

GERMANY IN THE 1960's

12 March 1963

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NOTICE

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INDUSTRIAL COLLEGE OF THE ARMED FORCES

Washington, D. C.

His Excellency K. Heinrich Knappstein, German Ambassador to the United States, was born in 1906 at Bochum in the Ruhr. He studied economics and sociology at the Universities of Cologne, Berlin and Bonn. To complete his studies, he went to the United States in 1930 as an exchange student at the University of Cincinnati in Ohio. On his return, after a period of free-lance writing, he became a member of the editorial staff of the "Frankfurter Zeitung," and later was in charge of the economic desk until the paper was suppressed by Hitler in 1943. He then took over the news desk on a local Frankfurt daily. In 1945, he became Deputy Minister for Reconstruction and Liberation in the new Government of the State of Hesse. When the British and U.S. Occupation Zones of Germany were merged in 1949, Mr. Knappstein became Chief of the Press and Information Office of this Bizonal Administration. During this period he spent several months in Washington, D. C., studying American government and administration in the Executive Office of the President of the United States. Upon the reorganization of the German Foreign Service, he was appointed Consul General of the Federal Republic of Germany in Chicago (1951-1956). In 1956, he became German Ambassador to Spain; and in April 1958, he was recalled to Bonn to take up his post as Deputy Under Secretary of State. In September 1960, he was named Permanent Observer of the Federal Republic of Germany to the United Nations, with the rank of Ambassador. In June 1962, he left that post to become his country's ambassador to the United States. This is Ambassador Knappstein's first lecture at the Industrial College.

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ADMIRAL ROSE: Gentlemen: As you know, in the last week or more we have been looking into the major problem of Western Europe, and certainly no look at Western Europe would be complete without a good look at Germany. After all, we need only to look in our morning papers to see how prominent a place Germany plays in what goes on now.

I think we are most fortunate indeed to have Ambassador Henrich Knappstein to talk to us on this subject. I think no one could be better informed about it.

We are very honored to have him with us today.

Ambassador Knappstein.

AMBASSADOR KNAPPSTEIN: Admiral, Gentlemen: It is a great pleasure and a great honor indeed for me to have been invited to the Industrial College of the Armed Forces and to talk to you about some problems of German foreign policy.

Foreign policy problems are, as you all know, the daily bread of an ambassador. In fact, if we didn't have these problems one could argue that it is not necessary to have ambassadors at all. So I am of the very firm opinion that my task is much wider than to deal with political problems. It includes also cultural, economic, and many other things of great importance in the life of nations.

But today I am going to talk here about certain aspects of German foreign policy and the tasks which are confronting us in Germany today. As you know, some problems and difficulties have recently arisen between your country and the European Allies. I personally believe that the significance of these problems has somewhat been exaggerated, and I am glad to notice that the discussions and talks of informed persons and of the newspaper articles have recently assumed a more sober and realistic attitude.

However, I will not speak about the Western foreign policy or the agreements or disagreements of Western foreign policy but about the German problem. No doubt, other questions concerning the European Common Market and NATO will be dealt with during the later question and answer period.

The central problem of German foreign policy can be summed up in two words--Berlin and the reunification of Germany. I will center my address to you around these two problems. Berlin is not a problem in itself, and it is not a problem of German foreign policy alone. Germany being firmly allied to the West and to the Western powers, having established the front line of their national defense in Berlin, the city is a common responsibility of all of us. You all know that Berlin is situated in the middle of the Soviet Zone's territory like an island. This geographical fact has enabled the Soviet Union to use Berlin for a colossal maneuver of blackmail. For at least 15 years the Soviet Union has not spared any effort to have its East German colony recognized as a sovereign state by the rest of the world and by its allies of the Second World War in particular, and to attain this, for example, by a peace treaty to be signed by all participants of the Second World War. Only such a contractual recognition would lend status under international law to the Soviet Zone and thus would guarantee its existence, at least for a time.

Germany as well as all free nations of the world has refused to consider such recognition. In order to put the countries of the free West under pressure, the Soviet Union uses the isolated situation of Berlin as a means of blackmail. It says to these countries,

You either take part in a peace treaty by which the Soviet Zone shall be recognized as a sovereign state and become an entity under international law or else we conclude a separate peace treaty with the Soviet Zone and confer upon it the right of control and to stop access from West Germany to the island, Berlin. If you intend, in spite of the separate peace treaty, to transport goods from West Germany to Berlin, you have to conclude an international treaty with the so-called 'German Democratic Republic' granting you access to Berlin.

That is what the Soviets say.

This threat against the West, proclaimed for the first time in November 1958, has up to this day gotten the Soviet Union nowhere. The West resolutely refused to give way to this blackmail and has solemnly pledged instead to uphold free access for its own troops as well as for German civilian traffic to Berlin under all circumstances.

The whole North Atlantic Treaty Organization has shared this obligation, so that for 4-1/2 years now the Soviets have not risked following up their threat with action. Since the failure of the Soviet adventure in Cuba, the Soviets think it is still more risky to precipitate a Berlin adventure. Therefore, it seems possible that they will be satisfied with the present state of affairs and that they may agree to a modus vivendi.

The only proven means by which the Soviets can be prevented from starting such adventures, the only language they understand besides Russian, is strength and determination of the free world not to withdraw under threat. This by no means excludes the readiness at all times to talk on sensible solutions of problems; but maintenance of the principle of self-determination must be upheld and can never be negotiated.

One could discuss many means and time periods which would help the Soviets to save face in a withdrawal from Germany, and also agreements which would represent safeguards for all participants and give both sides a certain degree of security from attack by the other side. Whether at all or when such serious negotiations with the Soviet Union and the participating countries of the West will take place is a question which rests, as the ancient Greeks used to say, in the lap of the gods. But we hope that in the enlightened self-interest of the Soviet Union these can take place one day. The Soviet Union must have the urgent desire to reach a lessening of tensions and peace on its Western border in order to gain a free hand to deal with the controversies of an exploding China, which the Soviet Union must anticipate. But that lies in the more distant future.

I have mentioned earlier that the real goal of the Soviet Union is not to detach Berlin from the free part of Germany and from the West, but the Soviet Union is really using Berlin only as a lever in order to gain its much more important end. And what is more important to the Soviet Union? The recognition as a sovereign state of the so-called "German Democratic Republic" by the Western and neutral nations is the real goal of the Soviet Union.

But, before discussing these matters in greater detail, I want to say a few words about that one part of Germany beyond the Iron Curtain which is called by the Soviet Union the "German Democratic Republic." It has been said, with certain justification, that this name is utterly wrong, because this regime is not German but Soviet; it is not democratic but Communist; it is not a republic but a dictatorship. The right name for it would be Soviet Communist Dictatorship.

We are used to calling it Soviet Occupied Zone, which describes the factual status best.

The people in Germany say simply the Zone, and this word describes a feeling akin to the notion of prison. Twenty-two Soviet divisions are stationed in the Zone and stand guard so that any uprising of the people against the Communist regime would immediately be drowned in blood as was the case on 17 June 1953. A small group of Communist functionaries, Germans who have been trained for years in Moscow, rule over the people of the Zone with an iron fist and never give them a chance to express their own will.

Please understand that the people in the Eastern part of Germany are exactly the same as those in West Germany. They have the same way of life. Their thinking is identical with that of the Germans in the West. They have the same national history. Their culture is the same as ours. Composers, poets, and philosophers are held in common by the people in both parts of Germany. Should they be allowed to have a genuinely free election, it is highly probable that the number of freely cast votes for Communists would be still smaller there than in the Western part of Germany, because the people in East Germany have had 18 years of bitter experience with communism. But there are no elections of that kind. There are elections of a sort, but they are a distortion of what is meant by the word election in a democracy. To vote means that you elect a representative by choosing among different candidates, but in the Zone there is no such choice. The voters are confronted with a list and they have to agree to this list. It is as if here in the United States you would have elections in which a vote could be cast only for one straight ticket and nothing else. Nobody would call that an election.

The people in the Zone can, however, not even stay away from the polls. They have to cast their votes for the Communist list, because they are assiduously controlled as to whether they have gone to the polls or not. Whenever they do not they must fear losing their jobs or suffer worse consequences. Thus, everybody goes patiently and resignedly to the polls and votes for the prescribed Communist list of candidates.

I leave it to you to judge whether this can be called democratic. Let us sweep away the whole facade of a democratic republic and let us see what the Zone is in reality.

In the last war, the Soviets conquered a part of Germany and they seek to keep it as a Russian colony, that's all. Such conquests have happened since the days of Adam and Eve. The Persians conquered Greece, the Romans conquered Gaul, and the British conquered India. The Spaniards made their conquest of South America, and now the Russians have conquered a part of Germany. Whereas formerly one admitted honestly and freely that one had conquered a country and set up a satrap, consul, viceroy, and governor in order to administer the country, in the second half of the 20th century, under the auspices of the United Nations, it is not thought decent any more to conquer other peoples' countries, and the conquerors feel a bit ashamed to have a spade called a spade. Therefore, the Soviet Union does not call this conquered colony what it really is. Instead it is given the facade of a democratic republic, with a president, a prime minister, and even the appearance of a parliament. But all that is a fake and only serves to hide the fact of a Russian colony, planned as a bridgehead for further expansion of communism and Soviet rule into the rest of Europe.

I must add a word here in order to avoid a misunderstanding. Here and there in this country I have found that American friends have believed that in East Germany something took place similar to what this country would have experienced in the past century if the Confederates had been victorious. In other words, a part of the country, on its own initiative, would have detached itself in order to conduct its own political life independently of the other part. Nothing, gentlemen, could be more wrong than such a comparison. It was not the people in East Germany, not even a small part of them, who wished to found a state of their own. It was a foreign military power which, as conqueror of that country, founded the regime at bayonet point, and in doing so used German stooges who had been trained for this purpose beforehand in Moscow.

The people in East Germany, with the exception of a tiny Communist minority, are all against separation. Those who were not ready to recognize this were confronted with very imposing proof by the erection of the Berlin Wall in 1961. For a time every week tens of thousands of Germans in East Germany left all they owned and fled to the Federal Republic in order to live in freedom. Up to the time the wall was erected, no less than 2.7 million people had fled from that Communist "paradise" in order to get into the "hell" of capitalism.

Even after the wall went up several thousand tried to escape from terror and oppression and to reach freedom at the risk of their lives.

During the Russian Revolution it was Lenin who said once that soldiers fleeing from the front line had voted with their feet for the conclusion of an armistice, after World War I. This phrase can be applied to the flight of the Germans from the Zone. By fleeing, millions of people have voted with their feet against the regime in the Soviet Occupied Zone. In doing so they have cast their votes as proxies for those who had to stay. Seventeen million Germans have had to stay and are locked up in this huge prison. The border with West Germany is hermetically sealed by barbed wire, by watch towers, by mine fields. The only escape route from the prison was through the City of Berlin, but that, too, was sealed off by the wall of shame in 1961.

I could talk to you for a long time about this Communistic "paradise," about what this prison of the Soviet Occupied Zone is really like, but allow me to let it go at that. Instead I would like to deal with the question: What can be done to solve these problems? What can we do to solve the problems of Berlin and of the German reunification?

I think that the two are very closely interrelated and that, in the longrun, the one cannot be solved without the other. Therefore, the question we are really facing is: What policy can Germany pursue in order to open up the prison in Eastern Germany and to restore unity to the two parts of Germany and thereby solve at the same time the Berlin problem?

Gentlemen, there are three ways to attain this, but two of them are only thinkable but not practical at all, because they would not achieve our goal for us. The first would be to give in to the Soviet Union. We could achieve the reunification of Germany almost instantly if we were ready to allow all of Germany, including the Federal Republic, to become Communist. The Russians have offered us that in a more or less concealed form again and again. This offer we must turn down. Accepting it would mean that all of Germany would become a big concentration camp with barbed wire all around it. Freedom of thought and speech, freedom of our spiritual, intellectual, economic, and political life would go down the drain. We would have to pay with our freedom for the reunification of Germany. This is too expensive for us. Our esteem for freedom is higher than

for national reunification. What we want and desire can only be this: reunification plus freedom.

A second way to reunification, which the Soviets are particularly afraid of, would be reunification by force, by war. This is the way, in the history of mankind, in which many conquered countries were reconquered and liberated. We reject this method now and in the future, because it is utterly senseless. After the Second World War, by huge toil and labor, we rebuilt our country from utter ruin. We do not have the least desire to have all this destroyed again by a new war. Every effort to gain reunification by war could have only one result, namely, that all of Germany, East and West, would become an atomic heap of ruins and one big cemetery, with countless millions of dead. So this means of gaining reunification also is too expensive for us. Therefore, the Federal Government has expressly and solemnly pledged never to use force to achieve reunification or a settlement of the German eastern borders. This is a matter of deadly earnest for us.

Only the third way is left open to us. It demands endless patience, darkness beclouds it, and no end is in sight today. This is the path of a wide policy of diplomacy and negotiations. The intellectual, the spiritual weapon which we carry for this political, diplomatic exchange is the democratic weapon of the right of nations to self-determination. We request that this right, which has been granted all young countries in Asia and Africa, and which conveyed to many of them nationhood and political independence for the first time, must also be granted to the German people. We request that each eligible German in the West and in the East must be allowed to go into a polling booth so that he can express his will there on a ballot and that the result of that plebiscite then be put into effect. We know perfectly well what the Germans--should they be granted a free plebiscite, if need be under the supervision of the United Nations--would vote for on this ballot. They would vote for reunification in a free, democratic Germany, desirous of living in peace with all her neighbors. We also know why the Soviets fear such a vote and why they have turned it down again and again. They know as well as we do what the result would be, namely, one outcry, "Ivan, go home."

We have found out that the call for self-determination is the best and the sharpest intellectual weapon in our hands and that the Soviets fear it as the devil fears holy water. We shall not cease to shout this call for self-determination for all Germans again and again into Soviet ears, and we are convinced that the whole world

will not only listen but will support us, because self-determination is a democratic principle sacred to all nations. Perhaps in future times the chapter on the 20th century in the book of universal world history will be inscribed, "The Century of Self-Determination."

We shall not cease to fight with spiritual and intellectual weapons, with political and diplomatic methods, by information, and by negotiation. We shall hope and fight with patience, tenacity, and skill. We shall not leave any feasible method unused to regain the inalienable human rights for the people in East Germany.

And we hope that one day the Soviet Union will give in. During the course of history conquests of foreign countries have never been everlasting. In our democratic age, more than in other times, no conqueror can keep a nation of a high cultural standard forever divided against the will of its people. The Persians left Greece one day, the Romans returned to Italy from Gaul, the Spaniards had to give up South America when Bolivar came, the British returned freedom to India. Thus, the Russians one day will also leave East Germany. We hope that they will realize their own interests in creating friendly relations with their great Western neighbor, Germany, instead of living under permanent tension with her.

Besides that, the Soviets have had a lot of trouble with their East German colony for many years. Their East German Viceroy, Ulbricht, has by his bad government caused them so many difficulties that they might have set free this East German colony long ago were it not for their fear that by doing so they might cause the collapse of their whole system of satellites, in Poland, Czechoslovakia, Hungary, and other countries.

We know that our goal will not be attained very soon, but we shall be patient and tenacious. The national unification of Germany in the 19th century out of a large number of small principedoms to the foundation of the German Reich took about 70 years. The reunification of a Germany divided by force will also take a long time. I think, however, it will not take 70 years.

I said a while ago that we shall use the means of diplomacy, of information, and of negotiation to approach our goal. One of our diplomatic means is the effort to prevent the Soviet colony in East Germany from being recognized as a sovereign state by other states. Up to this hour, gentlemen, not a single state in the whole world, with the exception of the Communist countries, has recognized the

Pankov regime in East Germany as a sovereign state, in spite of 15 years of desperate Soviet efforts, nor has any neutral or neutralist country recognized the regime of the Soviet Zone or taken up diplomatic relations with it. This undoubtedly represents a remarkable success for the so-called Hallstein Doctrine of the Federal Republic. According to this doctrine, the German Government considers it an unwanted involvement in German affairs if a foreign country recognizes as a sovereign state the forcibly separated part of its territory. It also considers this an unfriendly act. In such a case the Federal Republic breaks off diplomatic and economic relations with such a country, so that it is obliged to choose between relations with the Soviet Zone or with the Federal Republic.

In some neutralist countries there are circles who claim that they do not want to get mixed up in the German question, which they consider part of the East-West conflict and that, therefore, they seek to establish diplomatic relations with all countries. We do not consider this point of view a neutral one. Whoever takes up diplomatic relations with the Communist regime in the Eastern part of Germany does not stay neutral but unequivocally takes, in the East-West conflict, the side of the Soviet Union and a stand against both the free West and the neutral countries of the world which do not consider the regime in the Soviet Zone a sovereign state.

Up to now, as I have said, we have been successful in this policy toward the Soviet Occupied Zone. There is, as I have said, not a single non-Communist country in the whole world which entertains diplomatic relations with the Communist regime, whereas the Federal Republic has relations with no less than 97 countries of the world.

Finally, gentlemen, let me ask the question that is raised so often and that I am being asked so often: Must Germany remain divided? Germany must not remain divided. It ought not to remain divided, and it shall not remain divided. As long as it is divided there will be no rest in central Europe. The incision which the Soviet Union has made through the middle of the body of the German nation will remain a festering wound as long as the democratic principle of self-determination is withheld.

We hope and believe that reunification is not only a German concern, that attaining it is also in the interest of the West and even the Soviet Union. We, the Germans--and I want to emphasize that--do not want this reunification in order to set up a great and mighty

state in the heart of Europe--no great German Reich of unholy memory. But what we want above all is that the 17 million people in the Zone should live free of fear and free of misery, and that they can live as we live in the Western part of Germany. That is our main concern.

This is much more a human desire for us than a political one. We do hope that this problem will find its solution one day by negotiation between all participants.

Gentlemen, I thank you.

CAPTAIN TEEL: The Ambassador is ready for your questions, gentlemen.

QUESTION: Mr. Ambassador, lately there has been a great deal in the papers about the subject of a NATO nuclear force and atomic control. Sir, would you give us your country's opinion of the present Administration, the Kennedy Administration, and the United States proposal of a NATO Polaris surface ship fleet?

AMBASSADOR KNAPPSTEIN: Well, we do not have a definite opinion yet. That takes a little more time. We are openminded and think that those matters have to be discussed among the Allies first. Immediately after the Nassau Agreement became known, Chancellor Adenauer wrote to the President of the United States that we would cooperate to the fullest extent possible with the creation of a multilateral force. We are now in the stage of discussions. As I said before, we have not taken a definite stand, except that we are cooperating fully.

The question as to whether there should be surface vessels or Polaris U-boats or both, I think, we should leave to Ambassador Merchant, who is talking about that with the German Defense Ministry and the others. Finally we should come up with a solution.

QUESTION: Sir, regarding the reunification of Germany, what is your government's position on the provinces of Silesia and East Prussia?

AMBASSADOR KNAPPSTEIN: We hope that in the not too far distant future we will have a possibility to talk with a democratic Poland. You might have seen in the papers that just a few days ago we have concluded a first commercial treaty with Poland, that is, the Federal Republic, with Poland. We are going to have a commercial

representation in Warsaw. So we start with those things on which we probably will be most agreeing, in other words, in the field of commerce and trade.

Our legal stand on the Oder-Neisse Line--and we have to take the legal stand--is this: that the territories beyond the Oder-Neisse Line have been put under Polish administration pending a peace treaty. That means a peace treaty between all of Germany and Poland. As long as a peace treaty cannot be concluded, the question remains open.

I want to emphasize that the tendency in Germany is the same toward Poland as it has been for years toward France. In other words, we want friendly relations with our neighbors, and we hope that the day will come that we even can settle the question of those territories beyond the Oder-Neisse Line. At least I am very happy about that. The first step has been done, to get in contact at all with Poland. We get the contact on commercial and trade matters first.

QUESTION: Mr. Ambassador, would you comment on your future relations with France in light of the recent treaty?

AMBASSADOR KNAPPSTEIN: Yes, I'll be very glad to do so. This German-French Treaty has to be looked upon in the light of 400 years of history between France and Germany. The French and the Germans have been battling each other for a long time. I don't know how often the French have been in Germany and how often the Germans have been in France--not as visitors. So that finally a feeling has come up on both sides, in France as well as in Germany, that we have to set an end to that so-called hereditary enmity and that we have to replace it by a solid friendship for a long time to come.

That was the basis for negotiations which have been going on for years and years, not formal negotiations but informal ones, talks by the Ambassadors, and so on. The result finally was a visit of Chancellor Adenauer some years ago to President de Gaulle, and another visit last year which was responded to by a visit of President de Gaulle in Germany. The enthusiasm shown on both sides toward the respective leader of the other side was so strong that it was an indication that we have to formalize that by a treaty.

That new treaty provides for nothing else but the duty of both sides to consult each other before taking an important political step.

It doesn't indicate any political line. It only obliges both sides to have consultation with the other side before it takes any decisive political step.

So it means an end to the enmity, the so-called hereditary enmity, and it means a beginning of a very solid friendship. As it is between friends also in private life, you can be good friends with somebody and still have very different opinions on some things. That exactly is the case between Germany and France.

We have an entirely different opinion as to the Common Market, for instance, and as to Britain's membership in the Common Market. We maintain our opinion and the French do theirs apparently. The same is true with the multilateral nuclear force of NATO. We are cooperating with the United States and Britain in the negotiations about the establishing of such a multilateral nuclear force. The French have turned it down. You see that there are differences of opinion which, on the other hand, do not mean that our neighborly relations with France would be hurt thereby.

We have differences of opinion and are going to maintain those. On the other hand, this treaty gives us a possibility which is very important. I said it provides for an exchange of views before any political step is taken by either side. So that, of course, gives us a possibility to talk to the French, to present our views to them, and maybe make some impression upon them and maybe have a chance to pull them over to our side, that is, to the side of the other five nations who want Britain to be a member.

In other words, we have established a platform for talking. That is the main thing. Besides that it is a deeply rooted sentimental affair on both sides. We wanted to get together and wanted to set an end to the old enmity and establish good friendship for the future among neighbors. That is the meaning of the treaty.

QUESTION: Mr. Ambassador, as the Common Market progresses and the Trade Expansion Act is implemented, do you foresee any reduction in the discrimination against Japanese imports by Western Europe and Germany?

AMBASSADOR KNAPPSTEIN: The Common Market is not a protectionist device. We did not do away with the internal tariff barriers in order to build new ones. The spirit of the Common Market is a liberal spirit. That I would like to say in the first place.

Now, as to discrimination and the prospects of the future, let me mention at this point one figure which is very interesting. Nineteen fifty-nine was the second year for the Common Market. In 1959 the exports of the United States to the Common Market countries were \$2.4 billion. Nineteen sixty-one was the fourth year of the Common Market, and the exports from the United States to the Common Market have gone up to \$4 billion, which, within two years, means an increase of 67 percent.

That is only an example for the fact that the Common Market is developing more productivity; it's developing higher wages; it's developing greater purchasing power. And that purchasing power doesn't remain within the Common Market. It spills over into other countries. In other words, your country and others, raw-material countries as well as other countries, are going to have a new, greater market, a market which they did not have before the Common Market came into being, and a market which would not be as strong as it is and as demanding as it is, had not the Common Market been founded.

So I would say that the Common Market does not offer only a challenge to other countries but also an enormous opportunity for business. That is true for this country here, for the United States, with its enormous industry, and it is true for Japan also. So that the growing purchasing power is bound to buy something and it is going to buy something not only at home but abroad.

QUESTION: Mr. Ambassador, the common agricultural policy of the Common Market appears to discriminate against the United States, particularly in poultry, and also I believe that now our exports of wheat are being hurt. Can you comment on that?

AMBASSADOR KNAPPSTEIN: Well, I know that the chickens already have been a subject matter for the conversation between the President and Chancellor Adenauer--the famous chickens. There is no doubt that in such an organization as the Common Market, when six countries get together to pool their resources, there are repercussions. There will be repercussions in other fields, especially abroad. Things that so far have been imported from abroad now are being produced in the Common Market, and vice versa. That is natural.

But we should not overestimate and exaggerate the difficulties of that sort. I know that President Hallstein of the European Economic Commission is working on the problem, and, on the other

hand, we must not underestimate one thing, that the trade between the Common Market and other countries has to be a two-way road. In other words, we are looking forward to a situation in which, by means of the Trade Expansion Act, tariffs will be reduced in the Common Market as well as in the United States.

It might be interesting for you to know that the outer tariff of the Common Market ranges from zero to 25 percent, whereas the tariff of the United States ranges from zero to 60 percent. So I hope that we will very soon come to a situation of bartering, so that on both sides we can lower the tariffs and make the way free for a larger exchange of goods.

QUESTION: Sir, if my facts are correct, and I hope they are, there is a substantial amount of trade between the Federal Republic and the Soviet Zone in Germany. In view of your strong feelings about it, how do you justify this? It is bound to buttress the Soviet regime.

AMBASSADOR KNAPPSTEIN: I am most grateful for your question. I should have had this in my talk. It is of great importance. We buy from the Soviet Zone of Germany things which we don't need, and we have to deliver them goods which we would rather use ourselves or export to other countries and make money out of them.

We have a certain exchange of goods. Why do we have it? We are, from a business viewpoint, not at all interested in that. As Vice Chancellor Erhard said the other day before the New York Chamber of Commerce, we would be glad if we could drop it right away. We would make more money if we dropped it than we are making now. Why do we maintain it? Only for the reason to maintain the access to Berlin free. That is a means, a lever, we have to keep the access, the civilian access, that is, from West Germany to Berlin open, because we have linked the two things. We have told the people in the Zone, "As soon as you block the access to Berlin, then we will drop all the deliveries of goods out of this interzonal trade agreement." We can use this pressure only if we have a certain exchange of goods. Otherwise this would be no lever.

So you understand that only to keep the access to Berlin open do we maintain this exchange of goods between the Soviet Zone and West Germany.

QUESTION: Mr. Ambassador, if I heard you correctly, you spoke of future negotiations with a democratic Poland. What developments do you see which will bring about a democratic Poland?

AMBASSADOR KNAPPSTEIN: Well, that is hard to say. It would include some prophecy, wouldn't it? The situation in Poland today is no longer the same as it used to be, let me say, under Stalin. Changes have taken place, especially within Poland, in their internal life. They are a few degrees freer than they had been before and than other countries in the Communist regime are. Who knows where the development is going to lead? We do hope that a certain liberalization will go on, which has already begun in Poland, and that maybe one day it would not be so farfetched as it looks now, that Poland would be more independent of Russia, of the Soviet Union, and more liberal in her foreign policy, so that agreements would become possible.

At least there is a strong desire in Germany, and we hope, too, in Poland, to come to terms with each other. Our trade agreement with Poland was obviously a success, I believe, for both sides, not only for us.

QUESTION: Mr. Ambassador, would the Federal Republic accept the neutralization or demilitarization of all or part of Germany as a price for reunification?

AMBASSADOR KNAPPSTEIN: Your question is identical with the question: How faithful are you toward the North Atlantic Treaty Organization? One thing would exclude the other.

QUESTION: Mr. Ambassador, with the withdrawal of Chancellor Adenauer from the political scene, do you foresee any problems in maintaining West Germany's unity of purpose?

AMBASSADOR KNAPPSTEIN: I should say Chancellor Adenauer always has been an exponent of a large majority of Germans, namely, the ones who voted him into office. Even if he should pass away or retire, that majority of Germans still exists, and they will bring other exponents about. They will have new leaders who will be representatives of this group of voters; there is his party, the Christian Democratic Union, which will maintain the basic principles of his policy, and maybe groups of other parties, as well. You know that, for instance, the Social Democrats in the meantime have become strong supporters of the German NATO policy. So, regardless of

Chancellor Adenauer's retirement, the German Foreign policy in basic principles will not be changed.

QUESTION: Sir, do you think that the development of a third force would increase the chances for German reunification as such?

AMBASSADOR KNAPPSTEIN: Well, I think the chances of German reunification are closely connected not with a third force but with the second force. In other words, the second force, which we have now, is the strongest guarantee for a German reunification. I don't know if you understand what I mean. Our alliance with the North Atlantic Treaty Organization gives us much more hope for the future than would a military alliance, let me say, between France and Germany alone, which you would call the third force. We are not going to join the third force.

QUESTION: Sir, your country has traded with Russia; you have this three-year pact now with Poland; and you trade with East Germany. Does Germany have any idea of expanding her trade to other Soviet Bloc countries? You indicated some more freedom in Poland. Do you see any change in Czechoslovakia? If so, would Germany be willing to have trade with Czechoslovakia and with some other Soviet Bloc countries?

AMBASSADOR KNAPPSTEIN: I think we would be ready to do similar things with other Eastern Bloc countries as we did with Poland. With the Soviet Union we have certain trade agreements that are daily routine in the meantime, and we are trading with them within the framework of the embargo lists which have been set up by NATO. In other words, we would not sell them anything which would strengthen their strategic potential, but within that framework we would have trade agreements with every country with which we came to terms.

QUESTION: Sir, do I understand that the trade with East Germany is not a business proposition but is a lever or a lift, but with the other satellites it is presumably a profitable trade? In view of this trade, wouldn't you find it difficult to apply new sanctions under the Hallstein Doctrine to free world countries?

AMBASSADOR KNAPPSTEIN: I don't think it is a profitable trade, as you assume. We are delivering, for instance, valuable coal which we would prefer to keep in the country for our own purposes or sell elsewhere where we would get more for it and better

things in exchange than we can get from East Germany. So it's not a profitable trade. It is a trade which is being maintained merely for political reasons. Participants on our side would give it up rather easily.

STUDENT: I understand that. My point of distinction was the difference between that trade and the trade with Poland or Czechoslovakia. Apparently there is a political motivation for the trade with East Germany. I wondered what the justification was for trading with the other satellites.

AMBASSADOR KNAPPSTEIN: That is a transaction, as it is between the United States and Poland and Great Britain and Poland and every other country who has certain exchanges of goods, with the exclusion of strategic material, of course. It sometimes looks as if only the Germans were trading with the Communist nations of the East bloc. I can assure you that much money is being made by other NATO members in exchange with satellite countries. I think it is good to maintain such a trade, such an exchange.

STUDENT: I couldn't see why one is unprofitable and the other profitable. What makes the East German trade a nonprofitable, non-business venture?

AMBASSADOR KNAPPSTEIN: Because we have to accept for what we deliver things we don't need and things we don't want. That's a very simple answer. We get things from East Germany which we could buy easier from other countries. So we do not get a real business exchange for what we deliver them. We still maintain it just to have this lever in our hands to keep the access to Berlin open.

QUESTION: Sir, in your opinion, what is the outlook in the foreseeable future for the political integration of Western Europe?

AMBASSADOR KNAPPSTEIN: That is a great question. I would think that we are now in an intermediary period between the breakdown of the Brussels negotiations and the final entry of Britain into the Common Market. I do hope that we will within a certain time be able to have Britain as a member in the Common Market. We cannot imagine a Europe without Britain and without other European countries in it.

You see, the great problem of Britain's entry into the Common Market is and was this: The six countries of the Common Market have had in the meantime 4-1/2 years' time to adjust their economies to the new situation. Britain could have joined in the first place, in 1958, but she didn't want to. To the contrary, she was opposed to the Common Market and founded a counter organization, the EFTA, the European Free Trade Association. Now, after the Common Market has shown that it was very successful, she wants to join the Common Market.

But it is very difficult for a great and complicated economy, as the British economy is, to jump into the Common Market and have everything changed suddenly. You have to have a period of adaptation. For that reason we, the Germans, were ready to give Britain such time for adaptation. So were the Italians, the Dutch, the Belgians, and the people in The Netherlands. Only the French felt that Britain would not yet be ready to join. That is the nucleus, the kernel, of the differences between the two sides.

Now, what are we going to do in the meantime? I think we should help Britain to get adjusted to the new situation so that one day she can join the Common Market.

QUESTION: Sir, several times during our course of study here we have had interpretations of the meaning of the impact of the Berlin Wall. Will you give us your interpretation?

AMBASSADOR KNAPPSTEIN: Well, you know what the Russians say, that they had to build the Berlin Wall in order to keep the American spies and the subversive elements away from East Berlin and from East Germany. But actually the real purpose--and there is no doubt about that--is that the Zone wants to keep its own people from fleeing into freedom, into West Germany.

As I said before, 2.7 million people have been leaving the Soviet Zone of Germany and have been fleeing to West Germany. That, of course, was such a terrible drain on the economy of East Germany that it was almost intolerable for them. They had to do something to keep their people there. The best way would have been to do away with communism, and they would all have stayed at home. But that they were not ready to do, so the next efficient means was to build the wall, and to keep the people behind the wall in that big prison which is called the "German Democratic Republic."

I mean, that is the meaning and the purpose of the wall.

QUESTION: Sir, would you speculate on the possibility of EFTA developing and joining the Common Market?

AMBASSADOR KNAPPSTEIN: I doubt that that would be possible, because you would have seven countries, the EFTA countries, change basically their trade policies. So I would consider it rather difficult for the whole EFTA to join the Common Market. I think the better way would be for the single countries of the EFTA, with Britain in the forefront, to join the Common Market one after the other. I believe it would be much easier to do that than to have the whole seven join.

QUESTION: Did not Britain really go quite some distance toward meeting the requirements for membership in the Common Market in the discussions, and did not the charter members of the club also have a number of special limitations for many of them at the time the club was incorporated?

AMBASSADOR KNAPPSTEIN: I can only say yes to both questions. There was a long list of problems which were solved when the famous 28 January came up and France walked out, so to say, a long list of items that had been settled by compromise, because we were of the opinion that it was perfectly all right to give Britain certain concessions and certain exemptions to make it easier for her to join the Common Market. But another list of problems was not solved yet, but there was some prospect that they would also be solved.

So I can only say yes to your first question. As to the second question, of course the treaty, the Rome Treaty, consisting of some 240 articles contained a number of privileges granted each other for a certain period of time. You know that the Common Market is coming into full existence--will be completed, that is--only by 1970. Until that time the charter members have accorded each other privileges to give everybody a chance to adjust to the new situations. But in 1970 there will be no more privileges for anyone.

The problem was to give somebody a chance for adaptation, let's say, halfway on the way. Britain missed the bus in the very beginning, so it's difficult to make arrangements so that she can get into the bus halfway of its course, you see. That is difficult. But still five members of the Community are all of the opinion that

ways and means can be found and could be found to have Britain enter the bus halfway.

Britain made great concessions on her part. She gave up many demands she had raised before. But still some believed she wasn't ready yet. Since the Common Market is not on the majority principle yet but has to have unanimity of all the members, it wasn't possible at this time.

I really do believe that the negotiations got stuck only and did not break down altogether, and that the time will come when we will go ahead with that and one day Britain will be in the Market.

CAPTAIN TEEL: Mr. Ambassador, I am sure that we all regret very much that our time has gone out this afternoon. On behalf of all of us here, thank you for being with us here today.

(30 Aug 1963--7, 600)O/pd:en