The Birth of the Grand Coalition (December 13, 1966)

Abstract

In his policy statement to the Bundestag, Chancellor Kurt Georg Kiesinger addressed mainly economic policy and foreign policy issues and signaled a change of course in policies towards East Germany and Eastern Europe. This change would become manifest in the erosion of the Hallstein Doctrine, among other things.

Source

Policy Statement by the Federal Government

Dr. Kiesinger, Federal Chancellor: Mr. President! Ladies and gentlemen! The formation of this government, on whose behalf I have the honor of addressing you, was preceded by a long, smoldering crisis, whose origins can be traced back for years. The crisis burst into the open barely one year after the elections to the 5th German Bundestag, which had produced an impressive vote of confidence in my predecessor, Professor Ludwig Erhard, and enabled the parties of the previous coalition to continue governing. Subsequently, domestic political difficulties, internal party quarrels, and foreign policy concerns encumbered the work of the government, until disagreements over balancing the federal budget in 1967 and over fiscal policy measures necessary in the long term finally led to the **breakup of the previous coalition** and to a minority cabinet.

The new Grand Coalition government emerged from the ensuing coalition negotiations. The negotiations between the parties led to what was probably the most thorough stock-taking of the opportunities and necessities of German politics prior to any government's formation.

For the first time, the Christian Democratic Union and Christian Social Union and the Social Democratic Party have decided to form a joint government at the federal level. This is, without a doubt, a milestone in the history of the Federal Republic, an event to which many hopes and concerns of our people are tied.

The hopes center on the ability of the **Grand Coalition**, which commands such a large majority in the Bundestag, well exceeding two-thirds, to solve the difficult problems before it: that it will, first of all, put the public budget in order, run a frugal administration, and tend to the growth of our economy and the stability of our currency.

These are all prerequisites for private and public welfare in our country, as in any other. They guarantee that the government and the parliament have the necessary power to take action in all areas of domestic and foreign policy. Many are concerned about the possible dangers inherent to a Grand Coalition, which faces only a relatively small opposition.

We are determined, insofar as we can, to fulfill the hopes placed on us and to ward off the possible dangers. In this coalition, ladies and gentlemen, power and offices won't be divided up between partners, abuses and problems won't be covered up, and the momentum of parliamentary life will not be crippled by behind-the-scenes deals, as is implied by the catchphrase "consociational democracy."[1] The **opposition** will have every opportunity afforded by the parliament to have its views represented and heard.

The strongest safeguard against any possible abuse of power is the firm resolve of the partners in the **Grand Coalition** to partner only for **a limited period of time**, that is, to the end of this legislative period.

(Applause from the government parties.)

During this period of collaboration, the government believes that a **new electoral law** should be laid down constitutionally. For future elections to the German Bundestag, such a law would allow clear majorities after 1969.

(Renewed applause from the government parties.)

This will create institutional pressure to end the Grand Coalition and an institutional defense against the necessity of forming coalitions altogether. The possibility of a transitional electoral law for the Bundestag elections in 1969 is being examined by the government.

This decision to form only a temporary coalition, however, will not prevent us from tackling all important issues with the utmost determination, for as long as this coalition lasts.

Our most immediate concern is balancing the **budget for 1967**. This has to happen quickly. The Financial Planning Law, the Tax Amendment Law of 1966, and the Supplementary Budget Law of 1967 are not enough to completely close the budgetary gaps. In spite of these three laws, we are anticipating a gap of around 3.3 billion Deutschmarks for 1967. The government will present new proposals for balancing the budget amounting to this figure as soon as possible.

In coming years, **the financial situation of the federal government** looks even bleaker. We might face budget gaps that are as large, averaged annually, as the entire budget of one of the financially strongest states in the Federal Republic—and this in spite of the three laws recently passed by the Upper House.

[…]

The recovery of the federal finances is less a question of expertise than of political courage and acquiescence on the part of all those responsible.

(Applause from the government parties.)

The government knows this and will prepare the decisions that are necessary to fill the budgetary gaps looming in 1968 and will see to it that high-priority tasks can be performed better. This will not be accomplished only with measures that hurt no one.

[…]

Careful **mid-range financial planning** that represents more than simply the sum of different departments' proposals must put us in a position to reclaim this necessary financial leeway and to thus make new political decisions feasible again.

Of course, in these considerations we must keep an eye not only on the federal budget. We live in a federal state in which the federal government, the states, and the municipalities all have their own responsibilities to fulfill. Whether the division of responsibilities is still appropriate today, or whether certain federal responsibilities ought to be transferred to the states and state responsibilities to the federal government will need to be examined in conjunction with the reform of the constitutional rules governing public finances. This government sees this **reform** as one of the major challenges in domestic policy and intends to carry it out.

(Applause from the government parties.)

[…]

All our efforts on behalf of domestic order, economic growth, and social justice, ladies and gentlemen, of course only make sense and will only last if we succeed in preserving peace and a liberal way of life.

That peace be preserved is the hope of all nations, and the German people wish for this no less than the others.

(Applause from the government parties.)

Therefore, **working for peace and understanding among nations** is the primary objective and the basic concern of the foreign policy of this government.

(Applause from the government parties.)

Indeed, every [government's] foreign policy most immediately serves the interests of its own people; but in a world in which the destinies of all peoples are so closely intertwined, no one may shirk his share of responsibility for this world and for peace in it.

(Applause from the government parties.)

The German government advocates a consistent and effective peace policy that eliminates political tensions and curbs the arms race. We will cooperate in proposals for **arms control, arms reduction and disarmament**. The Federal Republic has renounced the production of nuclear weapons vis-à-vis its allies and has submitted to appropriate international controls. We do not seek national control of nuclear weapons or national possession of such weapons.

(Applause from the governing parties.)

We resolve to maintain relations that are based on understanding, mutual trust, and a will to cooperate with all nations.

This also applies to our **relationship with the Soviet Union**, although our relations are still burdened by the unresolved issue of the reunification of our people. In 1955, during our visit to Moscow—allow me this personal reminiscence—I was among those who emphatically advocated for establishing diplomatic relations between the Federal Republic and the Soviet Union. Doubtlessly, the development of these relations has disappointed expectations on both sides. But this should not diminish our step-by-step efforts toward understanding and greater mutual trust. In my last speech before the German Bundestag on October 1, 1958, in Berlin, I said that the German people harbor neither hostility nor hatred for the peoples of the Soviet Union; on the contrary, they want to live as good, peaceful neighbors, and they also do not even think of interfering in the internal affairs of the Soviet Union. I added that for the Soviet Union, the reunification of Germany may pose problems that, from its perspective, seem difficult to solve. However, political astuteness and a long-sighted will to understanding on the part of all involved can overcome such difficulties. This is still my conviction today. And this government will act on this conviction.

(Applause from the government parties.)

The last federal government, in its peace note from March of this year, also offered the Soviet Union the exchange of declarations renouncing the use of force in order to clarify, once more, that it does not intend to achieve its goals by any other than peaceful means. Today, the federal government repeats this offer, which also extends to the other Eastern European states. It is prepared to incorporate the unresolved problem of Germany's division into this offer.

(Applause from SPD members of parliament.)

Moreover, we hope to continuously promote and deepen mutual understanding and trust through the development of our economic, intellectual, and cultural relations, in order to create the preconditions for successful talks and negotiations in the future.

For centuries, Germany was a bridge between Western and Eastern Europe. We would like to play this role in our own day and age, as well. Thus, improving our relationship—in every area of economic, political, and cultural life—with **our neighbors to the East**, who hope for the same, is important to us. Wherever circumstances permit, we would also like to establish diplomatic relations.

Among large sections of the German people there is a strong wish for reconciliation with **Poland**, whose sorrowful history we have not forgotten and whose desire to live at last in a territory with secure borders is something that we now, in view of our divided nation's current fate, understand better than in earlier times. But the borders of a reunified Germany can only be defined in an agreement, freely negotiated, with a pan-German government. This agreement should lay the foundation for a durable and peaceful relationship of good neighborliness sanctioned by both peoples.

(Applause from the government parties.)

[…]

We are grateful to our allies for supporting our point of view with respect to our divided people and their right to self-determination. Political circumstances have hindered the **reunification** of our nation thus far. And it is not yet foreseeable when reunification will succeed. Even this question, which is so decisive for our people, is about peace and understanding for us. We are not thoughtless troublemakers, for what we really want is to eliminate the trouble spot that is Germany's division, which is also a European division, by peaceful agreement, and to restore the inner peace of our people and their peace with the world. This federal government, too, regards itself as the only German government that was freely, legally, and democratically elected and thereby entitled to speak for the entire German people.

(Applause from the government parties.)

This does not mean that we want to override our compatriots in the other part of Germany, compatriots who cannot choose freely. We want, to the extent that we can, to prevent the two parts of our people from becoming estranged while they are divided.

(Applause from the government parties.)

We want to ease tension, not worsen it; we want to overcome rather than deepen rifts. That is why we want to promote human, economic, and intellectual relations with our compatriots in the other part of Germany with all our might. Where this necessitates the **establishment of contacts between government agencies of the Federal Republic and their counterparts in the other part of Germany**, this does not constitute the recognition of a second German state. We will handle these contacts on a case-by-case basis so as not to awaken the impression in world opinion that we might be moving away from our standpoint of insistence upon the law. (Applause from the government parties.)

The federal government strives to **expand intra-German trade**, which is not foreign trade. It will also attempt to expand credit opportunities and contemplate certain organizational measures to strengthen intra-German contacts.

The federal government will do anything to keep **Berlin as a part of the Federal Republic** and, together with the Senate and the Protecting Powers, will examine how the economy of Berlin and its place in our legal system can be secured. (Applause from the government parties.)

We want to do what is possible for the welfare of the people in the divided Germany and make possible whatever is necessary.

[…]

NOTES

[1] *Proporzdemokratie*: awarding offices based on the strength of a few major parties sharing power and patronage. Stands in contrast to democratic systems based strictly on majority rule—trans.

Source: Kurt Georg Kiesinger, Policy Statement by the Federal Government, *Deutscher Bundestag — 5. Wahlperiode — 80. Sitzung*. Bonn, Tuesday, 13. December 1966pp. 3656–3665 (available online at: https://dserver.bundestag.de/btp/05/05080.pdf); reprinted in Christoph Kleßmann, ed., *Zwei Staaten, eine Nation. Deutsche Geschichte 1955–1970*. Göttingen, 1988, pp. 526–31.

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