



**Amerika Woche - Forum on Transatlantic Relations in
Economics and Politics**
IHK Stuttgart, June 30, 2003

Start

(As transcribed.)

First of all, let me thank Dr. Baumann and IHK for sponsoring this America Week. It's my understanding that this originated with an individual from our Frankfurt Consulate which service the area of Baden-Württemberg as well as Hessen and Rheinland-Pfalz -- Gabi Pohlenz-Daniel. Many of you here know Gabi. She serves ably in the Stuttgart and Baden-Württemberg area from our Consulate in Germany and as a foreign national has been with us for some time and whose original idea I think has come to real fruition through this effort here. Our new Consul General from Frankfurt who many of you have gotten to know and will know and perhaps you will remember his father who 20 years ago served as Consul General in Frankfurt is also here -- Peter Bodde.

I would like to acknowledge General Walt (?) who is Deputy Commander for European Command located here in Stuttgart. Many of you obviously have gotten to know him. Also we work closely together on a number of issues related to the military and also political issues. I am pleased that he's taking the time to join us. I'm also always happy to have my wife Marsha Coats with me.

Now the most frequent question I am asked is "What is the current state of U.S.-German relations?" And I am always tempted to respond by saying "Which relations are you talking about?" Are you talking about business to business relations, military to military relations, intelligence community to intelligence community, law enforcement to law enforcement, on and on it goes, personal relationships, etc. No, no, no, we want to know about the relationship between your President and our Chancellor. Will they call each other? Did they smile at the last meeting? Will George Bush shake Gerhard Schröder's hand in Evian?

And in one sense that misses the point because while there is no question that we went through a difficult period of time relative to the United Nations resolution question and the Iraq issue, and while that certainly had consequences and had an effect at the political level, in many ways Germans and Americans representing various business institutions, associations, universities, our military, intelligence people and so forth made an extra effort to maintain a working and close relationship knowing how important the relationship between our country and Germany is. And so while these disagreements occur at the presidential and top levels and while we should not discount them because they do have consequences. And Neil Bodez's (?) example and Minister Döring's excellent introduction to the issue that we are going to be talking about today are laying the foundation for that and taking a lot of the points that I was going to make but I now don't have to repeat them because you so well stated them. All point to the fact that yes, there is a relationship but in that between the political and the economic.

But what I would like to just briefly suggest this evening is that -- and that political relationship is improving as you have noticed in recent weeks -- but what I would like to suggest is that a larger issue and a larger topic is what contributions are the United States and Germany making to world economic growth and what is the picture on a global level, of the global economy that we now find ourselves in whether we want to be there or not. What are the prospects for nurturing and providing greater growth than what we've seen in the last two or three years. Now as the number one and number three economies in the world, a great deal of responsibility falls to the United States and to Germany to produce

the kind of dynamic economic performance that produces the revenues and produces the kind of trade and economic interaction on a global basis. That is not only important to our respective countries, not only to our respective continents, Europe and North America, but also to the world.

The problems that we face in the 21st century, infectious disease, problems of absorbing globalization, the conflicts that arise in different regional areas of the world, worldwide terrorism, the proliferation of weapons of mass destruction, sustainable development, environmental protection and on and on I could go. Those problems cannot be adequately addressed without economic growth. If there isn't dynamic economic growth we will not raise the revenues, we will not have the resources to begin to address those variety of problems that we all face and those problems will have a dramatic effect on our economies.

Just look at what the short-term effect of the SARS problem was and it thankfully was relatively quickly contained although some predict it may come back even with greater emphasis next year during the flu season. Look at the economic shock of 9/11. The shock that it sent through the world economy. And if you looked at 9/11 in combination with the use of a weapon of mass destruction, chemical, biological or nuclear, it could have economic consequences that we can hardly comprehend on a worldwide basis. So there is a great and significant inner relationship between the political and the economic. So, I would suggest that as you go through the week, we not just focus on "did the President call the Chancellor?" Or "will they meet at the next meeting somewhere?" but also look at these broader questions and these broader issues.

How can we stimulate our respective economies to begin producing in a manner in which we can contribute to sustainable development and generate the resources to help this world economy? How can we address the questions of the world trade conference, the next round, Doha round, coming up in terms of addressing the lowering of tariffs and trade barriers so that not only we can foster more trade between our respective countries but also assist those developing countries that are currently blocked from the few things that they can export, by very high tariffs or high restriction. How can we address a whole range of economic issues worldwide in a cooperative effort, working together, looking forward to the problems that we have to address? I hope that can become part of our discussion tonight.

We look forward to your comments and suggestions also and I also want to wish you the greatest of success and thank you for participating in such numbers in the kick-off here of America Week in Stuttgart. Stuttgart, Baden-Württemberg has become such an important friend and important entity in the German-American relationship and so it is a great pleasure here to be able to represent America in this very important city, in this very important state.

Thank you very much.