would simply contradict agreements made at the summit.[128] At this point there was widespread speculation on the continued usefulness of the summit process as many analysts publically questioned how it could bring views of the leaders closer together if any country could unilaterally enact legislation running counter to agreed positions. It became clear that in future the summits would have to make every effort to avoid the acrimony that had taken place both before and after Versailles and that the next summit at Williamsburg would have to give the summit process a much needed boost.

WILLIAMSBURG, MAY 28-30, 1983

The Williamsburg summit was given much attention by the German media as it was the first economic summit to be attended by the new German Chancellor, Helmut Kohl. Helmut Schmidt had lost a vote of non-confidence in the German Bundestag(parliament) on October 1, 1982, after the Liberal Democratic Party (FDP) had decided to leave the governing coalition over disagreements on questions of the future economic and social direction of the Federal Republic. The Liberal Democrats then turned their support to the conservative Christian Democratic Union/Christian Social Union and supported the appointment of Kohl as the new chancellor. This new centre right coalition government which once again included the Liberals, Hans-Dietrich Genscher and Otto Graf Lambsdorff in the foreign and economic portfolios, then called a general election in the Spring of 1983 and won a clear

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[128] Putnam and Bayne, Hanging Together, p. 137.

plurality of votes.

The question of most analysts was whether Germany's role at the economic summits would change appreciably under the centre-right coalition. Yet, although it was recognized that a certain amount of continuity would be ensured by both Genscher, who had attended every summit since Rambouillet, and Graf Lambsdorff, there was a general consensus that Kohl would have a very difficult role in trying to replace Schmidt's presence at the summits since the former Chancellor was universally praised for his enormous experience, expertise in economic questions and stellar performance at the previous summits.[129] Williamsburg would now be the opportunity for Kohl to show where he would be appreciably different than his Social Democratic predecessor.[130]

The German delegation attending at Williamsburg (Chancellor Helmut Kohl, Foreign Minister Hans-Dietrich genscher and Economics Minister Graf Lambsdorff) had two main priorities: to receive a strong endorsement of Kohl's upcoming visit to Moscow and to once again convince the Reagan administration of the serious repercussions the US interest rate development was having on the Federal Republic and the other industrialized countries.[131] All leaders were in agreement that Williamsburg

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[129] "Konjunktur: Geradezu Penetrant" in Der Spiegel, June 6, 1983.

[130] "Konjunktur: Geradezu Penetrant" in Der Spiegel, June 6, 1983.

[131] Frankfurter Allgemeine Zeitung, May 31, 1983.

would have to show the seven leaders strongly united and cooperative after the negative experiences of Versailles. President reagan had wanted to make sure that this summit would once again revert back to a more informal nature and he thus prevented the Sherpas from preparing the usual draft communiques or statements. This summit was supposed to be of a non-decisional nature to further lessen disagreements as the American Sherpa, Allen Wallis, told the press: "This summit...will not do specific, concrete things."[132]

On the main political issue at the summit, the question of the intermediate range nuclear missile installation in Europe, chancellor Kohl told his partners of the great domestic difficulties he expected with the stationing of the missiles, although he repeatedly stressed that his government would stand firm in face of the domestic pressures. He also took over the role previously played by Chancellor Schmidt in giving a detailed overview of the state of East-West relations since Versailles and also outlined the goals for his upcoming visit to Moscow.[133] Chancellor Kohl also sought and received a firm statement of support from all the other leaders, including Prime Minister Nakasone, on the questions of Euromissiles prior to the Moscow visit.[134] He expressed some reservation at the US proposal for a separate 'declaration of Security' as he felt it was framed in

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[132] Quoted in The Globe and Mail, May 28, 1983.

[133] Frankfurter Allgemeine Zeitung, May 28, 1983.

[134] Ibid., May 31, 1983.

too controversial language. His wished to modify the declaration which was supported by President Mitterand was not successful in face of American insistence at including the original version as a separate declaration.[135]

In the economic discussions neither the German Chancellor nor his Finance Minister Stoltenberg and Economics Minister Graf Lambsdorff were able to convince the US President of the urgent need to lower his budget deficit. Even though Kohl and his European partners pointed out that so long as the US government required so much capital, the American interest rates and those of the other industrialized countries would be too high.[136] Nevertheless, Graf Lambsdorff in an assessment of the discussions concluded that "if one thinks realistically it is unlikely that the United States will make any concession."[137] President Reagan and Treasury Secretary Don Regan responded to the Europeans' concerns that both Europe and Japan should stop acting as though all of their economic problems were linked to the US deficits. Regan told his colleagues that he saw no clear relationship between the large US budget deficit and the high interest rates.[138] After long discussions on this point the Americans then finally conceded in admitting that the budget deficit might

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[135] Ibid.

[136] "Konjunktur: Geradezu Penetrant" in Der Spiegel, June 6, 1983.

[137] Ibid.

[138] "Konjunktur: Geradezu Penetrant" in Der Spiegel, June 6, 1983.

in fact create psychological conditions in the markets that might very well impact on interest rates. Chancellor Kohl used this statement as proof that his arguments and those of his partners had "finally moved the US position".[139] Yet, it is clear that this was in itself not very significant as the Americans still refused to adopt any practical measures to effectively reduce the deficit.

Reagan instead told the other leaders that the upswing in the US economy (predicted American GNP growth of 6% for 1983) would, in fact, also help other economies. German Finance Minister Stoltenberg and Graf Lambsdorff both agreed in their assessment that they did not see how this growth would in itself reduce the budge deficit and they felt that Reagan had exaggerated the immediate impact of the growth on the other economies.[140] Even though there was no agreement on the budget deficit and interest rate question, the leaders once again did agree in the trade field to monitor each others' barriers to trade and take effective action to further reduce them.

Kohl's impression of his first economic summit was very positive. Even though it was clear that he and the other leaders had not been able to convince the Reagan administration to alter its economic course, he believed that the summit had given him an excellent opportunity to raise his concerns and make the

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[139] Ibid.

[140] Frankfurter Allgemeine Zeitung, May 31, 1983.

President aware of them. He hailed the apparent new administrations acceptance of a link between the high budget deficit and high interest rate as an important first step, although much of the German media stressed the need for firm action and not just 'awareness sessions'.[141]

His own role at Williamsburg was decidedly more low key than Chancellor Schmidt had usually been. Kohl, as a new leader, wanted to use this meeting primarily for 'getting to know you' sessions with the other leaders. This probably explains his careful avoidance of controversial questions and reluctance to push the US administration too strongly. Nevertheless, it was possible to see a dramatic difference in the style of both leaders. Whilst Schmidt had used this forum to lecture at his colleagues on specific questions and had played an extremely strong role in key discussions (already facilitated through his brilliant grasp of economic details and mastery of the English language), Kohl eschewed the role of lecturer and instead attempted to promote his views largely through the general discussions. His performance was also somewhat restricted by his less than perfect mastery of English.

Nevertheless, putting the personal style of the leaders aside, it is true that the German priorities at the summits did not show dramatic break in 1983. Kohl continued to highlight the serious

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[141] "Konjunktur: Geradezu Penetrant" in Der Spiegel, June 6, 1983.