales agencies and clubs serving a force, may not be increased by more than 25 per cent.

2. Non-German non-commercial organizations within the meaning of paragraph 1 of Article 71:

(a) British organizations:

(i) Navy, Army and Air Force Institutes (N.A.A.F.I.)

(ii) Malcolm Clubs

(iii) Council for Voluntary Welfare Work (C.V.W.W.) represented by Young Men's Christian Association (Y.M.C.A.)

(iv) Army Kinema Corporation

(v) R.A.F. Cinema Corporation

(b) Canadian organizations:

Maple Leaf Services

3. Non-German non-commercial organizations within the meaning of paragraph 2 of Article 71:

(a) American organizations:

(i) American Red Cross

Purpose:

Welfare and other assistance services for members of the force or of the civilian component and dependents

(ii) University of Maryland

Purpose:

University courses for members of the force or of the civilian component and dependents

(b) British organizations:

(i) The organizations attached to the Council for Voluntary Welfare Work (C.V.W.W.):

(aa) Church Army

(bb) The Church of Scotland Committee on Hut and Canteen Work for H.M. Forces

(cc) Catholic Women's League

(dd) British Salvation Army

(ee) Young Men's Christian Association (Y.M.C.A.)

(ff) Young Women's Christian Association (Y.W.C.A.)

(gg) Toc H

(hh) Methodist and United Board Churches

Purpose:

Social and religious welfare services for members of the force or of the civilian component and dependents, in particular operation of canteens, book shops, libraries and reading rooms

(ii) Women's Voluntary Services (W.V.S.)

Purpose:

Social welfare services for members of the force or of the civilian component and dependents in N.A.A.F.I. canteens

(iii) British Red Cross Society, including the Order of the Knights of St. John and the St. Andrew's Ambulance Association

Purpose:

Welfare and physiotherapy services in British Service Hospitals

(iv) Forces Help Society and Lord Roberts' Workshops

Purpose:

Welfare services for members of the force, in particular in connection with personal problems of members of the force

(v) Soldiers' and Airmen's Scripture Readers Association

Purpose:

Propagation of study of the Bible among members of the force or of the civilian component and dependents

(vi) Soldiers', Sailors' and Airmen's Families Association

Purpose:

Family welfare and nursing service for members of the force and of the civilian component.

(c) French organizations:

(i) Association d'entraide (First Aid Association)

Purpose:

Medical and social services for members of the force or of the civilian component and dependents, and particularly, as far as the Croix Rouge Française (French Red Cross) is concerned, administration of sanatoria and of social assistance medical centres

(ii) Associations Sportives et Culturelles

Purpose:

Promotion of communal outdoor cultural activities and outdoor sports among members of the force or of the civilian component and dependents; establishment of closer contact between teachers and parents of

pupils; organization of private classes and kindergartens

- (iii) Associations d'Officiers et de sous-Officiers de réserve

Purpose:

Establishment of contacts between officers and NCOs of the reserve stationed in the Federal territory as members of the civilian component or dependents

- (iv) Associations d'Anciens Combattants et Victimes de la Guerre

Purpose:

Social and material support to members of the force or of the civilian component and dependents who are ex-servicemen or war victims and maintenance of close contact amongst them.

- (d) Belgian organizations:

- (i) Cantine Militaire Centrale (C.M.C.)

Purpose:

Operation of canteens and sales stores for the benefit of the force, of members of the force or of the civilian component and dependents

- (ii) Associations sportives, culturelles et d'entraide sociale

Purpose:

Promotion of sports, establishment of closer contact between teachers and parents of pupils, organization of private classes and kindergartens, organization of libraries, mutual social assistance, for the benefit of members of the force or of the civilian component and dependents.

- (e) Canadian organizations:
Canadian Salvation Army

Purpose:

Social and religious welfare services for members of the force or of the civilian com-

ponent and dependents, in particular operation of canteens.

4. Vehicles operated by non-German non-commercial organizations listed in paragraphs 2 and 3 of this Section shall be considered to be "service vehicles" within the meaning of sub-paragraph (c) of paragraph 2 and paragraph 11 of Article XI and paragraph 4 of Article XIII of the NATO Status of Forces Agreement.

5. The German regulations mentioned in paragraph 3 of Article 71 include those relating to foreign companies, trade licensing, price control and shop closing hours.

Re Article 72

1. Non-German commercial enterprises within the meaning of paragraph 1 of Article 72

- (a) American Enterprises

(i) American Express Co., Inc.

(ii) Chase Manhattan Bank (Heidelberg)

- (b) Canadian Enterprises
Bank of Montreal

2. The banks listed in paragraph 1 of this Section shall not conduct activities which might influence the German market; in particular they shall not participate in the German stock market.

The present Protocol of Signature shall constitute an integral part of the Supplementary Agreement.

IN WITNESS WHEREOF the undersigned Representatives duly authorized thereto have signed the present Protocol.

DONE at Bonn, this third day of August 1959, in the German, English and French languages, all texts being equally authentic.

Für das Königreich Belgien:
For the Kingdom of Belgium:
Pour le Royaume de Belgique:

Baron de Gruben

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