



HENRY A. KISSINGER PRIZE

HONORING
WOLFGANG SCHÄUBLE

Tuesday, June 20, 2017



THE AMERICAN
ACADEMY IN BERLIN
HANS ARNHOLD CENTER

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THE AMERICAN
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WORDS OF WELCOME

MICHAEL P. STEINBERG

President of the American Academy in Berlin

Secretary Kissinger,
Minister Schäuble,
Professor Summers,
Ministers, Excellencies,
Members of Parliaments,
Friends, Supporters,
and dear colleagues of the
American Academy in Berlin,
Ladies and Gentlemen,

Good evening, and welcome to the 2017 Henry A. Kissinger Prize. As president of the American Academy in Berlin, I have the singular honor of welcoming you to this especially meaningful occasion. Thank you all for coming tonight and for sharing it with us.

ON THIS FESTIVE EVENING, our thoughts first go to the man who stands at the foundation of everything it stands for: the recipient of the Kissinger Prize in 2011: Bundeskanzler Helmut Kohl.

It goes without saying that we have lost a great man, a historic personality, an internationalist, a transatlanticist, and a key friend of the American Academy.

At the 2011 Kissinger Prize, laudations for Chancellor Kohl were delivered by president of the World Bank Robert Zoellick and former US President Bill Clinton.

In the interest of paying homage to both Chancellor Kohl and also to tonight's Kissinger Prize recipient, I would like to read a brief excerpt from President Clinton's 2011 laudation. Clinton said,

I can't tell you how many times I knew what the right thing to do was because of what he had already done. [...] All I had to do was to follow Helmut Kohl's lead. [...] Helmut Kohl has been [...] a wonderful friend to America. But most of all he was a friend to the people



who put him in office, to the German people. And to young Germans who have been born since he left office and may not even know who he is, I ask those of you here never to allow anyone to take for granted the fact that at a pivotal moment in the history of Europe and the history of the world, Germany was called upon [...] and by great good fortune and good judgment, a man who was big in more than physical stature, answered [that call]. Never take that for granted and never squander that legacy.

AS THIS MOMENT LOOMS OVER US, it is not lost upon us that Minister Schäuble was by Chancellor Kohl's side throughout this historic change.

Eleven years after joining the youth division of the CDU, in 1961, he became a member of the Bundestag, in 1972.

In 1984, he was appointed Minister of Federal Affairs in Chancellor Kohl's government, and was charged with organizing a weighty event: the first official state visit by Erich Honecker.

As the chief negotiator of the treaty uniting East and West Germany, in 1990, it was Dr. Schäuble who laid pen to paper as Minister of the Interior, officially rejoining the country after four decades of political separation.

Minister Schäuble was also—poignantly, as we celebrate him in this city tonight—one of the most

vocal members of parliament in 1991 to argue for the movement of the German capital back to Berlin.

Throughout his career, Dr. Schäuble has accompanied all major steps of European integration. Long committed to advancing European stability and growth, he has acted boldly and with principle as both Minister of the Interior and Minister of Finance under Chancellor Merkel.

As a committed transatlanticist, he has consistently urged partners to pursue sustainable solutions to global challenges, from immigration and data protection to financial regulation and international security. Throughout all of this, he has become one of the transatlantic community's most indispensable figures, standing for and advancing the values of liberal democracy.

SEVERAL PEOPLE THIS EVENING will address Dr. Schäuble's achievements: Dr. Kissinger will speak first, followed by a laudation by Lawrence Summers. Academy chairman Gahl Burt will read the citation and award the prize, and then Minister Schäuble will deliver his remarks.

At the conclusion of the ceremony, we hope you will all join us at the reception.

Ladies and gentlemen, please join me in welcoming to the podium a person who was instrumental in helping the American Academy take wing; a man whose presence in the Hans Arnhold Villa always reaffirms our sense of identity and purpose: Dr. Henry Kissinger.



OPENING REMARKS

HENRY A. KISSINGER US Secretary of State, 1973 - 1977

Minister Schäuble,
Distinguished Guests,

Before I begin my remarks, I would like to say a few words about Helmut Kohl, who was a great statesman, my friend, and whom I had occasion to observe for many decades. I have spoken to the dinner guests before, and I would just like to summarize my reflections.

Helmut Kohl played a decisive role in the relations between Germany and the United States. He played an indispensable role in the reunification of Germany.

He helped bring about the unification of Europe. He did all of this in a democratic country, by building a consensus in his own country and among its allies. Others will have covered his specific achievements, but I would like to stress a few aspects with which I became especially familiar.

I have said elsewhere that the study of how to deal with American Presidents will someday be taught at universities in this country, which is so obsessed with that problem. They can learn from Helmut Kohl. His method was to become so much a part of the personal life of those with whom he dealt that the question of

whether there could be separate American and German interests never arose. When it was announced that the Kissinger Prize was to be awarded to Kohl, I mentioned it to former-President Bill Clinton at a social event. He immediately said, “I’ll go with you.” And when I invited Jim Baker to receive the Prize on a later occasion, he said, “I’ll come, but only if there is an opportunity to visit Helmut Kohl.”

Here were two major countries that had undergone immense struggles and suffered enormously in the process. It was Helmut Kohl’s skill that had transformed the political necessities of Germany into human imperatives. This was the first level of his contribution. And the second was that, when the Wall fell and many opinions were expressed on how to proceed—and with what gradations and what nuances—Helmut Kohl understood that historical opportunities are unique events, and that they require action that can be translated into an evolution. He seized the moment by pronouncing the ten principles of German unification at a time when the prospects of unification were not self-evident.

I know from my peripheral participation in American high-level discussions of the time that many nuances were being considered, and many concerns explored, when Helmut Kohl came and spent a weekend with our President at Camp David. And after that, the direction of the policy was established, and the extraordinary historic event occurred: a unification that was brought about by legal methods and by discussion between the two German entities, with the approval of the Allies, many of which had severe reservations, and in the face of an adversary whose self-interest in a unified Germany was not self-evident. That all of this could be done while maintaining membership in NATO, and then to follow it with the unification of Europe and the establishment of a common currency was due largely to the vision of Helmut Kohl.

I wanted to leave you with this thought about Helmut Kohl: I saw him quite frequently and visited him many times in his later years. Those of you who were present when he received the Kissinger Prize should remember what an extraordinary event this was. To have returned to Berlin, with the assembled notables of the Federal Republic, in the company of an American President who had come across the Atlantic for that occasion, could not have been

more meaningful for him. And so, this hulk of a man brought himself into a situation where, from a wheelchair, he spoke for twenty minutes though nearly paralyzed. I confess that I was so moved by the extraordinary physical effort that this represented, and with the difficulty I had in following what he was saying, that I never read the full text until recently. I would urge you all to read it in German, because it was beautifully expressed by a man who did not quarrel with his destiny, and for its warning and suggestion to the German people. I’ll just read one paragraph:

It is true that we have many problems. Yet we have achieved a future that is truly viable, in the best sense of the word. Let us say “yes” to this life. After all that has happened, we, the Germans, want to say “yes” to our future. We have understood that our future cannot only signify a German future, but must always be a common future, shared with others, with our neighbors in the European community, and within the Atlantic.

Wolfgang Schäuble
[...] enabled us to proceed
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This is why it is appropriate that a few words precede the awarding

of this prize to Wolfgang Schäuble, who has helped complete many of the efforts that were begun then, and whose wisdom and skill have enabled us to proceed down a road that was only a dream when it was first undertaken. We are here because we respect his vision, his courage, and his integrity.

WHEN I DRAFTED MY REMARKS for this occasion, it was before I knew they would stand in the shadow of such a major event. But I want to say how appropriate I think it is that the award, particularly this year, is going to Wolfgang Schäuble. I thought I might add a few personal comments to explain why I am personally so pleased with the selection of this year’s honoree.

In the United States, commentators often invoke my German birthplace to explain the foreign policy in which I was involved, as if, as a child, I had read Bismarck by candlelight. They are not well informed about the educational priorities of Bavaria, where in my childhood the Main River was still a kind of tacit frontier. But they are right in their implication that, for me, Germany can never be an entirely foreign entity, and that, therefore, the drama of the last decades

is something that has not only occupied my personal political attention, but is a kind of extension of my life.

One of the bonds that I have with Wolfgang Schäuble is that we are both extremely interested in *Fussball*. I have followed the fate of Spielvereinigung Fürth, despite the fact that I have not lived in Fürth for 79 years. But it obliges me to point out that Spielvereinigung Fürth won the German national championship several times before Bayern München ever qualified itself—which is Mr. Schäuble's club!

That I do not permit the American Academy to stroll too far from this subject is owed to the fact that, one evening at a dinner meeting of the directors of this institution, Richard von Weizsäcker and I fell into a discussion about how we were both honorary chairmen, but that the rank between us had not been established. So von Weizsäcker solved the problem, in his extraordinary diplomatic manner, by saying the rank should be established by the relative position of the two football clubs we favor—that is, Spielvereinigung Fürth and Hertha BSC Berlin. It was the only time in history, and in recent memory, that Spielvereinigung Fürth had a higher rank than Hertha BSC. So for one year, I outranked my admired friend Richard von Weizsäcker in the hierarchy of the American Academy.

But let me turn to the subject of this evening.

WOLFGANG SCHÄUBLE HAS HAD, in the last period of European and German history, the extraordinary task of dealing with evolutions that culminated in Europe but that have developed all over the world. When after the war Germany achieved a degree of sovereignty, the German economy was catastrophic; the German international position was one of isolation; and the participation of Germany in global affairs was unimaginable. In that period, Germany transformed itself—first in the *Wirtschaftswunder*, and then into an equal participant in NATO, then into a participant in various economic institutions which grew out of these efforts, and then into a global power.

In that process, the international economic system became global. The dilemma was that the political system was based on the nation-state. The economic

model strove for competitive advantage and, in so doing, to overcome national frontiers. In the political world, those who felt disadvantaged tried to use their political system by advocating solutions that obstructed or reversed the operation of the global system.

Europe found itself, as an institution, suspended between its past and its future. Its institutions are based on the European idea; the political divisions are dominated by domestic considerations. Within many nations, the national, potentially populist, element is gaining ground. The international system has to deal with the fact that what we call the rules-based system is really a European idea that developed in the aftermath of the Westphalian

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Peace of 300 years ago, and which was spread around the world by colonialism. It was not, however, accepted in the same sense in many of the nations and regions that are practicing it. As a result, one sees around the world several different phenomena occurring simultaneously: consolidation, as in Asia; attempted adaptation, as in Europe; disintegration, as in the Middle East; and a groping for some form, as in other regions of the world. All are linked by instantaneous communication systems. Every region's actions can affect global conditions, but in a way that cannot be symmetrically calculated within each region.

This is the fundamental challenge of the international system of our time. Within these systems, the challenge to Germany has been unique—from becoming an object of relief measures in the beginning, it is

now in the position, within Europe at least, of being the strongest economic country. It is obliged to deal with the fundamental issue of the modern economy—which is to what degree one should emphasize consumption, and to what degree one should respect the claims of the future. One cannot do both simul-

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taneously to the fullest extent. In that respect, Wolfgang Schäuble has been in an extraordinarily leading position: he defends the claims of the future by insisting on a systematic approach in the present. This is not always compatible with the short-term necessities of the political system.

Wolfgang Schäuble has been one of the leaders who give us hope and the means to find a way through

these perplexities. As Finance Minister of the economically strongest European country, he is obliged to deal daily with the manifestations of instabilities. But he also has a responsibility for transforming these instabilities into creative acts. Having grown up in wartime Germany and its chaotic aftermath, he has experienced the need for stability. But he has also had to participate in efforts for international responsibility. As a national leader for three decades, he has contributed his wisdom, perspective, and decisiveness to his country, to his continent, and the world. He has done that with a personal warmth which his reserved nature can never fully obscure, despite his efforts to do so. And so he has achieved the extraordinary position, that by trying to bring about a limitation of political preferences, he has been able to recall Europe and its other friendships to this.

For me, no visit to Germany is complete without a conversation with Wolfgang Schäuble adding to my perspective.

I particularly want to stress Wolfgang Schäuble's commitment to the Atlantic partnership, which is one of the reasons for the creation of this prize. He has been steadfast in overcoming the inevitable disputes

between entities that are themselves in a process of transition—and to act as a kind of conscience to all of us in these efforts.

For me, no visit to Germany is complete without a conversation with Wolfgang Schäuble adding to my perspective. We are all grateful for his role in merging the national with the European imperatives, and European temptations with Atlantic perspectives. It is therefore a great honor to be present at this ceremony for a prize that links my name with Wolfgang Schäuble's.

Thank you very much.

LAUDATION BY LAWRENCE H. SUMMERS

US Secretary of the Treasury, 1999–2001



It is a daunting honor to be here tonight. As Henry Kissinger became National Security Advisor, I entered ninth grade, and as Wolfgang Schäuble entered the Bundestag, I entered college.

Henry, you are the greatest example our era has seen of how an engaged thinker can make the world a better place. There are few who are half your age who can match your curiosity, your wit, or your energy. You inspire us all.

A prize named in your honor presented annually at the American Academy in Berlin is an important tradition, for it reaffirms that if the history of the last seventy years has been profoundly more benign than that of the preceding fifty, the reason has much to do with the mutual trust and reliance that has characterized the relationship between the United States and Germany.

As I prepared my remarks, I felt a real pang that I could not reach out to my good friend Richard Holbrooke, who did so much to create this wonderful institution.

Most of all, I am honored to be part of celebrating Wolfgang Schäuble, a man whose efforts over so long

a period, whose enduring values, and whose character are an inspiration to us all.

We are days past the seventieth anniversary of the announcement of the Marshall Plan. Henry describes in his latest book President Truman describing it to him as the American act of which he was most proud. Rightly so. But as has been painfully demonstrated by the many failed Marshall plans of the last half century, the success of aid depends much more on the determination and commitment of the recipient than it does on the generosity of the donor. What Germany has accomplished and what it has become over seventy years is one of history's most positive stories. And it is embedded in the remarkable success of the transatlantic community.

IF TODAY WE ARE AT A MOMENT OF FLUX and uncertainty in relations between the United States and Germany, in charting Europe's course, and in the future of the transatlantic alliance, it behooves us to remember—as Wolfgang surely does—that the past has not been a steady march from darkness into light. The tenth anniversary of the Marshall Plan came in the wake of Suez; the twentieth with students in the streets over Vietnam and Russian tanks in Prague; the sixtieth with sharp divisions over Iraq, to take just a few examples.

Even in the face of challenges in my own country that I do not welcome, I am optimistic that with the kind of indomitable spirit that Wolfgang brings to everything he does, that the challenges of this moment will be met. Indeed, the political situation in continental Europe today has more seeds of hope than seemed plausible just a few months ago. And in the kind of adversity represented by new gulfs between continental Europe and the English-speaking world lies an opportunity for European renewal. As Wolfgang has said, "Crises can foster change. Things can happen very fast in time of crisis. That is why I am not so pessimistic regarding crises."

Several weeks ago, two of President Trump's most thoughtful advisors proclaimed, "The world is not a global community but an arena where nations, nongovernmental actors, and businesses engage and compete for advantage." Wolfgang Schäuble is not dewy eyed, overly sentimental, or soft. And yet I do not believe he ever could have written such a sentence. Indeed, his life's work is a testament to the power and efficacy of fostering community.

Wolfgang Schäuble played a key role in the unification of Germany. He, like Chancellor Kohl, understood how important generous support for the East

was in creating a new and strong and united state—that sometimes monetary mechanics have to be subordinate to political purpose. I cannot think of a decisive speech in the US Congress, yet I am told by German friends that but for Wolfgang's speech in the Bundestag, this gathering would not be taking place in Berlin.

Wolfgang may be the last of the dwindling band of committed Europeanists who hold power today and held power when the Berlin Wall fell, a generation ago. No one in office today has understood longer, or better, the importance of the partnership between Germany and France. Yes, he has strong views on what might be called a national responsibility to be responsible as a precondition for the success of European Union. But he has always stood for deeper and stronger union. He was right when he wrote, some time ago, "European union is the best political idea of the twentieth century." He has been a key driver of the convergence in rules and policies that has been central to monetary union. And he has been willing to recognize at the moments of maximum danger that a common central bank has to be able to do what is necessary to maintain financial and economic stability.

Wolfgang has also recognized—at moments when it has not been easy—Germany's obligations to the global community. There has been no stronger German advocate for meeting the obligations of history towards Jewish populations, no one more open to Islamic refugees, no one more committed, even before the events of the last months, to strengthening Europe's capacity for common defense. Indeed, I am told that, as Finance Minister, he has never rejected a request for spending on refugees or common defense.

WOLFGANG, IN EULOGIZING CHANCELLOR KOHL, remarked on how, when, in the harried fall of 1989, it fell to President Bush to respond quickly to a German reunification plan, the President did not wait for his machinery to ponder the details but said simply: "We trust the Chancellor." I recall being told a similar story about de Gaulle's response to an emissary sent with photographic evidence during the Cuban Missile Crisis.

History may be shaped by tectonic forces beyond the control of any political figure. But at key junctures, personality matters, and trust between persons matters. I have known many who disagree with Wolfgang Schäuble, sometimes on fundamental matters. I have never known anyone who has found him anything other than utterly straightforward.

He possesses a remarkable combination of determined adherence to principle with openness to all perspectives. It's no secret, as I'll discuss in a few minutes, that Wolfgang and I do not see eye-to-eye on the importance of Keynes' insights on demand-management policy for current European dilemmas. But he has always been open to friendly discussion and, indeed, was first to invite a range of outside experts for protracted dialogue with the G7 group when he was its host.

I find myself in full agreement with Wolfgang on matters of politics and matters of international relations, and am an enormous admirer of his character. But I would be disingenuous if I did not make note of our differences on matters of economics. These differences are not as large as many suppose and are hardly personal; they are instead rooted in the differences between German and Anglo-American economic traditions.

Contrary to some caricatures of American economists, I am under no illusion that the dials of fiscal and monetary policy, no matter how brilliantly fiddled, can produce enduring full employment with prosperity. Competiveness and economic success for any nation depend ultimately on the skills of its workers, the ingenuity and efficiency of its companies, and the quality of its institutions. Here the world has much to learn from modern Germany, especially its success in helping all young people make the all-important transition from school to work. When Germans attribute their success to deep and difficult reform, I believe they are correct. When Shakespeare said, "Fault lies not in our stars, but in ourselves," he could have been speaking of nations with struggling economies. Foreigners who suggest that Germany is in some sense exploiting the global system for its own benefit, to the detriment of others, are more wrong than right.

At the same time, there is a reason why, in the long history of nations, common money across several nations, in the manner of European Monetary Union, is almost without precedent. Its management requires enormous statesmanship and skill. In cushioning inevitable shocks, neither the federal responses characteristic of the United States nor the option of currency adjustment is present. The challenge is that, on the one hand, convergence is a necessary condition for success: that when all can draw on a common pool of credibility, discipline is essential, if that pool is not to be dissipated.

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On the other hand, it is essential to recognize that individual virtue, multiplied many times over, need not always translate into collective success. One who stands up at a football game sees better. If all stand, no one sees better. In the same way, selling requires buying. Not every nation can enjoy export-led growth, and communal prosperity requires mutual adjustment.

Successfully striking this balance is the challenge of European financial diplomacy. So far, things have worked out, with German leadership, a flexible and pragmatic European Central Bank willing to do whatever it takes to preserve monetary union, and much negotiation. We can be grateful for the progress that has been made and for the recent encouraging economic statistics, even as we recognize that there is much left to do.

SOME WOULD SEE IT AS AN IRONY of Wolfgang's career that a man of such steadfast principle has been a politician of such extraordinary staying power. I suppose so. But virtue is sometimes rewarded. For his public service, Wolfgang has suffered more than almost anyone. And yet he persevered with purpose and determination, but without bitterness or anger. For him, it's always about the issue, not the self. The real irony is that the most apolitical of politicians has been the most enduring.

Wolfgang has said, "I've been a politician long enough to know that every year will find us living in a situation that one couldn't have imagined a year previously. Sometimes it's better than we imagined, sometimes it's not as good."

We could not have imagined a year ago where we are today. And we cannot know the future. Events are contingent, tactics and strategies are subject to amendment, yet values are enduring. I believe, with Wolfgang, that community is an enduring value in international affairs. I expect that, with steps forward and backward, *that* will be the enduring view on both sides of the Atlantic. Surely though, this is Europe's hour.

If Wolfgang's values, as manifest in a very long career, can guide all of us forward, there will be much to celebrate at the eightieth anniversary and the hundredth anniversary of the Marshall Plan.

I am honored to be here tonight at the American Academy in Berlin to congratulate Wolfgang Schäuble on the Henry A. Kissinger Prize.



Gahl Hodges Burt



Lawrence H. Summers, Wolfgang Schäuble, Henry A. Kissinger, and Martin Indyk

CITATION FOR MINISTER OF FINANCE WOLFGANG SCHÄUBLE

as read by Chairman of the American Academy Board of Trustees, Gahl Hodges Burt

Ladies and Gentlemen,

The Henry A. Kissinger Prize is awarded annually to a renowned figure in the field of international diplomacy.

Tonight, the American Academy in Berlin honors Minister Wolfgang Schäuble for his outstanding achievements through nearly five decades of public service. His contributions to contemporary German politics have guided the nation through unification, advanced the European idea, and vigorously promoted the European-American partnership. His principled leadership in the German federal government and parliament has earned him esteem across party lines. And his intellectual rigor and moral integrity have helped to define the contours of the German character on the world stage.

As Minister of the Interior in 1990, Minister Schäuble was the chief negotiator and signatory of the treaty uniting East and West Germany. Since the Single European Act, in 1986, he has accompanied all major steps of European integration—and has continued to do so throughout the European debt crisis. Long committed to advancing Euro-

pean stability and growth, he was undeterred by critics of his economic reforms, which have, in the end, spurred increased economic activity in the Eurozone and further solidified European unity.

As a committed transatlanticist, Minister Schäuble has consistently urged partners to pursue sustainable solutions to global challenges, from immigration and data protection to financial regulation and international security. Throughout, he has personified the spirit of the indefatigable statesman whose dedication to the promotion of human dignity, belief in the rule of law, and elevation of public debate has exemplified the values of the liberal democratic tradition. In so doing, he has become one of the transatlantic community's most indispensable figures.

For these reasons, Minister Schäuble, on behalf of the Board of Trustees of the American Academy in Berlin, it is with great pleasure that we present to you the 2017 Henry A. Kissinger Prize.

Congratulations.

REMARKS BY

WOLFGANG SCHÄUBLE Minister of Finance of the Federal Republic of Germany

Ladies and Gentlemen,
Thank you very much.

I have to say it's really a very emotional event for me this evening, with all that has been said in these wonderful speeches. And, of course, to receive this prize, which is named after a man who I like to call "Sir Henry Kissinger," is really an unbelievable honor for me.

And listening to the wonderful speech that you gave, Larry Summers, has also been very touching. By the way, since you mentioned my age: I have carefully studied all the important personalities who have received this prize, and I am happy to say, I'm the youngest man.

As regards Larry Summers and myself: he's a famous economist, and I am famously not an economist. With all our mutual respect, we have not always been of the same opinion. That not only makes it interesting to discuss with him, it also means that I can always learn. That's the reason I enjoy listening to him, because if I only listened to my own opinion, I would not get any new ideas. If I listen to other people, it's much better. And Larry, you have wonderfully described the difficulties resulting from the different ways of thinking between traditional Anglo-Saxon economists and traditional European, especially German, economists. I have often said that it's a pity that there is no good English translation for the German word *Ordnungspolitik*.

AS IT STANDS, WE NOW HAVE this difficult construction we know as monetary union in the European Union. In the late 1980s, before the Berlin Wall came down, by the way, it was Jacques Delors who was the first one to take the initiative here. And, of course, there was discussion on whether it would be wise to build a monetary union without a political union.

Because all the economists protested and said it will not work. They said that monetary union without a

common fiscal and economic policy would not be sustainable. But this is the only way in which European integration has moved forward from the very beginning.

We really started in the early 1950s with political union, with the so-called Common Defence Union. It failed because it was too early for our French friends and neighbors, nine years after World War II, to agree to a common military force with Germany. That was impossible, and therefore, it failed.

And then we said, "OK, we will try to integrate Europe in a way that makes some integration pos-



sible." Some countries backed the idea then, but we needed others. I knew that they would follow later—in times of crisis. I am most convinced that Europe moves forward in times of crisis, so I am not threatened by crisis. Crises are opportunities, and we will move on in them.

When we started with monetary union we just said, "OK, let's try it." In some ways, we were successful, but now we have also seen it can be difficult. And there are still questions that are not answered. I hope we will have a new window of opportunity after the French elections, as well as a new spirit and a wind of change.

And we always have to keep in mind what is slightly forgotten in the western part of Europe. That we have not only to overcome some differences between the southern part of Europe and the northern part of Europe. We must not forget that there has been an eastern part and a western part as well.

I said two or three days ago, in a meeting of the European finance ministers, that it's not acceptable to ignore that one of the biggest successes of European integration is the unification of Europe as a whole. We overcame not only Germany's division, but the division of Europe, too. Therefore, we should avoid moving backwards. Integration is even more complex than we originally thought, but I think we will continue to move forward with new opportunities, along with the new challenges.

I will not discuss in broad terms the problems of European integration, but I can tell you, Larry, that I'm thankful for your different opinions. And I hope we will continue to discuss and to learn and to pave a common path. You said that the readiness of the recipients was even more decisive to the success of the Marshall Plan than the generosity of the donors. That reminds me of the reason why, under the German presidency of the G20, we have put a Compact with Africa on the agenda.

We will fail with yet another series of aid programs for Africa if we cannot deliver the preconditions for private investments in Africa. We have developed this Compact with Africa to help African countries create preconditions, so that investments count and there will be a return on these investments.

There are some similarities here with the European assistance programs. I knew in advance that these would not be popular. And I knew it in advance because I know politics very well. Any government can say, "Oh, we have to do something that is not liked by our population because we are being made to do it by someone else." Some might say that that someone else is, say, Brussels, but Brussels is too abstract. So they take the German government. But since our Federal Chancellor is so nice, they blame the Finance Minister. That is quite easy to do, but it doesn't address the real problem. So it's really true that the readiness of the recipient is the precondition for success.

In Germany, I always push for generosity, because generosity and European solidarity is in the best inter-

est of Germany and Germany's future. We are generous also because our future depends on the success of Europe. Otherwise, we will have no future.

Some months ago, Fritz Stern passed away. He said that Germany could not have been offered a second chance after World War II without European integration and without transatlantic partnership. That was the way back for Germany after the disaster of World War II and all of the terrible things that happened in the first half of the century. These were the factors that paved the way for us to be so successful.

I will never forget that and will remain a very convinced supporter of the transatlantic alliance.

I am most convinced that Europe moves forward in times of crisis, so I am not threatened by crisis. Crises are opportunities, and we will move on in them.

WITH ALL DUE RESPECT TO the problems we currently have, the United States remains an indispensable nation. Without a strong United States, we're in an impossible situation. Of course, Europe has to take on much more respon-

sibility, and this is not new. I remember—and I am a young man, so my memory only stretches back to not long before John F. Kennedy—even Kennedy asked for a fairer distribution of burdens in the transatlantic alliance. It's not really new, and it's right. We have to take on more burdens, and we will move step-by-step in this direction.

I think it's really important that we know our responsibilities in Germany and in Europe. Not only for our own future, but because the stability of a globalized world is a precondition for the success of any nation state and any continent. Therefore, we should continue, even in difficult times, to stand together, to know we have these common values. Who else stands for human rights, the rule of law, separation of powers, representative democracy, social stability, and environmental sustainability? The West is inconceivable without these values and principles. These values connect us together, of this I am sure. If you look all around the world, why are dictators so nervous when they are confronted with some wind of change? Because they know that Western values enjoy high attractiveness all over the world. Therefore, we need to stick to our values a little bit more. The more we are convincing, the more I am convinced that we will overcome problems and difficulties, and will find a good way to make this global world stable.

But I have to underline that it is only by taking a multilateral approach that we have any chance of solving the major problems in the world. And there are many. For example, digitalization. This disruption in technologies changes our economies, our societies, our political systems, our communications, as does globalization, which is closely linked to this. This is an ongoing challenge for all of us, and no one in the years and decades to come will live in a stable world if we fail to stabilize these and other problems.

To name another challenge: climate change. With all due respect, I think it's not wrong to assert that climate change is happening. There is growing competition between powers and regions, as well as crises across the Arab world. There are also the problems of energy security, the proliferation of weapons of mass destruction, international terrorism. It's not surprising that other societies, countries, and regions use weapons in which they are much more successful than the highly civilized societies in Europe and in North America.

The Islamist war against Western modernity, by the way, was one of the reasons why I created the German-Islam conference when I was Minister of the Interior. Because, I think, even with all of the problems we have, that we must not give up on paving ways for Muslims and the Muslim religion to fit into the modern world and modern democracy and societies. Otherwise we will suffer terrible years to come. And the refugee flows two years ago have reminded us—and it should remind all of us all over the world—that we have to care about poverty and genocide in parts of Africa. Because Africa will not only be a problem for Europe if we fail to stabilize Africa in the years and decades to come.

All together we have to work to improve our cooperation. We have to rely on mutual trust. I think that, even though there are some difficulties at the moment, we should not give up. All of us in Germany and Europe know that we need trustful and trusted relations with the United States. I was born in 1942, and my memory started when we were already protected by our European allies and, of course, first and foremost by the Americans. We will continue to be ready to work together to build a stronger Europe so that the US has a better partner. And then, in this global world,

we can make the world stable through good cooperation between both of us.

And I think the United States should not take too skeptical a view of its role as the guardian of the global order. We have already seen this in recent years. Of course, it's OK to call for action from the Europeans, including Germany. But we have to do it together, and we know that without the stabilizing role of America and American order in some regard, it will be difficult

to make the years to come better.

And I doubt whether the United States truly believes that the world order would be equally sound if China or Russia were to fill the gaps left by the US, and if China and Russia were simply given a free hand to dominate the spheres of

influence that they have defined for themselves. That would be the end of our liberal world order, and I am convinced that this order is still the best of all possible worlds for ethical, for political, and for economic reasons. And we want this order to keep moving forward, or at least not see it weakened.

After all, it is surely in the United States' own interests to ensure security and economic stability in its markets, both in Europe and around the world. And this is the basic precondition if the US wants to increase its exports and cut its trade deficit. Looking out for good deals for one's own country is completely legitimate. However, experience shows that the best deal for one's own country is ultimately the deal that also benefits other parties. There is no zero-sum game. A good deal is a mutually beneficial deal or it's not a good deal.

IN 1946, US SECRETARY OF STATE James F. Byrnes gave his famous "Speech of Hope" in Stuttgart. I was living in my hometown nearby, a small city in the Black Forest, but I was just three years old, so I didn't really listen, I didn't understand English. But I read it later on, and in this speech James Byrnes said, "We have learned, whether we like it or not, that we live in one world, from which world we cannot isolate ourselves."

Thank you very much for all you have done and for this wonderful honor.

It is only by taking a multilateral approach that we have any chance of solving the major problems in the world.

Experience shows that the best deal for one's own country is ultimately the deal that also benefits other parties.



*With appreciation and gratitude to
BLOOMBERG PHILANTHROPIES, ROBERT BOSCH GMBH,
CEBERUS DEUTSCHLAND BETEILIGUNGSBERATUNG GMBH, and BMW GROUP
for their generous support of the 2017 Henry A. Kissinger Prize.*

Imprint

© 9/2017 The American Academy in Berlin
Editor: R. Jay Magill
Photography: Annette Hornischer
Design: Carolyn Steinbeck · Gestaltung

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