

mies. This is true in any case for the German economy, particularly if you keep in mind the fact that the European economies have already been more strongly affected by the second oil price rise than was expected a couple of years ago.

We also welcome the fact that the United States of America has expressed the intention to do their very best to bring down these high interest rates. President Reagan, too, has told us that the American economy is also suffering from high interest rates.

It has not yet been able to see whether the fight against inflation in the United States might take certain different paths, which is why I have had to point out that my government, when I go back to Bonn, will begin to take certain decisions concerning the fact that, unfortunately for the time being, we will still have to deal with high interest rates and that we will thus have to take certain measures.

The third point, North-South relations, I would like to emphasize what Prime Minister Trudeau said a moment ago, and I would like to say, quite clearly, that we have full respect towards truly nonaligned countries, towards genuine nonalignment, which we consider to be an essential element of stability throughout the world.

I would also like to announce that the Federal Government in Bonn will support the organization of global negotiations in the near future. I am happy that we have already been able to hold discussions on the upcoming summit in Cancún.

Fourthly, I would like to emphasize the importance of the exchange of views involving the basic agreement concerning East-West relations where we are talking about equilibrium in military forces, dialog, and preparedness to cooperation. An exchange of views about present-day problems, about arms limitation and arms control, more particularly, were particularly important to me.

And I was also very much interested in the exchange of views about the present-day situation in the Middle East. We have expressed the common desire to see peace be established in that part of the world in the near future. We all want the vicious circle of the use of violence in that part of the world to be ended.

In conclusion, I would like to thank very warmly President Reagan, President Mitterrand, my colleagues Prime Minister Thatcher, Mr. Spadolini, Mr. Suzuki, and more particularly, to our host, Prime Minister Pierre Trudeau. I would like to thank you all for the openness, the frankness with which you all spoke.

As far as I am concerned, I have been very much enriched by this summit meeting, and I have to say that I'm happy to note that we have become better acquainted and that we are all determined not to accept that we should act without taking account of each other's problems. But quite on the contrary, we have said strongly that we will take into account everybody else's interests and problems. These are two essential points for me.

Thank you.

*Prime Minister Trudeau.* Thank you very much, Chancellor. From Great Britain, Prime Minister Thatcher.

*Prime Minister Thatcher.* Mr. Chairman, can I join my colleagues in paying a very warm tribute to your skilled chairmanship and thorough preparations. I think our success at this summit owes a great deal to those two things. I'd like also to say thank you to our Canadian hosts for the excellent arrangements they made, both in Montebello and in Ottawa.

It is my third economic summit. And over that period, we've increasingly given time in our discussions to the major political issues of the day such as Afghanistan and the Middle East, as well as to the economic problems that face us. I think this development reflects reality, because political issues and economic matters can't be isolated from one another and treated separately. They interact at every level, national and international. And I think this reality was recognized more at this summit than at any other. And the result, I think, was a workmanlike, balanced discussion which comprehended all of the major problems, whether economic or political, that face the Western world.

On these substantive issues, I'd like to confine my comments to four points: First, the world economy. At the last two summits in Tokyo and Venice, our work was domi-