Wolfgang Schäuble

Transcript of interview between Andrew Marr and German Finance Minister, Wolfgang Schäuble.
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**Wolfgang Schäuble:** We have not invited the refugees. The refugees come to Europe. Europe is confronted with the situation in the Middle East and whether we want this or not we will have to take on more responsibility, and I think we can do so better together.

**Andrew Marr:** If Europe is going to avoid having barbed wire between the borders and all the old borders going up inside the Schengen area, then there’s a feeling at the moment that there has to be a much stronger, almost more military border around Europe. Do you share that view?

**Wolfgang Schäuble:** Yes, of course we will have to control effectively the external borders of the EU. That is quite clear. Any community that has no border controls within it has to control the external borders. But this is not the only question: it is also a question of cooperation with our neighbouring countries so that the number of those who want to come to Europe will actually be reduced down to a level that you can cope with. And the European summit on Monday will of course also involve Turkey, and we will discuss how together with Turkey we can better manage this problem.

**Andrew Marr:** Well you mentioned Turkey just now and there’s an obvious kind of deal to be done of some kind. But what would you say to people in Britain, for instance, who are very alarmed by the thought of 70 million Turkish people joining the EU and having free movement, for instance, to Britain?
**Wolfgang Schäuble:** Well.. it’ll be a long time before we reach the end of negotiations with Turkey about accession to the European Union. Actually the German government has major doubts about whether Turkey should be a full member of the EU, but this is a question for the coming years. It is not a worry at the present time.

**Andrew Marr:** The German people are now having to absorb a large number of immigrants and pay a high price to look after them properly and at the same time the German people are having to deal with a lot of the costs of the euro crisis. Do you think, as a government, you have been pushing your own people too hard?

**Wolfgang Schäuble:** Well, at the moment we are in quite a good shape actually in Germany. We have the lowest unemployment rate since reunification. We have the highest level of employment that we’ve ever had. We have the highest increase in real wages and salaries.

The refugee problem of course needs a solution, a European solution. Those that will stay permanently will have to be integrated well, and once the number is reduced to a more acceptable level, then this will not be a problem. We have had immigrants from Italy, Spain, Portugal, Turkey since the Second World War and it’s been successful, and we’ve needed them.

**Andrew Marr:** Can I turn to the possibility of Britain leaving the EU at the moment, because one of the things that people who want us to leave say, that in the end Germany wants to sell German cars and washing machines and many other goods to Britain and we have many things we want to sell to Germany, there would be a trade deal and it would be a perfectly reasonable one because it’s in both sides’ interests to carry on trading.
Wolfgang Schäuble: I believe that of course we will still have trade. We also have trade with China and the whole world. But there is a big difference between having a common market with common rules, without any controls, a market that is open – and having trade agreements.

Andrew Marr: But isn’t it possible for the UK to have the advantages of the internal market, the single – the single trading area, without paying in and without accepting free movement of people?

Wolfgang Schäuble: No, you are either in the single market or you are not in the single market. And if you’re not in it, then you have trade arrangements. Of course there are countries within Europe that are part of the single market but they still have to pay into the budget of the community and they have to accept the free movement of people. So actually they have all the disadvantages of the common market and they are not involved in the decision making process of the internal single market. I cannot really see why the UK would be interested in staying within the single market, without being able to make decisions about it.

Andrew Marr: For people watching, they might say in the end, after all the fuss and the – and – and the noise and so on, there would be a perfectly acceptable trading deal which would be good for Germany, good for Britain and good for the other European members. You don’t have to be part of the EU for Germany, Britain and France to trade with each other.

Wolfgang Schäuble: Once again: of course there is trade with all countries in the world, but whether you are within the single market or not is a major difference. And you can either be in it or be out of it. Whether the UK wants to stay in the single market will be decided in the referendum, but if the decision is taken to
leave, the UK will no longer be in the single market unless you find a new treaty, a new contract where you can be a member of the single market without actually being a member of the EU, and you will still have to accept the free movement of people as well, that goes with it, and you have to pay contributions as well. So it doesn't really make sense. And the British people base their decisions on commons sense.

**Andrew Marr:** What happens to the rest of the EU if Britain leaves? Are you worried about a slow collapse of the institutions itself?

**Wolfgang Schäuble:** I believe that Europe would be weaker without the UK. The UK is a strong partner, and if the UK left this would weaken Europe. And I do not think that it will be in the British interest either.

Of course, if there was a negative decision we would not commit suicide. We will still try to fight for the best. Let’s say the referendum was to go that way, we would have years of the most difficult negotiations which would be very difficult for the EU as well. And for years we would have such insecurity that would be a poison to the economy in the UK, the European continent and also for the global economy.

**Andrew Marr:** Do you think the mood in the rest of the EU would be angry, would be vindictive, would be vengeful, or do you think European politicians would then try to do serious and sensible deals with Britain if Britain voted to leave?

**Wolfgang Schäuble:** Of course we will be sad, to start with. And I think most in Europe will agree with the opinion that it will be to the detriment of Europe. It will be a weaker Europe, and this cannot be in the UK interest either. Of course then we would try – and this is true of life in general – you have a setback and
still you try and go on. And we will certainly do so in Germany. But I do believe that it is better to avoid such catastrophes rather than try to think how to get well again after the catastrophe.

Andrew Marr: Dr Schäuble, thank you very much indeed for coming to talk to me.