

so "passive" in the Mideast by saying: "You are right. Up to now we have been a little 'passive. But this will change. We are working on a 3 point Mideast peace and development package which the Prime Minister will take with him to the Arab nations when he visits later this

year. I am not at liberty to say what the points are, but let me say this. We will place as much emphasis on relations with the Middle East nations as we now do toward the ASEAN (Association of Southeast Asian Nations) group."

Schmidt: I Have A Few Questions For Brzezinski

The following are excerpts of West German Chancellor Helmut Schmidt's statements on CBS-TV's "Face the Nation" May 28. Schmidt was questioned by Richard C. Hottelet and George Herman of CBS and Henry Trehwitt of the Baltimore Sun.

Herman: Chancellor Schmidt, you said in a recent interview in Newsweek Magazine, let me say again that leadership from the United States — financial, commercial, monetary and political — is sorely needed. How do you evaluate the state of American leadership of the Western Alliance at this time?

Chancellor Schmidt: I could've said this already four years ago, after the outbreak of the oil crisis, and in fact, I have said it four years ago, and I have been saying it all the time. And if you look back onto those four years, back until '73, roughly speaking, taking all into account, there has been quite a bit of leadership in the West all along, but as regards the economic field especially — balances of payments, exchange rates, credit policies, monetary policies — a little additional leadership wouldn't be bad. This does not apply to the present-day administration only, but also to the two previous ones....

Hottelet: Mr. Chancellor, in your speech in the General Assembly on disarmament, you also underscored the need for balance, and balance is indeed, in principle, accepted everywhere. The Russians speak of parity now and —

Chancellor Schmidt: Rather recently only.

Hottelet: Rather recently — and you speak of parity. But there was a striking discrepancy in the disarmament debate this past week, where Vice President Mondale said that the Soviet buildup of military conventional and nuclear forces in Europe was an escalation of what he called the Soviet nuclear threat, and he spoke of a three-to-one superiority in tanks of the Warsaw Pact against NATO. . . . a day or two later, Mr. Gromyko said that a parity exists, that the Soviet Union had not built up its forces in Europe for a long while, and that, in a word, it was NATO's fault if there was any problem. Now one has here an acceptance of the principle of balance, and yet it seems that people mean opposite things when they use the same word. How are you going to get around that?

Chancellor Schmidt: Well, first of all, let me stress that everything the West does . . . the targets of western negotiators ought to be balance. This is one thing. I think it's progress. It's a step forward that also the other side is now using the term balance. It has to be found out what

really means balance, for instance, in the field of tanks or in the field of medium range ballistic missiles.

Hottelet: But doesn't it mean one to one? Doesn't . . .

Chancellor Schmidt: It doesn't necessarily mean one to one. It could mean 1.5 to one in this field and 0.8 against one in that field, but it ought to be an overall balance, of course. One must say that the Soviets have maintained military forces always to a higher degree than, by my judgment, has been necessary for their self-defenses. This was true over all the three and a half decades since the war. On the other hand, although I am strongly criticizing that, I would, among ourselves, admit that they have some experiences, going back to 1941-1943 when in numbers they were superior and nevertheless came into great danger. . . .

Hottelet: You were the last man to see Mr. Brezhnev, who just completed a visit to the Federal Republic. What was your impression of his mood, and from what he said, of the prospects for a sensible and balanced resolution of this limitation of strategic arms?

Chancellor Schmidt: I understand this question of being directed at the personality of Brezhnev mostly, and as regards him, I have no doubt. He's not a young man; he is nearing the end of his political career, given his age. I have no doubt that he wants deeply to save his country and his nation from the dangers of a future war. I think he personally, really, has a great feeling for the necessity of peace. This does, of course, not exclude that, like any other government, especially so the Soviets, try to seek advantages in negotiations....

Trehwitt: ...I'm concerned that the (Atlantic) alliance is drifting a bit in an area where no one seems quite to know what to do, and I will ask you, how important do you think a resolution of the Greek-Turkish problem is, what we frequently refer to as the southern flank of NATO?

Chancellor Schmidt: Let me answer that one in a two-fold way. Number one, headlines about the so-called crisis of NATO, we have seen for 25 years now. It's in a way the habit of the western media to describe NATO as to be in the middle of a mess or a crisis —

Herman: Only the media? (laughter)

Chancellor Schmidt: Well, sometimes also political speakers — you need not take this too serious, number one. Second part of the answer — having said this, I think that the situation in the Mediterranean is not a healthy

one and ought to be corrected, and let me be very frank here. I think that the President of the United States, in this regard, is much wiser than Congress —

Trewhitt: You mean his effort to raise the arms embargo against Turkey?

Chancellor Schmidt: Yes, exactly.

Hottelet: Do you feel that congressional restraints on the powers of the President inhibit the efficiency with which the United States meets international problems?

Chancellor Schmidt: Let me confine myself to the Cyprus question, to the questions in the Aegean Sea and to the stress between our two allies, Turkey and Greece. My country and my people have been friends to the Greeks and to the Turks for long, long stretches in history, and we want to maintain that, and we are worried by these troubles between our two friends and we want to be helpful. We have maintained military deliveries as well to Greece, as well as to Turkey, all the time, and so far, quite different from what Congress decided in Washington, and I think it's just asking a little bit too much of the Turks if you deny them what they think — and I think they suffer — they have some legitimacy to think that way, what they think is their legitimate claim inside a military alliance. I think it's hurting their pride; it's even hurting their ability to defend that area of NATO.

Herman:...President Carter's representative, Mr. Brzezinski, has been in China, and is reported to have

made some remarks about China and the United States having a common interest in offsetting the power of the Soviet Union. Is that one of the kinds of balance that you would like to see the western world build up?

Chancellor Schmidt: I think that, basically speaking, it was right that in the last couple of years the United States, mainly on their own initiative, did away with that sure enmity between the USA and the People's Republic of China. I think this was a progress towards normalcy. In looking at the scene from a German point of view — and I mean the geographical position of my country, being nearest to the Soviet Union — not to their nuclear weaponry only, but also to their soldiers on — on German soil, right at our border. I don't really believe that, for my country, it would be the great design to try to play Chinese relations against detente in Europe and detente between West and East in the center of Europe....

Herman: But looking at it from the other point of view, do you think that the statements of this kind by an American representative in Peking are damaging to detente, or are they neutral, or are they helpful?

Chancellor Schmidt: Well, I — I'll have to find out. I will have a chance to ask Zbig Brzezinski a couple of questions. I'm really — neugierig —

Hottelet: Curious.

Chancellor Schmidt: —curious about — about his findings, yes.

Mexico-USSR Communiqué Has 'Multilateral' Impact

Mexican President José Portillo returned to his country May 29 from his two-week trip to the Soviet Union and Bulgaria, to a strong showing of support from 100,000 workers, peasants, members of professional organizations and representatives of several parties. The demonstrators gathered in Mexico City to welcome him back in support of his initiatives for closer cooperation with the East bloc based on economic development and a push for detente.

As Mexican, Soviet, and Bulgarian leaders and press noted, the significance of Lopez Portillo's tour will have worldwide "multilateral effects" that go beyond bilateral relations. (See *Executive Intelligence Review*, Vol. V, No. 21, for extensive coverage of the first week of the trip) Of special importance is the three countries' proposal, ratified in two joint communiqués, to transfer armaments spending to a Third World development fund.

Special emphasis is being put on the Soviet Union's endorsement of the Latin American non-proliferation pact, the Tlaltelolco Treaty, signed by Soviet President Leonid Brezhnev at the request of President Lopez Portillo.

In one of the most important developments from the Moscow discussions, President Brezhnev has accepted

an invitation to visit Mexico, an event which will mark the first visit of a high-ranking Soviet leader to a Latin American country other than Cuba. Bulgaria's President of the State Council, Todor Zhivkov, also accepted an invitation to visit Mexico.

While President Lopez Portillo was out of the country, Henry Kissinger attended an international bankers meeting in Mexico City, a base of operations from which he tried to instigate anticommunist hysteria against Lopez Portillo's trip. Kissinger reportedly went so far as to demand that all international aid be "tied" to political conditions, in the course of tirades against alleged Soviet intervention into Africa.

An editorial May 24 in the daily *El Sol* commented that, "at a time when the Mexican President is making a good will trip to the Soviet Union, the thesis sustained by Kissinger appears, to say the least, out of place.... (This is) open interference in the internal affairs of other countries. What Kissinger proposes is blackmail... completely outside the pale of the general interest of humanity, which does not look for new areas of friction, but rather desires to reduce those which already exist."

A press release from the Soviet press agency Novosti published in the Mexican press May 26, implicitly noted Kissinger's efforts by stating that the Mexican