

Nation

An Interview with President Reagan

Reflections on summitry and the Soviet challenge



A long day of combat over the budget was behind him, and Ronald Reagan was heading for his retreat, Rancho del Cielo, near Santa Barbara, Calif., to mix the woodsy labor he loves with cramming for his forthcoming summit meetings in Western Europe. Before he left Washington, the President discussed his trip with TIME White House Correspondent Laurence I. Barrett and Senior Correspondent John F. Stacks. The President's voice was raspy—the result, he said, of a malfunctioning fireplace that had filled his den with smoke the night before—but he seemed relaxed as he talked about foreign policy. Highlights of the interview:

Q. This double summit is certainly your biggest and most important foreign journey so far. Besides the general good-will aspects of it, what problems with the Western alliance, in your view, most need attention?

A. We have had some ups and downs in the relationship in NATO in the past, and when I say the past, I mean before our Administration was here. I think there is now a far better relationship than we have had for some time, and this visit will give us an opportunity to further cement that.

I think all of us have economic and trade problems that we need to talk about, because we can't separate ourselves out from the others and think that our problems and our economic situation don't have something to do with theirs. If there are any things that need clarification with regard to our relationship as allies, when we get to the Bonn meeting we will take those up. I think the very fact of our proposals recently for arms-reduction talks means that we need to see each other face to face so they can feel comfortable with any problems they may have about our intentions.

Q. How have things changed since your meetings with Western leaders at Ottawa last July?

A. We're all on a first-name basis now. We all know each other. There were several of us who were brand new [in office] then. I was meeting some of them for the first time. But now we have met, we have worked out issues we brought up there, as well as worked on things that we can further develop.

Q. William Clark, your National Security Adviser, in a speech the other day describing the Administration's approach to the Soviets, said that Moscow must be made to pay the price of its economic failures. Just how would that be done and to what extent would the U.S. depend on cooperation from the allies?

A. I think that what he really was talking about was the economic situation of the Soviet Union, which is very desperate to-

DAVID HUME KENNERLY



day. I don't see this as a confrontational problem. I see this as an opportunity once again to see if the Soviets cannot be persuaded to give more consideration to rejoining the family of nations. Obviously, their obsession with the military at the expense of their people's standard of living has not paid off for them, other than in having the greatest military buildup in world history. But we are offering an opportunity—by way of these arms-reduction talks—to indicate to them that there is another road, that there is a road of cooperation. But it is going to take deeds, not words, to convince us of their sincerity if they choose to take that road.

Q. It has been suggested that by pursuing certain policies we can influence the post-Brezhnev succession in the direction of some accommodation on Moscow's part. Is there a set of policies that could influence that?

A. I don't have anything specifically in mind right now, but I would think that that would have to be a consideration if they are, as we have speculated about, now in the situation of looking at the line of succession.

We are aware of their expansionism policy. We know that it goes with Marxism-Leninism. From the very beginning, every Soviet leader down the line, including the present one, has stressed the dream of a world socialist state. But coupled with that is the belief on the part of many people, and with some evidence maybe to support it, that the Soviets also have a kind of paranoia, a fear that they may be the target for aggression. I don't think that has ever been true. There isn't anyone in the Western world that has aggressive intent toward the Soviet Union, that thinks in terms of invasion or conquest or anything of that kind.

And maybe—this is what I mean by opportunity—maybe this could have some bearing on the succession if they could be convinced that our concern for their expansion is not only as great as whatever fear they may have, but is based more on reality than their fear. And if they would by some deeds show us that they were willing to give up the one, I think we could convince them that they have no reason to fear aggression against them.

Q. Many observers inferred from Clark's speech that you would like to tighten the screws on the Soviets, at least in the short term, on economic matters. Are you going to be discussing that with your counterparts at Versailles and Bonn?

A. This is very obviously one of the things we are going to talk about. The Western world went into the business of sanctions with Poland, and we still have the unsolved Afghanistan problem. We have been openly negotiating with our friends and allies with regard to limiting credit, and in the present Soviet economic situation, that should be very effective. It doesn't seem to make much sense that we should be subsidizing their continued military buildup with low-interest credit.

Q. Are you satisfied that the allies have given the U.S. sufficient support in this regard?

A. That is again one of the reasons for meeting, to talk about these things and to

appointment that there were few concessions on agricultural imports.

Technology. Partly to inject an upbeat and forward-looking note, Mitterrand plans to stress the importance of high-technology manufacturing as a way to help lift the West out of its stagnation. The French President feels that investment in advanced technology has been allowed to languish, and last week he said he would propose that industrial nations pool their research efforts. In preliminary discussions, American officials have insisted that the role of private industry in making such investments must be emphasized.

East-West Relations. The U.S. has backed off from attempts to scuttle the first phase of the European-financed Soviet pipeline that will pump natural gas from Siberia to Western Europe. But Washington is still putting strong pressure on its allies to tighten credit and end the preferential interest rates offered to Eastern bloc nations. The Soviets and their clients are now \$80 billion in debt to the West. Warned Secretary Regan last week: "We are trying to tell [the allies] that it is not in anyone's interest to be dependent on the Soviets. If a debtor runs up enough debt, he has the creditor where he wants him." Europeans will counter that the U.S. is in no position to lecture, since it was unwilling to sustain a grain trade embargo against the Soviets. Admits Regan: "We don't come with clean hands. True, the grain sales are cash and carry. But it is trade. How can we ask the allies to cut back on trade if we're not going to?"

The military and diplomatic aspects of East-West relations will be the subject when NATO leaders meet in Bonn three days later.* A few strains within the alliance were eased by Reagan's "zero option" proposal of last November to remove intermediate-range nuclear missiles from Europe, and by the resumption in Geneva of U.S.-Soviet negotiations on the reduction of nuclear forces in Europe. Some NATO members, West Germany in particular, expressed concern last year that the Administration was not fully committed to NATO's "double track" policy of linking the deployment of new Pershing II and cruise missiles in Western Europe with a genuine pursuit of arms control. The President's Eureka College proposal to begin START with the Soviets was also heartily welcomed by NATO. So will be Reagan's announcement this week that the U.S. has decided to continue honoring important parts of previous arms agreements—such as the expired SALT I and the unratified SALT II—as long as the U.S.S.R. does the same.

But basic differences remain within NATO on how best to deal with the Soviet

*In attendance will be government leaders from the U.S., Britain, Canada, West Germany, Belgium, Denmark, Italy, Iceland, Luxembourg, The Netherlands, Norway, Portugal, Greece, Turkey and Spain. Since France's formal withdrawal from NATO's military command in 1966, its President does not attend summit meetings. Mitterrand, however, will be at the opening dinner. Premier Pierre Mauroy will represent France at the summit.

Union. Reagan and Haig will stress the need for increased defense spending to counter the Soviet military threat. The West Germans will attempt to couple any such declaration with one that emphasizes the need to reduce East-West tensions. The final result may be a statement similar to one worked out last month by NATO foreign ministers at a meeting in Luxembourg: "The allies will persevere in their efforts to establish a more constructive East-West relationship aiming at genuine détente . . . Arms control and disarmament, together with deterrence and defense, are integral parts of alliance security and policy." This compromise, first proposed by Denmark, was pleasing to Bonn because it explicitly mentioned détente, while Washington could argue that the stress was on "genuine."

Although the U.S. would prefer what Haig calls a more "robust" affirmation of the need for a military buildup, any variation of this formula will satisfy Washington. The Administration had considered

the leaders of his host countries. His reception in all four capitals should be cordial. Prime Minister Margaret Thatcher will surely express her gratitude that Washington has come down firmly on Britain's side in the war with Argentina. Mitterrand will restate his support for NATO's plan to modernize its nuclear forces. His enthusiasm has pleased the Reagan Administration, which initially had been wary of the Socialist President. West German Chancellor Schmidt finds himself more sympathetic to the Reagan Administration now that it has suspended its efforts to block the Siberian natural gas pipeline and begun to pursue arms control negotiations. Italian President Pertini, whose country is constructing NATO's first cruise missile base, has no substantial problems to raise with Reagan and is eager to repay the warm welcome he received in Washington last March.

Homer said of Odysseus: "He saw the cities of many men and knew their manners." Reagan's pilgrimage to modern cit-



Presidential Aide Deaver touring Windsor Castle prior to Reagan's visit

calling on its allies to renew a collective pledge, first made in 1979, to increase defense spending by 3% per year. Haig, however, opposed such a numerical target because he believed it would be an unfair way to gauge the relative contributions of member nations, and over the past three years has led only to fruitless finger pointing. Washington dropped the idea. Besides, noted one high State Department official, "an attempt to reaffirm the 3% would have failed."

There will be virtually no debate on these issues at the Bonn summit, which is largely ceremonial. Each head of state will have about twelve minutes to present a speech before the four-hour meeting recesses. The final communiqué, which may be split into two sections to accommodate France's reluctance to agree to any military statement, is being worked out in advance.

In addition to the two summits, Reagan will hold bilateral discussions with

ies of other men will help him better understand European attitudes. "I have never found him closed to talking about any given question," Mitterrand said last week of Reagan. The allies hope that he will return home with a better appreciation of the need to frame economic and strategic policies with greater attention to their effects on America's Atlantic partners.

The summits should put the much discussed strains within the Western alliance in proper perspective. The grandiose displays of unity at Versailles and Bonn will remind all of the participants, as well as the rest of the world, that the allies still share a good deal of common ground. While the Soviets have found it necessary to quash dissent within the Warsaw Pact by brute force and intimidation, disputes within the Western alliance, however deep they may seem, are testaments to what is clearly a more genuine cohesion. —By *Walter Isaacson. Reported by Laurence I. Barrett/Washington and Lawrence Malkin/Paris, with European bureaus*

point out the long-term gains versus possible short-term hardships of our moving and working together.

Q. They will throw back at you the U.S. grain sales.

A. Yes, it is true we withdrew that sanction, imposed when they invaded Afghanistan, simply because it was having a worse effect on our own farmers than it was on the Soviet Union because there were so many other places where those grains were available. Now, I still would use agriculture as a weapon, but only as part of an overall sanction. To ask the farmers to bear the brunt of our national security problems, and no one else was asked to, doesn't seem to me very fair.

Q. You will get an earful about interest rates. Will you have an earful for them about whether the allies are really pulling their own weight in other areas?

A. Yes, I am kind of looking forward to that discussion. We have made some headway in making them realize that high interest rates were not a part of our economic program, that they were as disastrous for us as they say they are to them. I look forward to the opportunity once and for all to reveal to them that we are doing everything we can, particularly with what we have done with regard to inflation. No one can match that record.

Q. What can you tell us about Soviet President Leonid Brezhnev's written response to your latest proposals on strategic arms negotiations. Overall, was it encouraging?

A. Well, yes, he has agreed to the idea that we should get together on this. I cannot go into any details beyond that. There is no date set. But he has agreed that such talks would be desirable.

Q. When you get together with him, do you plan to bring up all the problems in U.S.-Soviet relations, or have you a more restricted agenda in mind, concentrating on arms reduction?

A. I would think that would be a time for putting on the table various things that have caused tensions between us. And to point out the wisdom of Demosthenes 2,000 years ago in the Athenian marketplace when he asked: "What sane man would let another man's words, rather than his deeds, prove who was at peace and who was at war with him?"

For the Soviet Union, it is time for some demonstration on their part that their utterances about peace are not just talk. You know, it is a little hard to accept someone iterating and reiterating, over and over again, that they are the peace seekers in the world while they sit there behind the greatest military buildup in all

history. We are saying: "Well, look, join us. We do not want an advantage over you. We want to bring the arms level down to where the whole world can breathe easier." Well, if they really mean peace, I would think that they would jump at that.

Let me just say that I think it would be good to sit down and eyeball each other, and say these things face to face. I do not think exchanging letters really gets at those problems.

Q. Do you feel that we can reach a START agreement with the Soviets before the end of this presidential term?

A. I hope that we will reach an agreement as soon as possible. I recognize that it will be challenging. We are calling for major reductions, but if they approach the talks with the same sincerity and good faith

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that we have, we should be able to make faster progress than many people expect. We won't set a deadline. That could create harmful pressure on our negotiators.

Q. Does the conflict in the South Atlantic cast a pall over the summit meetings?

A. Oh, I think all of us would hope that it was not there. And I think all of us hope for an end to the bloodshed and a peaceful settlement. But I do not see why that should really be coloring these meetings all that much.

Q. You will be seeing Israeli Prime Minister Menachem Begin shortly after your return from Europe. The autonomy talks are stalled. Do you plan to ask Begin to change his policies regarding Jewish settlements in the West Bank and his insistence on meeting Egyptian President Hosni Mubarak in Jerusalem?

A. I'm looking forward to meeting Prime Minister Begin and discussing ways to advance the peace process under the Camp David framework. Both he and President Mubarak have pledged their countries' commitment to that framework, and we are prepared to work closely with them. Camp David is clear on the future of autonomy [for the Palestinian Arabs of the West Bank and Gaza], and we will proceed based on that understanding. As for the location of the talks, we're working on that now. But they will be resumed. I have no doubt of that.

Q. What changes do you see in American relationships in the Middle East as a result of the recent developments in Iran's war with Iraq?

A. We have long hoped for a conclusion to that conflict. The U.S. believes, along with many others in the region, that the territorial integrity and sovereignty of both nations should be maintained. We are in contact with others about how this tragic and costly war could soon be ended.

Q. You came to office without a lot of practical foreign policy experience. After 16 months at the helm, has your view of the world changed in any way and has anything in this realm surprised you in one way or another?

A. Well, not really too much. I have been interested in and studied the world situation for a long time. I have confirmed for myself, however, one thing that I always clung to before. I said that until you are where a President sits and have access to all the information he has, you can't really criticize. You can't know the reason for some of the moves that have been made. And I still feel that way.

But what I have come to learn has not changed in any way how I felt about the Soviet Union, how I felt about relations with our NATO allies. I have always subscribed to the belief that the North Atlantic Alliance was not merely us generously helping our allies. It's mutual—as much of a defense line for us as it is for them.

Q. Some Presidents have found that foreign affairs is in many ways more challenging, more pleasant and more exciting than domestic policy because there is a greater freedom of action. Has that happened to you?

A. No, that can hardly be true with the economic mess that we came into office with. And what we are trying to resolve here—and, as a matter of fact, they do kind of dovetail—are mutual problems in the field of economics and our trade problems and so forth. I think the United States plays a very important role in the world economy. One of the most helpful things we can do for our allies is to put our country on a sound economic footing. And that's pretty exciting too. ■

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Polite—but Insistent—Questions

Five distinguished Europeans outline their priorities for President Reagan



Although every President since Herbert Hoover has visited Europe during his term of office, Ronald Reagan's trip is in many ways unprecedented. No U.S. President has ever addressed either the assembled members of the British Parliament or the West German Bundestag. Few Presidents have had to prepare for quite so many

questions about their foreign, defense and economic policies. Western Europeans are of many minds as to the ideas the President should stress during his visit. TIME asked five Western European leaders, four of them former Prime Ministers and one a former Finance Minister, to write their views of what President Reagan's priorities should be.

The views of politicians who no

longer hold national office were sought because they would be able to speak more forthrightly about the issues at stake and about the reception the President is likely to receive from his peers. Although the assessments differ in accent and tone, they are united by two strong, recurring themes: the need to control the arms race and to cope with a global economic crisis.

"The West Has Lost Its Dynamism"

James Callaghan, 70, Prime Minister of Britain from 1976 to 1979 and a Labor Member of Parliament since his defeat by Margaret Thatcher:

President Reagan will be given a genuinely cordial welcome by his six fellow heads of state and government when he greets them at the annual economic summit meeting in Versailles. They warm to his friendly manner and they like the great country he represents, but when the greetings are over they will not allow him as much latitude as they did at last year's meeting. He had then been in office for only six months: his new Administration needed time to play itself in. Some of the Western leaders deliberately muted their doubts, and the theme music throughout the summit was *Getting to Know You*. Not so this year. The President is now a full-fledged member of the club, and he can expect some firm, insistent, but always polite questioning and discussion.

The reason is that the world is in a worse state than it was twelve months ago. The West has lost its drive and dynamism. Our economies are locked in deep recession. Weak demand leads to a decline in capital investment. Our capital stock gets older and less efficient. The number of men and women out of work grows worse. Interest rates remain high.

So the questions President Reagan will be asked are: Can the West stop things from getting worse? How long before they begin to improve? When will American interest rates come down? Is not the time overdue for the U.S. to ensure harmony between its monetary and fiscal policies? Is the Administration ready to stabilize the value of the dollar? How can the West increase demand and output without setting off inflation again? The President may think it unfair to be faced with such an inquisition, but he will be assured that no one is trying merely to vex him.

The simple reality is that the performance of the American economy has, even today, a larger effect on the rest of the countries gathered at Versailles than any other single factor, with the possible exception of OPEC. If President Reagan convinces the other leaders that he understands that the American economy is not insulated from the rest of the Western world, that the size of the mortgage payments made by the man on a London omnibus is heavily influenced by New York and Washington, that he will take into account the implications of America's economic decisions on other countries and that he recognizes an obligation to coordinate policy as far as possible so that we do not harm one another, then by the modest standards of results

expected from these annual summits, Versailles will be counted a success.

The President's visit provides another chance for Western Europe and the U.S. to bridge the differences in their analysis of Soviet policy and aims. This is a necessity if we are not to fall out every time a crisis blows up. Western Europe understands that the state of America's relations with the U.S.S.R. is central to the success or failure of U.S. foreign policy. The President should demonstrate that he understands that Western Europe's relations with the U.S.S.R. are different and more complex. Even though the hand of the Soviet Union lies heavy on Warsaw, Prague and Leipzig, the historic feeling that regards Europe as a whole lives on and will never be absent from the policy of West Germany as long as it is a divided country.

SUTTON—GAMMA/LIAISON



Western Europe seeks détente despite much American skepticism because détente is a way to curb and check East-West differences and a means of supplementing, not replacing, the security provided by the Atlantic Alliance. Détente is a dialogue, a network of mutual interests and arms-control agreements. Western Europe wants Polish freedom and the Poles want reform, but this will not come in one great leap. Whether it ever happens depends on the Communist system's showing that it is capable of evolution, and this has still to be proved. If the system remains rigid and unyielding, then the Soviet Union's relations with its Eastern European allies will be increasingly unstable. Today a growing number of Third World countries regard the Soviet Union through increasingly disillusioned eyes, and it would be a great mistake to act on the belief that the Soviet

Union initiates all the troubles of the developing countries: poverty and hunger are her allies too.

Coming to Western Europe so soon after his speech in Illinois [in which he set out the details of his proposals to the Soviet Union on the reduction of nuclear arsenals] affords the President the best possible opportunity to convince the people of Western Europe that when he talks peace, he means business. The European peace movement has been fueled by the decision not to ratify SALT II, by talk of fighting a limited nuclear war in Europe and by [U.S.] rhetoric about achieving nuclear arms superiority. There is no more appropriate place than the blood-stained battlefields of Europe for the President to make clear his conviction that nuclear war is unthinkable in any form and to spell out his commitment to arms control and disarmament. Western Europe regards America as an essential security factor in its pursuit of an active policy for peace. Both sides of the Atlantic are united by a common set of values, and Western Europe remains fully committed to maintaining and strengthening the alliance. ■