

February 28, 1965

**Memorandum of the Second Official Conversation
between Walter Ulbricht, Chairman of the State
Council of the GDR, and Gamal Abdel Nasser,
President of the United Arab Republic, on 28
February 1965, 18:00-19:40**

Citation:

"Memorandum of the Second Official Conversation between Walter Ulbricht, Chairman of the State Council of the GDR, and Gamal Abdel Nasser, President of the United Arab Republic, on 28 February 1965, 18:00-19:40", February 28, 1965, Wilson Center Digital Archive, BA-SAPMO J IV 2/2J/1398. Translated by Bernd Schaefer.
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Summary:

The conversation is about the joint statement on issues of economic and cultural cooperation that will be signed by Ulbricht and Nasser. They talk about the opening of an Egyptian consulate general in Berlin and consider questions of agriculture.

Credits:

This document was made possible with support from The Woodrow Wilson International Center for Scholars

Original Language:

German

Contents:

Translation - English

Stenographic Transcript of the Second Official Conversation between the Chairman of the State Council of the German Democratic Republic, Walter Ulbricht, and the President of the United Arab Republic, Gamal Abdel Nasser, on 28 February 1965 between 18:00 and 19:40 Hours

From the GDR side participated:

Walter Ulbricht, Chairman of the State Council

Dr. Lothar Bolz, Deputy of the Chairman of the Council of Ministers and Minister for Foreign Affairs

Gerhard Weiss, Deputy Minister for Foreign Trade and Intra-German Trade

Klaus Siebold, Deputy Chairman of the Economic Council

Alfred B[runo] Neumann, Chairman of the State Committee for Body Culture and Sports

Prof. Dr. agr. habil Erich Rübensam, Vice President of the German Academy of Agriculture in Berlin

Ambassador Dr. [Ernst] Scholz, The Envoy of the Government of the GDR to the UAR,
Gerhard Kegel, Counselor

Martin Bierbach, The Head of the Department Arabic Countries in the Ministry for Foreign Affairs

Hans-Jürgen Weitz, Consul General of the GDR to the UAR

Paul Markowski as Interpreter

Roland Nützel, Interpreter

Elfriede Gutschebauch, Secretary

Erika Greiner, Secretary

From the side of the UAR participated:

Gamal Abdel Nasser, President of the UAR

Field Marshal Abdel Hakim Amer, The 1st Vice President of the UAR

Ali Sabri, Prime Minister of the UAR

Dr. Nureddin Tarraf, The Deputy of the Prime Minister

Dr. Mahmoud Fawzi, The Deputy of the Prime Minister for Foreign Affairs

Dr. Abdel Moneim El Kaissouni, The Deputy of the Prime Minister for Economy and Finances

Sultikav Sahr, Foreign Policy Advisor of the President

Walter Ulbricht:

I want to thank you for the opportunity to get to know so many good and important industrial facilities and the great cultural past of the Egyptian people. We have made efforts during these days to learn as detailed as possible not just about the past, but also about the current state of economic development. In the meantime, our two Foreign Ministers have worked. We think they have done good work. We are in agreement with the draft of the statement negotiated between the Foreign Ministers. There are just a few minor questions we can talk about later.

In the Joint Statement it is said that there will be signed, still during this year, a long-term Trade Agreement and a long-term Payment Agreement for the period between 1965 and 1970. The UAR side has proposed to conclude this trade agreement as far as possible still during this summer.

We agree to this proposal.

We are willing to raise the initially planned Credit Agreement over 17 million Pound Sterling by 8 million, this is to 25 million Pound Sterling. It is planned in the agreement to finalize the individual contracts for the objects until 30 June 1967. In the context of increasing the credit, we are now proposing to move this date to 30 June 1968.

During negotiations so far, objects have been proposed which amount to about 26 to 27 million Pound Sterling. By increasing the credit volume, this amount will thus be met completely, this is the suggested objects will be funded this way. Furthermore,

there are still commercial credits running in the amount of 11 million Pound Sterling. These 11 million of commercial credits will then be freely available for other deliveries.

We welcome the agreement regarding the establishment of a Joint Economic Committee chaired by a Deputy Prime Minister of our countries, as well as the establishment of the Joint Scientific Council. We request that the Joint Statement will also mention this establishment of the Joint Economic Committee and the Joint Scientific Council.

The specialists have also conducted the consultations pertaining to a Cultural Agreement. We agree with the prepared draft.

The draft of the Joint Statement currently says that both sides have expressed their intention to conclude a long-term Trade Agreement in the near future. We ask you to consider whether is not appropriate to say it more precisely like that: Both sides agreed to approve a long-term Payment Agreement, for the period between 1966 and 1970, in 1965.

This is in accordance with what had been agreed.

As far as the subject of the Joint Statement is concerned, Mr. President: we have the request that the Joint Statement will be signed jointly. For what reason would that be important? It is common for us that Joint Statements get signed. Yet, in the case of this Joint Statement this [signing jointly] would be especially important, namely in order to express that there exists a progress in the substance of our relations. Since by following the wish of the Egyptian side we will currently refrain from the establishment of diplomatic relations, it seems necessary to us that this Joint Statement will be signed.

Concerning the question of the Consulate General of the UAR: Between the Foreign Ministers it has been agreed that the UAR will now establish a Consulate General in Berlin, the capital of the GDR. We consider it appropriate that we have an exchange of letters over this, as it is common. This means, the Foreign Minister of the UAR informs the Foreign Minister of the GDR in writing that the UAR is establishing a Consulate General in the capital of the GDR. It would be helpful if there is a reference here to the Vienna Convention of 1963. There it is defined what the tasks of a Consulate General are comprised of, this is it outlines the international rights of a Consulate General. This is the convention that was drafted with participation of the UAR.

Mr. President, then I have the pleasure to express the request to invite you to a visit to the German Democratic Republic. I want even to extend that request in the sense that you bring your important experts along to be able to make yourself familiar with the problems in our country the UAR has a special interest in. This will be very good for both sides. This is all.

Gamal Abdel Nasser:

I thank you for your remarks. Regarding the first question about the Trade Agreement and the commercial understanding: We thank you for raising the credit by 8 million Pound Sterling. My Deputy Prime Minister is proposing to not move the conclusion of the treaties from 1967 to 1968.

Walter Ulbricht:

We are also interested in an early conclusion and state our consent regarding 1967.

Gamal Abdel Nasser:

Now it is all clear as far as the commercial credits are concerned.

The establishment of the Joint Economic Committee and the Scientific Council can be included in the [Joint] Statement. The Cultural Agreement as well. Regarding the signing of the Statement I agree.

Concerning the Consulate General: We agree to the opening of a General Consulate in Berlin and have decided accordingly. We have also have no objections to an exchange of letters, although we had already agreed among ourselves on the establishment of a General Consulate back in 1959^[1].

Regarding a visit to Germany, we thank you very much for the invitation and also agree with this.

Walter Ulbricht:

Your visit will be a great pleasure for all the people [of the GDR].

Since the factual issues are finalized, I am ready to talk about some questions raised during the last meeting by Mr. President.

You had raised the question regarding problems of agriculture. We have not implemented a nationalization in the German Democratic Republic, and I assume we also will not be doing this in the next five to ten years. Why not? We are interested in the farmers pursuing the path towards a cooperative development themselves. In our country the land is the property of the farmers. They bring their land along into the cooperative. We have had the experience that the development of cooperative collaboration is the path for our country and the gradual progressive development of socialism. We have completely different conditions than you have here in the UAR. We had a real class struggle in the village. There were the big farmers with up to 99 hectares of land who were still in possession of their farms after the land reform^[2]. We did not act administratively against the farmers, but we established a new economic force. We have organized machinery rental stations and the collaboration of the farmers.

In your country the situation is different. You have purchase and sale cooperatives of farmers and on this path one can progress well. As far as we could see it here, this is the natural path in your country. The machinery is also rented by your cooperatives. This is, so to say, not the difficulty. You have the same problem we had as well.

With the transition to cooperative collaboration we faced the task of having the farmers master the modern agro-biology and economy. The old capitalist teaching on the economy no longer works. It does not fit the cooperative collaboration of the farmers. Until 1955 we still taught the capitalist business economy. Now we have worked out new teaching content for directing agricultural production cooperatives. This is a very interesting question. We have drafted it together with the farmers. The best chairmen from the cooperatives have been involved in this. The farmers have adopted this at their Farmer Congress. What is the secret of our progress? It is the cooperation between science and the initiative of the farmers. Everything we have let the farmers approve. Each year we have a Farmer Congress where the farmers send their delegates. All issues are discussed and decided there. The Ministers as well have to report there. Recently it had not been a very good experience for the Minister for Agricultural Mechanical Engineering, because our farmers asked very concrete questions. The decisions will be submitted to the government which will confirm them, respectively direct what does not work.

We have followed a somewhat different path than other socialist states. This has several reasons. The reasons lay in our conditions for development, but also in the special situation of the struggle against West Germany. We have to prove that our development path of agriculture is better than the one in West Germany. We have provided this evidence, the score is so to say 1-0 for our development.

You have raised the issue of the theoretical justification for socialism. We have faced the same question. So I can put myself exactly in your shoes. Which path did we pursue? First we conducted big propaganda for socialism. However, it turned out that we did not make good progress this way. With the propaganda it is easy, but you have to create the material conditions. Therefore we pursued the following path: We have turned the Five-Year Plan into the program. This means our program is the Five-Year-Plan. Everything is in there, the entire development. There it is defined by what percentage work productivity has to be increased. And it also determines which cultural and social improvements have to be introduced once the target has been achieved. The plan has to balance.

Concerning the ideological content: it comes with the justification for the plan. Back then I was Secretary General of the Party. I provided the reasons behind the plan. What is the advantage of this method? The people know exactly what achievements are necessary to gain certain alleviations. I had a discussion [during our visit] with the director of the nitrogen factory in Assuan. I asked him: "What are the unions doing?" He said: "They represent the social interests of the workers. At the end of the year the bonus will be determined." We also had started in a similar fashion. But this is not sufficient. We have to tell the workers: this year it is necessary to increase work

productivity by such and such percentage and to improve the quality. This is outlined at the beginning of the year. The union gets informed and signs on in a Collective Contract by what percentage the production will have to be increased, which material will be saved, and what social improvements will follow if these targets will be met.

What would happen otherwise? The unions would just face the government with demands.

We have conducted wide-ranging work among the workers. At the beginning this was difficult, but now it is clear. I ask you to consider that we had been in a very difficult situation. We had an open border. Through this open border 30 billion Marks were stolen from us. The question was: how is this supposed to be continued? Then we openly told this to the workers: You have to work more without a raise in wages. Do you agree with this? Do we want to cope with the West German capitalists, or how should it continue? The workers did agree. For two years they increased work productivity without a raise in wages. Everybody did understand: this was about the material conditions for securing the peace.

The problem is to clear the basic problems within the framework of drafting the plan up to 1970. We have always planned to anticipate what the next step will be. Only take the step you are able to convince the people of.

We had also people in our country who announced the future is with the large agricultural farms. We also know that you have to organize the large agricultural farms. However, that you need five years of preparation for this, this is what some have forgotten. After all, I have to define exactly in the plan how many machines I am able to produce or to purchase.

Earlier on, we also sometimes underestimated the material motivation of the workers. Now we have outlined it in extreme detail: for such and such quality of performance, for such and such innovation, such and such will be paid. For important research results we are paying large sums. And those who do nothing will have their salaries cut. This can even happen to Ministers that something gets deducted from their salaries for bad performance. To sum it up: we did get it that the question of material motivation play a big role. Whoever does good work, will be paid well; those who perform badly, will receive less. We have determined a minimum wage. We also did not continue the old tradition of [progressive] rates to raise the wages every year by a few percent. Instead we are saying: the workers of the steel industry and the chemical industry will get higher wages. And individually we will pay by performance. This is worked out within the companies. From Berlin we are only providing general guidelines.

I would like to say the art of building up the socialist society consists in proceeding step by step and to gradually improve the planning and management of the economy.

Currently I mainly concern myself with leading the party and the state apparatus. I am only interested in whether the leading organs are aware of the scientific world standard ["Weltniveau", a propaganda term specific to the GDR], and whether they are fighting for achieving it. With Professor Rübensam we deal exactly in this way. We are not interested in the propaganda of the agricultural scientists. We want to know exactly by what amount the output per hectare was increased, which new types of grain with higher output have been cultivated, and how many liters of milk is given by the cow. Within two years, there must not be a single cow that gives less than 3,000 kilograms of milk per year. This is an objective hard to meet, because animal feed is not always available in sufficient quantity, but it has to succeed. This is how concretely we are building up our socialist economy.

Only in the year of 1963 did we adopt our program of socialism, this is only after all fundamental experiences had become available. Have we made some mistakes before? Yes, we did. We did already talk about the fighting for the victory of socialism when this was still premature. Now we are talking about the comprehensive build-up of socialism, because we know how large the tasks are we still have to resolve. So, we belong to the few, who did not say that socialism has triumphed in our country. To the contrary, it is not at all this easy with victory. You must not get ahead of yourself in propaganda. Because then the workers will say: if socialism has triumphed, then the wages must be much higher and such and such consumer goods must be

available. However, those goods are not here yet, since the factories that are getting built will start their production only in some years from now.

We also have done this in several ideological areas. We have implemented the school reform. Then we did implement in addition a second reform in schools. And in the mid of last year we presented to the entire people an Education Law. Only now we have reached an academic level that we could draft a perspective plan for the entire education system. We did organize academics, teachers, et cetera, and then proposals were made. Three days ago a Law about the Uniform Socialist Education System was adopted by the People's Chamber. This needed preparations over many years. And now we have the date for the law and determined the action plan until 1980. The textbooks need to be written from scratch on the highest scientific level, and this applies from pre-school all the way up to university. This is a complete revolution. Everyone was involved here. This is a big development, and one has to proceed gradually. We did not make any leaps. As soon as you begin to take leaps, it is getting dangerous. You can not originate from a subjective point of view. The decisive aspect is the exact scientific calculation.

In this context I want to tell a story. We are a country with large chemical factories. In 1958 we adopted a plan for the development of the chemical industry. What did come out? A whole range of calculations had not been done in an exact fashion by our experts. The cost of the plan did turn out as double as high as the [pre-calculated] numbers. The plan has been changed twice, and as late as at the end of last year we have outlined a real perspective plan for the chemical industry. The planners, the directors of the companies, the leaders in the factories and the workers - all of them have to learn. Why am I saying this now? I am always starting from the concept that the decisive factor is the unity between science and production. We have organized this well, and with this we have achieved progress. The entire science is working for the preparation of production. The plan of the Academy of Sciences has to be congruent with the plan of the industry, agriculture, et cetera. However, this is a long road, because the scientists have their own minds. Sometimes, what they want personally does not fit for what is needed for the entire scientific-technological development of the economy.

If I may answer your question regarding your book about transition from capitalism to socialism. The theory is best expressed by the Five-Year-Plan. When providing the scientific rationale for the plan, the development is outlined, which path, what steps you already have taken. Then this is real and the ideological problems are connected to practical reality. I am telling only my experiences. As said, we also have some mistakes of our own behind us, and we have become somewhat cautious with regard to phrasing such. This is that question.

Maybe still another question: the qualification of experts, this is professional training and the education of the scientists. After 1945 we immediately began with the professional training of the workers. Everywhere in the city there were still ruins, but we did work with the youth. Later this turned out to great benefit.

As far as the cooperation in the area of special training and the preparation of scientists between both our states is concerned, I want to provide you with the following proposal: We consider it more useful to the UAR, if the training occurs in the UAR and we can send experts to the UAR.

This is more useful to you, and for us it does not matter. From the national viewpoint of your policy, it might more appropriate if the education of the graduate engineers and scientists happens here, but of course you will need specialist scientists. The basic education though must occur in the UAR. When this level of education is completed, please send the doctoral candidates to us. This will be of greater benefit to you. We will then delegate them to a special college at a university, respectively deploy them with a factory as interns. Of course you also need scientists who master the problems of economics.

As a highly industrialized country, we have a complicated system for directing the industry. This does not fit for the UAR. However, we know the laws of transition from capitalism to socialism, and we know which problems are of interest to you. And we will have to make it clear to our teachers how to teach you the basic problems, without putting you through the complicated system. Take the cooperatives as an example. We have experienced ourselves how you have to work within such simple

cooperatives as you have them here. We also know what the next steps will have to be. Our chairmen in the cooperatives can tell you this exactly, let us say to your Minister of Agriculture. He has asked whether he can join the agricultural exhibit in Leipzig with a delegation. This exhibit is a university. The highest level of socialist production is on display there. This is good, so that one knows where the journey is going. However, your representatives should talk with cooperative farmers themselves who have experienced this. Recently I visited a cooperative. There the farmers told their own story of how some from the cooperative had stolen the animal feed. However, what a cooperative we have now. All mistakes they have made, they are now aware of. They are talking openly about this, and it is funny how simply they did this and how they are thinking about this now. I am saying this for a reason: If you are sending such a delegation, we have to connect you with farmers who have gone through this development themselves. It is not important that your delegation will have long discussion with the Ministry for Agriculture. It is better to talk directly to the farmers. Some of them are members of the Academy, they are sitting next to Professor Rübensam, they have gained great authority themselves. This is a huge development.

I wanted to answer your questions for you and demonstrate how we are mastering these problems.

Regarding planning: this is a very complicated thing. Why? Because after a while, the planners have the tendency to become bureaucratic. Maybe you will be able to shortcut this path without having to walk the long bureaucratic road. We have now worked out a new system of planning. It does contain certain methods directed at the bureaucracy. Some of these methods can be useful to you already today.

Actually, this is all what I can respond to you with regard to the question about the road to socialism.

At the end I want to tell you: You have already made such progress in the United Arab Republic that you are very well positioned to outline the path yourselves that corresponds to your specific national conditions. I want to tell you that there is no socialist country from which you could just copy. You are forced to outline the road you have to walk by yourselves. I know the Soviet system of planning, but we have done many things differently. Our management of the industry is different than in the Soviet Union, also different from Poland, et cetera. Which path is better for each country will demonstrate itself by practical results. It is obvious: in such a large country as the Soviet Union you have to solve your problems according to your conditions; and we as well have to make efforts using our own heads. There is no other way. There are some fundamental experiences you can adopt, but the methods are different. I can only wish you good successes for the path you are pursuing, and much success in outlining the plan.

Gamal Abdel Nasser:

I thank you very much. We agree with what you were saying about the socialist revolutions. You have to learn from your errors and mistakes. We also agree that each country is characterized as being different from other contrives. This is why we have decided not to copy experiments and experiences from other countries.

As I have said last time, there exists no detailed theory regarding the transition from capitalism to socialism. There is only practice. I agree that we can learn from your agricultural cooperatives. We can also send a delegation of our planning commission to study the new methods of planning. We also agree concerning the education of experts. This corresponds to our practice, that we only send people for qualification who have already completed a university degree. We have about 25 education centers here, but we will need more. This can be realized within the framework of the Agreement on Scientific Cooperation.

At the end of the meeting it was agreed that the signing of the communique will occur on Monday, 1 March 1965, before the banquet hosted by the Chairman of the State Council of the GDR, Walter Ulbricht, in Abdeen Palace to honor President Nasser.

It was agreed that the draft for an exchange of letters regarding the establishment of a UAR Consulate General in the GDR will be swiftly forwarded to [Foreign Minister] Dr. Fawzi.

The timing for the signing of the Agreements will still have to be definitively scheduled.

[\[1\]](#) Visit by GDR Prime Minister Otto Grotewohl to Egypt in January 1959.

[\[2\]](#) Implemented in 1945/46 by the Soviet Union in their East German zone of occupation. All farms with 100 hectares and above were expropriated without compensation.