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# PANORAMA

INSIGHTS INTO SOUTHEAST ASIAN  
AND EUROPEAN AFFAIRS

## 20 YEARS AFTER THE FALL OF THE BERLIN WALL



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# Preface

The photograph on the cover went around the world: hundreds of people dancing the night on the 9th of November 1989 on that wall, which since its construction on August 13th, 1961, had been the symbol of the Cold War and the division of Germany and the world into East and West. The opening of the Berlin Wall at 9th November 1989 was the result, and also the cause of profound changes in Germany and Europe as well as in the international system characterized since the end of the World War II by the East-West conflict. The fall of the Berlin Wall opened the way for the reunification of Germany, which had been divided since 1949 into two states. With the end of Germany's division, a transformation process started in the east and southeast European countries which culminated in the dissolution of the former Soviet Union.

Because of its geopolitical importance, we dedicate this edition of our journal "Panorama – Insights into Southeast Asian and European Affairs" to the 20th Anniversary of the opening and the fall of the Berlin Wall. In the first part, authors from Germany will analyze the consequences of this event for Germany, Europe and the international system. In a second part, authors from different countries and regions, will describe and evaluate the perception and consequences of the fall of the Berlin Wall from an "outsider's point of view". Those who celebrated the victory of a peaceful revolution against a dictatorial regime and danced on 9th of November 1989 at the top of the wall can be sure that they have been the protagonists of one of the unique moments that changed history.



Dr. Wilhelm Hofmeister

# The Berlin Republic: Reunification and Reorientation

*Manfred Görtemaker*

The “peaceful revolution” that took place in the German Democratic Republic (GDR) in the autumn of 1989 and led to the reunification of Germany on 3 October 1990, came as a surprise to most people at the time.<sup>1</sup> After the construction of the Berlin Wall on 13 August 1961, reunification was considered highly unlikely, if not impossible. The political, military and ideological contrast between East and West stood in the way of any fundamental change in the status quo. Even the Germans themselves had gradually become accustomed to the conditions of division. The younger generation no longer shared any personal memories of a single Germany. In addition to the fact that since the early 1970s, the two German states had been developing “normal, good-neighbourly relations with each other on the basis of equal rights”, as stated in The Basic Treaty of 21 December 1972 between the Federal Republic of Germany and the German Democratic Republic, was generally regarded as normality.<sup>2</sup>

## THE DISINTEGRATION OF THE GDR

However, the appearance of stability in the GDR was only superficial. It was based on the presence of 380,000 Soviet soldiers

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<sup>1</sup> For a detailed account see Ilko-Sascha Kowalczyk, *Endspiel. Die Revolution von 1989 in der DDR*, München 2009.

<sup>2</sup> Vertrag über die Grundlagen der Beziehungen zwischen der Bundesrepublik Deutschland und der Deutschen Demokratischen Republik vom 21. Dezember 1972, in: *Dokumente des geteilten Deutschland. Mit einer Einführung* hrsg. von Ingo von Münch, vol. II, Stuttgart 1974, p. 301. Source of English translation: *The Bulletin*, vol. 20, no. 38. Published by the Press and Information Office of the Federal Government (Bundespresseamt), Bonn. Cf. website of the German Historical Institute:GDHI The Basic Treaty.



stationed in East Germany and the disciplining function of a powerful “state security apparatus”, which together guaranteed the existence of the GDR. There were no free elections until 1990, because the political leadership had to assume that the citizens had rejected the communist regime and would most likely use such an opportunity to vote down the GDR’s political system. During the 1950s, the popular uprising of 17 June 1953 and a ceaseless tide of refugees had already demonstrated the people’s attitude towards their state. Whilst the subsequent sealing-off of all borders to the West on 13 August 1961 made escape virtually impossible, it also led to an increase in pressure within the GDR. The level of discontent grew, especially after the signing of the Helsinki Final Act by all of the European countries on 1 August 1975, which strengthened human rights and underscored the right to leave one’s country.

As a result the GDR leadership introduced a policy of “demarcation” to reduce the effects of the policy of *détente*. The state security apparatus (Stasi) was developed into a comprehensive instrument of control over the GDR population. Whereas there were around 15,000 full-time members of staff in the mid-1950s, their numbers rose to over 91,000 by 1989. During the actual years of *détente* between 1971 and 1989, the figures practically doubled and displayed the largest growth rates during the second half of the 1970s.<sup>3</sup> In addition to this there were the Stasi’s “unofficial collaborators” who had also made a substantial contribution towards spying on their fellow citizens in the GDR. Their numbers rose from around 100,000 in 1968 to over 170,000 in the 1980s.<sup>4</sup>

Nevertheless, the Stasi’s combined efforts still failed to prevent the GDR citizens from taking the climate of *détente* as an opportunity to call for a corresponding relaxation in the oppressive censorship and surveillance prevailing in their country. The highly restricted autonomy of intellectuals, writers and artists was clearly

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<sup>3</sup> Figures from: Jens Gieseke, *Die hauptamtlichen Mitarbeiter der Staatssicherheit. Personalstruktur und Lebenswelt 1950-1989/90*, Berlin 2000, p. 556 ff.

<sup>4</sup> Figures from: Helmut elmuthMüller-Enbergs (ed.), *Inoffizielle Mitarbeiter des Ministeriums für Staatssicherheit. Richtlinien und Durchführungsbestimmungen*, Berlin 1996, p. 54 ff. See also David Gill und Ulrich Schröter, *Das Ministerium für Staatssicherheit. Anatomie des Mielke-Imperiums*, Berlin 1991, p. 95 ff.



demonstrated in 1976 when the critical singer-songwriter Wolf Biermann left for a concert tour to the Federal Republic and was then refused re-entry into the GDR. Friends and acquaintances who protested against this move were also persecuted. Numerous prominent GDR writers, actors and musicians were either expatriated or issued with long-term permits to leave the country. Their exodus represented not only a heavy intellectual loss to the GDR, but also a clear sign of helplessness on the part of the Socialist Unity Party (SED)'s leadership which, in the wake of détente, could think of no better alternatives than to expatriate undesirable dissenters in an effort to shore up the regime's stability.

The Evangelical churches in particular now became an important rallying point for the opposition. Peace and environmental groups which, among other things criticised the Soviet invasion of Afghanistan in December 1979 and, like the Umweltbibliothek in East Berlin documented and branded environmental destruction in the GDR, gathered in and around the church communities. Within this context the Nikolaikirche in Leipzig became a symbol of the growing opposition culture. After 1980, the peace movement which opposed the stationing of new missiles in Europe gained importance in the GDR.<sup>5</sup> The fact that the mood in the GDR was changing fundamentally was also clearly illustrated by the dramatic increase in the number of GDR citizens entering applications to leave the country, even though this entailed severe discrimination and criminalisation. The situation came to a head with the first "embassy occupation" in July 1984, when 50 East Germans sought refuge in the Permanent Representation of the Federal Republic in East Berlin in an effort to gain a permit to leave the GDR. Evidently many East Germans had lost hope that living conditions in the GDR would improve in the near future.

The frustration amongst East Germany's inhabitants was further increased by examples of change in Poland, Hungary and Czechoslovakia. However the GDR leadership first felt a real cause for alarm when the CPSU appointed Mikhail Gorbachev as General

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<sup>5</sup> See Stephan Bickhardt, Die Entwicklung der DDR-Opposition in den 80er Jahren, in: Materialien der Enquete-Kommission "Aufarbeitung von Geschichte und Folgen der SED-Diktatur in Deutschland" (12. Wahlperiode des Deutschen Bundestages), published by the Deutscher Bundestag, vol. VII, 1, Baden-Baden 1995, p. 462 ff.

Secretary on 10 March 1985. Although the new Soviet party leader and head of state had no comprehensive reform concept, his policy of “openness” (*glasnost*) and “restructuring” (*perestroika*) indicated the advent of far-reaching changes. From the GDR perspective, this policy, which Gorbachev himself called the “Second Russian Revolution”,<sup>6</sup> posed a real threat because it signalled a decline in the repressive power of the party and state apparatus. What is more, since 1987 at the latest, Gorbachev’s reform concept also led to a revision of the Brezhnev Doctrine with which the Soviet leadership had explicitly reaffirmed its guaranteed backing for the socialist systems in the East European countries following the suppression of the “Prague Spring” in 1968. The withdrawal of this guarantee threatened the very foundation of the GDR, which had never been able to claim politically legitimate existence based on free elections.

Instead of reacting to this “reformist encirclement” with its own reforms, the SED leadership pursued a path of self-isolation. Consequently, more and more GDR citizens decided to turn their backs on their country. In the summer of 1989 alone, 120,000 people applied to leave for the Federal Republic. In addition to this, in July and August, hundreds of GDR citizens who had finally lost patience tried to achieve their desire to leave by occupying western – especially West German – diplomatic representations in Budapest, Warsaw, East Berlin and Prague. The Federal Republic of Germany’s embassy in Prague actually had to close within two weeks because of overcrowding. There was a spectacular climax in the tide of refugees on 19 August during a “Pan-European Picnic” near Sopron on the Hungarian-Austrian border when some 600 East German holidaymakers used the opportunity to flee to Austria. Although the Hungarian border guards witnessed this mass exodus, they made no effort to intervene.

From then on, the “Iron Curtain” at all intents and purposes lost its function. The flood of refugees pouring into the Federal Republic via Hungary and Austria continued to grow. At the same time the numbers of protests and demonstrations inside the GDR increased. Since June 1989, protest actions had been staged on the seventh day of every month to act as a reminder of the manipulation that had taken place during the local elections

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<sup>6</sup> Michail Gorbatschow, *Perestroika. Die zweite russische Revolution. Eine neue Politik für Europa und die Welt*, München 1987.

of 7 May 1989 and had been exposed by election observers. In addition to this, 1,200 people took part in the first of the regular “Monday demonstrations” in Leipzig on 4 September following prayers for peace in the Nikolaikirche. Demands were made for the freedom to travel and freedom of assembly. By 25 September the number of people taking part in the Monday demonstrations had risen to around 5,000; on 2 October they had already reached over 20,000.

## THE REUNIFICATION OF GERMANY

Encouraged by the demonstrations and the feeble reaction of the state authorities, political organisations started to form. Some of them regarded themselves as parties, others as citizens’ action groups and movements. Between July and October over 50 parties and citizens’ movements emerged deeply, shaking the fabric of the SED regime and thus precipitating the collapse of the GDR. The SED leadership had now found itself confronted not only with the liberalisation tendencies in Eastern Europe and the flood of refugees leaving the GDR but also with growing unrest and opposition within the country itself.

It was against this background that the SED’s General Secretary Erich Honecker was forced to resign by his own Politburo on 17 October 1989. But his successor, Egon Krenz, who had been Honecker’s deputy for several years, lacked all credibility as a reform politician. On the contrary, he incorporated the typical negative image of the humourless, stiff-necked party official from the old SED elite. Admittedly, his decision to prepare a new law on travel to the West contributed significantly to the opening of the Wall, but this did not reduce the protests against the SED regime, nor did it abate the increasing flood of refugees. Recognising the futility of his efforts, Krenz resigned at the beginning of December.

In addition to this, Hans Modrow who had been appointed as the new GDR Prime Minister on 13 November 1989, had admitted that the GDR economy was heading towards bankruptcy. Apart from a budget deficit of 120 billion DM and a foreign debt of 20 billion dollars, the country’s productivity figures were particularly alarming: since 1980, productivity in the East German factories had declined by about 50 per cent and there was no end in sight to the downward trend. As a result, Modrow proposed a “contractual

agreement” between the two German states in his policy statement of 17 November 1989 and referred to the possibility of a “German confederation” in order to gain economic support from the Federal Republic and the European Community.<sup>7</sup>

These developments were followed with great interest in the Federal Republic. On 28 November, Federal Chancellor Helmut Kohl responded with a “Ten Point Plan” proposing a series of measures ranging from “immediate assistance” for the GDR to the establishment of the “contractual community” envisaged by Modrow and the development of “confederative structures” between the two German states “with the aim of creating a federation, that is, a federal order in Germany.” Kohl said that no one knew what a reunified Germany would ultimately look like. However, he was certain that unity would come when the people in Germany wanted it: “Reunification – that is, regaining Germany’s state unity – remains the political aim of the federal government,” said Kohl.<sup>8</sup>

By this time there was hardly any alternative to reunification which was being called for more and more vociferously by the people in the GDR. For instance, on 11 December alone, over 300,000 people demonstrated in the streets of Leipzig. Many of them were carrying black-red-and-gold flags, including some bearing the federal eagle, and chanting “Deutschland! Deutschland!” According to a survey carried out by the *Leipziger Volkszeitung* on the same day, approximately three-quarters of the city’s 547,000 population supported reunification. Things were no different in other cities and villages in the GDR.

Concrete planning for the first reunification steps started at the end of January and the beginning of February 1990. During a visit to East Berlin by Chancellery Minister Rudolf Seiters on 27 January, Prime Minister Modrow painted a bleak picture of the situation in his country: he said that state authority was rapidly disintegrating, strikes were spreading and the general mood in the

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<sup>7</sup> “‘Nur in den Grenzen von heute’ – DDR-Ministerpräsident Hans Modrow über die Lage in seinem Land und die deutsch-deutsche Zukunft”, in: *Der Spiegel*, 4 December 1989, p. 34.

<sup>8</sup> Zehn-Punkte-Programm zur Überwindung der Teilung Deutschlands und Europas, vorgelegt von Bundeskanzler Helmut Kohl in der Haushaltsdebatte des Deutschen Bundestages, 28. November 1989, in: *Europa-Archiv*, 44. Jg. (1989), p. D 731 ff. Translation source: website of German Historical Institute:GHDI - Document Helmut Kohl’s Ten-Point Plan for German Unity

population was becoming increasingly aggressive. Consequently, negotiations on the establishment of a contractual community should begin immediately; high levels of financial assistance and industrial cooperation were absolutely essential in order to prevent the impending collapse.<sup>9</sup> Two days later, Modrow travelled to Moscow for a meeting with General Secretary Gorbachev. He was carrying a paper with the pertinently allusive title “For Germany, united Fatherland”, which he had prepared during several meetings in East Berlin with the Soviet Ambassador Vyacheslav Kochemasov. The draft envisaged a step-by-step unification process for Germany with Berlin as its capital.<sup>10</sup> The Soviet leadership agreed. However, negotiations were soon to be held with the United States, Great Britain and France in order to develop a four-power framework for the pending changes and to find a solution that also took into account the interests of the GDR.

In Bonn, teams were already being established to work out practical proposals for the actual reunification process. A “Working group: Germany Policy” was set up immediately after the cabinet meeting in the chancellery to coordinate the activities involved in working out the reunification proposals.<sup>11</sup> The proposals first covered the establishment of a monetary, economic and social union between the Federal Republic and the GDR with the main aim of introducing the Deutschmark in East Germany but also, in the final instance and according to Kohl, with the aim of “taking a decisive step on the path to German unity”.<sup>12</sup> In the GDR itself, the population was also pressuring for speedy reunification: the elections for the East German parliament on 18 March 1990 – the first free elections ever to be held in the country – resulted in a

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<sup>9</sup> Cf. Horst Teltschik, *329 Tage. Innenansichten der Einigung*, Berlin 1991, p. 115.

<sup>10</sup> Full text of the draft “Für Deutschland, einig Vaterland” in: Hans Modrow, *Aufbruch und Ende*, Hamburg 1991, Anlage 6, p. 186-188. See also Modrow’s statement at the press conference on 1 February 1990 explaining his draft, in: *ibid.*, Anlage 5, p. 184 ff.

Translator’s note: the phrase “Deutschland, einig Vaterland” is the fourth line in the first verse of the GDR national anthem. It was also often chanted in the East German demonstrations leading up to reunification. (A.R.)

<sup>11</sup> Teltschik, *329 Tage*, p. 121.

<sup>12</sup> Helmut Kohl, *Ich wollte Deutschlands Einheit*. Dargestellt von Kai Diekmann und Ralf Georg Reuth, Berlin 1996, p. 262.

landslide victory for the CDU which had entered an electoral alliance with the Demokratischer Aufbruch (Democratic New Beginning) and the Deutsche Soziale Union (German Social Union) to form the “Allianz für Deutschland” (Alliance for Germany) and had argued for quick reunification. The result was unequivocally in favour of rapid reunification and decisively against any ideas to merely reform the GDR, reflecting the demands of the majority of the popular movements. In short: the GDR had been virtually voted out of existence.

After Lothar de Maizière (CDU) had been elected to succeed Modrow as the new Prime Minister of the GDR on 12 April 1990, the treaty introducing monetary, economic and social union was signed in Bonn on 18 May. This was followed on 31 August 1990 by the Treaty on the Establishment of German Unity (also known as the “Unification Treaty”) which regulated the details of Germany’s internal development after reunification. This was complemented by the Two Plus Four Treaty of 12 September 1990 between the two German states and the four victorious allies of World War II who agreed on the foreign political aspects of German unification, including frontier issues, membership in military alliances and the strength of the German army. Since it was a form of peace treaty its precise title was “Treaty on the Final Settlement with respect to Germany of 12 September 1990”. In the end all European countries and the USA and Canada voted in favour of the Two Plus Four Treaty, and consequently for German reunification, at a meeting of the Conference on Security and Co-operation in Europe (CSCE) which took place in New York on 2 October 1990. Reunited Germany became part of a new European order, in which from the very beginning it could feel itself to be a player equally accepted by all, and by no means out of place.

## **THE BIRTH OF THE “BERLIN REPUBLIC”**

The reunification of Germany on 3 October 1990 also marked the birth of the “Berlin Republic”, although this was not so apparent at first. Whilst the GDR ceased to exist with East Germany’s accession to the jurisdiction of the Basic Law (GG) according to Article 23 GG the GDR, it was not clear at first how strongly the “old” Federal Republic would be affected by this turning point in history. This applied especially to the Federal capital, Bonn, which

the Parliamentary Council had chosen as the provisional seat of parliament and government on 10 May 1949.

Over the years between 1949 and 1990 the “provisional Federal Republic” – including its political centre on the Rhine – had actually developed into something so permanent that it had become quite difficult for people to imagine any change in the situation. Meanwhile Berlin’s significance had increasingly diminished. Its old function as capital seemed to lack any perspective for the future, even in the minds of many who, during the Cold War years, had upheld the seemingly unrealistic idea of a somehow united Germany with Berlin as the common capital. Nevertheless, the improbable had now become reality: Berlin was back on the agenda.

A good eight months later, following a memorable and emotionally charged debate, the German Bundestag decided on 20 June 1991 to move reunited Germany’s seat of parliament and government from Bonn to Berlin. Admittedly some of the ministries and subordinate authorities remained on the Rhine. Nevertheless the core of the government returned to Berlin, which thus regained its traditional function as capital of Germany: the “Bonn Republic” was transformed into the “Berlin Republic”.

Whether there is any sense in creating names, which have nothing to do with the actual name of the state for which they stand, is of course open to debate. However, there is some sense in referring to the “Berlin Republic” in order to highlight the contrast with the “Bonn Republic”, both in terms of the mode of government as well as the overall domestic and foreign political constellation. Consequently, the difference is not so much determined by the location of parliament and government – especially since the actual move did not take place until 1999 – as by the newness of the political, economic, social and cultural environment in which united Germany began performing in 1990. This is also the reason why 3 October 1990 should be regarded as the actual date on which the “Berlin Republic” was born.

The most important changes accompanying the development of the Berlin Republic include the fundamental alterations in foreign and security policy after the end of the Cold War. Alongside the reunification of Germany, the collapse of communism, the disintegration of the Soviet Union and the resulting growth of independence among numerous states in central, eastern and



south-eastern Europe were processes of historical significance, which generated the need for substantial reorganisation in Europe. Here, the Federal Republic supported the achievement of a single European market and the perspective of a political union in Europe, which would include an extension of the European Community's areas of activity and responsibility, institutional reforms and regulations on a common foreign and security policy.<sup>13</sup> In addition to this the Federal Republic supported the enlargement of the European Community, at first favouring the accession of Finland, Sweden, Norway and Austria, because their economic structures promised a smooth, uncomplicated integration process.<sup>14</sup> However, an eastern extension of the European Community was also already under consideration in 1989/90 in order to support the transformation process in the central and eastern European states, to accelerate the economic adjustment process and to create the foundations of a new, overall European architecture. As Chancellor Kohl remarked on 2 October 1990: "At this time this means that the European Community has a decisive role to play in supporting political, economic and social change in central, eastern and south-eastern Europe." He said that of course united Germany would make a "significant contribution" to these efforts because, as a country in the heart of Europe, Germany has "every interest in overcoming the West-East economic divide in Europe."<sup>15</sup>

This meant that Germany returned from a sideline position in the East-West conflict to its traditional central position in Europe and started to have a decisive influence on its reshaping.<sup>16</sup> A keystone was laid with the Treaty of Maastricht, which was signed on 7 February 1992 and stated that it "marks a new stage in the process of creating an ever closer union among the peoples

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<sup>13</sup> For a detailed study see Curt Gasteyger, *Europa von der Spaltung zur Einigung. Darstellung und Dokumentation 1945–2000*, fully revised new edition, Bonn 2001.

<sup>14</sup> Rudolf Hrbek, *Deutschland und der Fortgang des europäischen Integrationsprozesses*, in: Werner Süß (ed.), *Deutschland in den neunziger Jahren. Politik und Gesellschaft zwischen Wiedervereinigung und Globalisierung*, Opladen 2002, p. 304.

<sup>15</sup> *Die Erfüllung eines geschichtlichen Auftrags*, in: Helmut Kohl, *Bilanz und Perspektiven. Regierungspolitik 1989–1991*, vol. 2, Bonn 1992, p. 657 f.

<sup>16</sup> See especially Hans-Peter Schwarz, *Die Zentralmacht Europas. Deutschlands Rückkehr auf die Weltbühne*, Berlin 1994; and Gregor Schöllgen, *Die Macht in der Mitte Europas*, München 2000.

of Europe”.<sup>17</sup> This not only signalled the step-by-step realisation of the long awaited economic and monetary union, which include a single European market, the “euro” as a common currency and the European Central Bank (ECB) in Frankfurt am Main modelled after the Deutsche Bundesbank, but also political union. At the same time the European integration group received a promising new name: “European Union” (EU). It consisted of three pillars: the existing European Communities, the Common Foreign and Security Policy (CFSP) and Police and Judicial Co-operation in Criminal Matters (PJCC).

At the same time there was growing pressure on Germany to participate with its own troops in peacekeeping or even peacemaking measures of the international community. During the Gulf War, following the invasion of Kuwait by Iraqi troops on 2 August 1990, the Federal Government was still able to “buy itself out” with a substantial financial contribution of about 18 billion DM. In other cases, and especially during the civil war in Yugoslavia, it was no longer possible to maintain this passive stance. As of 1991 the Federal Republic then provided transport support to UN disarmament experts involved in United Nations missions based in Bahrain. In 1992/93 the Bundeswehr set up and ran a field hospital for a UN contingent in Cambodia. This was followed by missions in Somalia and Kenya (1992 to 1994), Georgia and Abkhazia (1994), Rwanda (1994), Croatia (1995/96) and Bosnia-Herzegovina (1997 to 1999).

Finally, following clarifications in the terms of Germany’s constitutional law (GG), direct operational missions became possible for the Bundeswehr. The Federal Constitutional Court decision of 12 July 1994 affirmed that, according to Article 24 para. 2 GG, the Federal Republic was authorized to enter into a system of mutual collective security, and that Article 24 para. 2 GG “provides the constitutional basis for assuming the typical tasks associated with such a system”, which “regularly” included the armed forces. Article 87a GG was not seen to stand in the way of applying Article 24 para. 2 GG. Rather, “the deployment of German armed forces within the framework of a system of mutual collective

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<sup>17</sup> Vertrag über die Europäische Union, Maastricht, 7. Februar 1992, in: Gasteyer, Europa von der Spaltung zur Einigung, Dokument D 103, p. 428.

security into which the Federal Republic of Germany has entered according to Article 24 II GG is not excluded by Article 87a GG”.<sup>18</sup> It is particularly worth noting in this context that the Federal Constitutional Court deemed not only the UNO but also NATO to be a “system of mutual collective security in the sense of Article 24 II GG”. However, in its decision the court placed every armed operation of the Bundeswehr under a parliamentary scrutiny reservation. In other words: the Bundestag always has to consult on its agreement.<sup>19</sup>

This was the background that enabled German armed forces to be deployed not only against Serbia in the Kosovo conflict in 1999 but also to participate in the operation “Enduring Freedom” in Afghanistan with a contingent of up to 3,900 soldiers.<sup>20</sup> On 18 September 2001 the NATO Deputy Supreme Allied Commander Europe, General Dieter Stöckmann, commented in a telephone interview with the radio station *Deutschlandfunk* that the Germans had enjoyed “the great benefit and of protection” of NATO during the Cold War and thus had “a special obligation” to “clearly demonstrate their solidarity, and not just pay lip service”.<sup>21</sup> Germany also played a central role at the subsequent Afghanistan peace talks held in 2002 at the Petersberg near Bonn, whilst the SPD-Green coalition government 2002/03 rejected participation in the war against Iraq, arguing that there was no recognisable connection between international terrorism and the regime of Saddam Hussein.

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<sup>18</sup> Entscheidungen – Bundesverfassungsgericht, p. 2211, quoted after: Andreas M. Rauch, *Auslandseinsätze der Bundeswehr*, Baden-Baden 2006, p. 65 f.

<sup>19</sup> *Ibid.*, p. 97.

<sup>20</sup> Deutscher Bundestag, 14. Wahlperiode, Drucksache 14/7447, Beschlussempfehlung und Bericht “Einsatz bewaffneter deutscher Streitkräfte bei der Unterstützung der gemeinsamen Reaktion auf terroristische Angriffe gegen die USA auf Grundlage des Artikels 51 der Satzung der Vereinten Nationen und des Artikels 5 des Nordatlantikvertrages sowie der Resolutionen 1368 (2001) und 1373 (2001) des Sicherheitsrats der Vereinten Nationen”, 14 November 2001.

<sup>21</sup> Wie werden die Nato-Partner den Vereinigten Staaten beistehen? Interview mit General Dieter Stöckmann, Stellvertretender NATO-Oberbefehlshaber Europa, 18 September 2001, in: *Die Zeit*, No. 38, 2001.

## PROBLEMS OF INNER UNIFICATION

The mood inside Germany following unification fluctuated between euphoria and disillusionment. Amidst the overwhelming enthusiasm that accompanied the extraordinary pace of events during the turning point of 1989/90 there was a tendency to overlook the inevitable difficulties associated with the structural changes needed in both parts of Germany as a result of reunification. When Federal Chancellor Helmut Kohl said in a government statement to the Bundestag on 21 June 1990 that only monetary, economic and social union between the two German states offered “the chance that Mecklenburg-Western Pomerania, Saxony-Anhalt, Brandenburg, Saxony and Thuringia will soon be flourishing landscapes again, where it will be worthwhile to live and work”, he awoke expectations that were hard to fulfill straight away.<sup>22</sup> Nevertheless, the term “flourishing landscapes”, which Kohl repeatedly used in the following weeks and months to express his confidence in the success of the reunification process, was entirely in tune with the *zeitgeist*. Yet, contrary to the clear expectations of many, the promise this optimism conveyed could not be fulfilled overnight. Time was needed for the recovery process, but it seemed like stagnation. As a result the chancellor’s phrase gradually reversed in meaning. It now stood for the deindustrialisation of East Germany: “flourishing landscapes” no longer meant renovated villages, vibrant cities and thriving business parks, but disused industrial expanses and marshalling yards, which were gradually being reconquered by nature.

Available data underline the dramatic decline of the East German economy since 1990: industrial production, which had already fallen by half between 1989 and autumn 1990, fell to 30 per cent of the 1989 figures by April 1991 and showed little sign of recovery in the following years. In 1997 figures for the Federal Republic showed that industrial production in East Germany accounted for just 9 per cent and 10.5 percent of industrial employees (in an area covering 30 per cent of the country with 21.5 per cent of the population). In 1989 the comparative figures had

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<sup>22</sup> Deutscher Bundestag, Plenarprotokoll 11/217, 21. Juni 1990, quoted after: Kohl, Bilanz und Perspektiven, vol. 2, Bonn 1992, p. 593.

been 20 per cent of industrial production and 32 per cent industrial employees respectively.<sup>23</sup> In 1990 the area's gross domestic product sank by 30.5 per cent and again by 2.2 per cent in 1991, before showing a very gradual improvement.<sup>24</sup>

Although similarly drastic economic breakdowns failed to materialise in other transformation countries, such as Poland, Czechoslovakia or Hungary, it is doubtful whether the collapse in East Germany could have been avoided. The currency changeover was just as politically expedient as the rapid raising of wages which, although remained below those in the old Federal Republic, often outstripped actual industrial productivity levels. If wages had not been raised immediately, there would have been a danger of social unrest, or mass migration to western Germany would have continued unabated. The western side was unable to influence the shortage of foreign exchange amongst the former COMECON customers. And – in contrast to the eastern European countries – inflationary financing of demand was out of the question in Germany which still had vivid memories of 1923 and 1948. Apart from this, the Bundesbank already had fears for the stability of the Deutschmark from the currency changeover of 1 July 1990. So the only option was to expose the East German economy to a form of “shock therapy” which it would not survive.

However, the accompanying mass unemployment, the sudden confrontation with a completely new economic and socio-cultural environment, along with the devaluation of previous institutions, norms and achievements, triggered a “transformation and unification shock” amongst the East German population which led to uncertainty, disappointment and resignation. These developments gave rise to the term “unification crisis” (Jürgen Kocka).<sup>25</sup> Although Germany was now reunited, two societies continued to exist. So in the mid-1990s the question was regularly asked, whether this alienation between East and West could disturb the unification process and for how long it was likely to affect developments in Germany.

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<sup>23</sup> Cf. Gerhard Kehrer, *Industriestandort Ostdeutschland. Eine raumstrukturelle Analyse der Industrie in der DDR und in den neuen Bundesländern*, Berlin 2000, p. 165.

<sup>24</sup> Figures from: Michael Kaser, *East Germany's Economic Transition in Comparative Perspective*, in: Jens Hölscher (ed.), *Germany's Economic Performance. From Unification to Euroization*, New York 2007, p. 231.

<sup>25</sup> Jürgen Kocka, *Vereinigungskrise. Zur Geschichte der Gegenwart*, Göttingen 1995.

In actual fact the East Germans adapted to the new conditions to a far greater degree and more successfully than is often assumed. Quite apart from the lack of any East German “separatism” or any appreciable efforts to turn back the clock, the surveys carried out since 1990 regularly showed that about 80 percent of those interviewed were in favour of the change in the political system and the unification of Germany. Even more astonishing is the fact that this approval extended throughout all levels of society and all political parties. Consequently, the sense of disillusionment did not arise from a categorical objection to reunification; rather it was mainly an accompanying phenomenon of the disappointment that developed in the wake of the difficult economic conditions surrounding the unification process. After the system change and the institutional transfer had been largely completed in the mid-1990s, people also began to adjust subjectively to reunification in an effort to orientate themselves within the new structures. Depending on the level of success or setbacks the new conditions were seen as a stroke of luck, a chance and a challenge, or as a burden, exclusion, trauma and the end of previous life plans.<sup>26</sup>

Even though twenty years have passed since the fall of the Wall, it is still not possible to say that the two once separate German societies have grown together completely. Although the image of the “Wall in our heads” may seem exaggerated, since it unreasonably diminishes the unification achievements in both East and West, the continuing differences between these two areas cannot be ignored. However, it is worth remembering that the establishment of the old Federal Republic following the turning point of 1945/49 was not completed until the late 1960s or early 1970s, which means it took a good two decades. Admittedly, in this case the change took place under far more favourable conditions than those in the former GDR after 1989/90. This was because the economic miracle, the modernisation of society, the establishment of an integrating party system, but above all the overwhelming awareness of the thoroughly discredited previous National Socialist regime – including the total defeat in war – acted as powerful driving forces for creating new political structures in the Federal Republic. Such conditions were only partially present in united

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<sup>26</sup> For a detailed analysis see Rolf Reißig, *Die gespaltene Vereinigungsgesellschaft. Bilanz und Perspektiven der Transformation Ostdeutschlands und der deutschen Vereinigung*, Berlin 2000, p. 65 ff.

Germany after 1990. For this reason we can assume, as Oscar W. Gabriel wrote in his modified Willy Brandt remark, “that it will still take a long time before what belongs together has grown together”.<sup>27</sup>

## ECONOMY AND PARTIES

In addition to foreign and security policy, the challenges facing the “Berlin Republic” after reunification included especially economic, social and financial policy. Unity did not come at a fixed price, but added up over the twenty years following 1990 to a sum of around two billion euros, which had to be financed mainly by the economy in the west of the country. In particular, the social achievements that were an essential part of the old Federal Republic’s defining image and were extended to the whole of Germany when the monetary, economic and social union came into effect in 1990, became increasingly difficult to finance. During the 1990s the Kohl government already recognised the need for fundamental changes in tax legislation, but was unable to push this through the two chambers of the Bundestag and the Bundesrat. Finally, the SPD-Green coalition under Federal Chancellor Gerhard Schröder managed to produce a concept with the proposals of the Hartz Commission 2002 and the Agenda 2010, which was presented to parliament on 14 March 2003. This concept planned drastic cutbacks in the social budget based on the fundamental need, as Schröder stated, to “cut social benefits, promote personal responsibility and demand greater personal contributions from every individual”.<sup>28</sup>

Whilst this social-political change was endorsed by the government coalition, it nevertheless unleashed a wave of protest, which also affected the SPD and finally, with the substantial support of several trades unions, led to the formation of a public movement, which called itself the “Electoral Alternative for Work and Social Justice” (WASG). In the Bundestag elections on 18 September 2005 the WASG formed an election platform with

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<sup>27</sup> Oscar W. Gabriel u.a. (eds.), *Wächst zusammen, was zusammen gehört? Stabilität und Wandel politischer Einstellungen im wiedervereinigten Deutschland*, Baden-Baden 2005, p. 422.

<sup>28</sup> Deutscher Bundestag, *Stenographischer Bericht*. 15. Wahlperiode, 32. Sitzung, Berlin, Freitag, den 14. März 2003 (Plenarprotokoll 15/32), p. 2479 f.



the PDS – the successor to the former SED in the GDR – which then added “Linkspartei” to its name (The Left Party. PDS). The alliance, headed by Oskar Lafontaine – who only left the SPD in May 2005 – and the PDS party leader Gregor Gysi, won 8.7 per cent of the votes and 54 seats in the Bundestag creating a solid basis for its parliamentary work. On 16 June 2007 the WASG, which had remained independent until then, merged with The Left Party, PDS which now simplified its name to “Die Linke” (The Left Party). In this way the PDS, which since 1990 had successfully survived as a regional party in East Germany, contributed its potential with the help of Lafontaine and the WASG to a Germany-wide Left Party, which now set about changing the shape of the German party landscape. Admittedly, this development would hardly have been possible had not the economic burdens of reunification made such inroads into the financial basis of social policy, forcing a social-political U-turn on the part of the government and thus mobilising a large number of protest voters.

In the wake of these developments the SPD lost the basis needed to continue the SPD-Green coalition in the early Bundestag elections of 18 September 2005 and was compelled to enter a Grand Coalition with the CDU/CSU under Federal Chancellor Angela Merkel. However, the new government carried on the reform policies of the Agenda 2010 to a large extent, because there was no feasible alternative to the new restructuring measures in economic, financial and labour market policies envisaged under Schröder. The key element of the coalition agreement of 18 November 2005 was the continued consolidation of the budget through savings and cuts in spending, and increases in taxation. The drastic reduction in unemployment over the following years confirmed the soundness of this policy and contained an element of belated satisfaction for Schröder, from which he was no longer able to benefit. In foreign policy, however, Chancellor Merkel (CDU) and Foreign Minister Walter Steinmeier (SPD) returned to the clear western orientation of earlier governments, thus renewing continuity with the old Federal Republic, but without calling into question the moves that had already been made in policies towards Europe and Russia.

## INTERIM ASSESSMENT

Therefore the interim assessment after twenty years of the Berlin Republic is altogether positive. The consequences of the 1989/90 upheaval appear to be largely overcome. The changes are admittedly substantial. But in the foreign political sphere Germany has fitted into the new European power structures and convincingly filled its role on the international stage by actively and responsibly participating in the solution of regional conflicts. And in internal politics the Berlin Republic has been able to prove its democratic maturity through two changes in power, in 1998 and 2005, even under new party political conditions.

Deficits still exist in the economic and social political sectors, as well as in the long-term security of health and pensions, which is coming under additional pressure from demographic change and increased aging in society. However, prior to the worldwide financial crisis of autumn 2008, the Berlin Republic was moving in a positive direction as illustrated by the falling unemployment figures and the consolidation of the public budgets. It remains to be seen, whether this positive development can be continued against the background of the shaken banking system and the necessity of costly state intervention measures.

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# The Transformation Policy in East Germany – A Partial Success Story

*Karl-Heinz Paqué*

## INTRODUCTION

“Mezzogiorno without the mafia”. This is how Germany’s former federal chancellor Helmut Schmidt called the state of the East German economy in 2005. Uwe Müller, a German journalist, spoke of the “Disaster of German Unity” (Supergau Deutsche Einheit).

These negative judgements about German unification are not justified. There are three main reasons that demand a more optimistic reading of the process and its outcome.<sup>1</sup>

1. The radical economic transformation of East Germany was unavoidable. The new-found freedom of East Germans led to a dramatic surge in the mobility of labour which had to be countered with drastic measures. There were no realistic alternatives to immediate monetary union, rapid privatisation, massive economic subsidies and public investments. The Germans chose the right path. They can be proud of it.
2. The outcome of the economic transformation is better than generally assumed yet worse than the expectations of the early 1990s. Hence German economic unification is a partial success, no less but also no more. That it is no more has nothing to do with political failures of unification. It is rather the consequence of the fundamental and widespread damage done to East Germany’s economy by over forty years of socialist rule. In fact, a four decade long isolation from the world market caused severe and lasting repercussions for East Germany (and for Central Europe).

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<sup>1</sup> The brevity of this article requires at times a somewhat apodictic presentation of facts. An extended version of my argument along with empirical data can be found in my book “*Die Bilanz. Eine wirtschaftliche Analyse der Deutschen Einheit*”, Published by the Carl Hanser Verlag, Munich in September 2009.

3. The continued lack of innovative strength of East Germany's industry is one of the main reasons for the remaining productivity gap between the West and the East. At the same time, however, a large extent of flexibility on the plant level and comparatively low unit labour costs provides competitive advantages. These, however, can only be exploited if economic policy shifts its focus on strengthening the innovative power and capacity of eastern industry.

## THE PATH: RECONSTRUCTING THE EAST INSTEAD OF ENLARGING THE WEST

The fall of the Berlin Wall twenty years ago signified the victory of freedom and marked the beginning of a new-found mobility for East Germans. As East Germans won the right to free movement the possibility to leave the East for work and life in West Germany became a realistic alternative for many. The widespread repercussions of this development are rarely recognised in their true dimension.<sup>2</sup> In fact, it is these repercussions that ruled out the application of the same evolutionary transformation model chosen by many Central and East European countries. At the time, wage levels in the East amounted to less than 20 percent of West German rates and they remain at less than 30 percent today. East Germany would quickly have been emptied with millions of productive and capable workers deserting to the West. The mass exodus of workers would have made the successful reconstruction of the East German economy impossible and would have led to a simple enlargement of West Germany at the cost of an abandoned East. Politically and morally this scenario has never been an option and was as such never seriously considered.

In fact, the decision to avoid any large-scale movement of labour out of East Germany quickly became a categorical *leitmotif* which limited the scope of political decision-making. In order to quickly achieve a significant rise in wages in the East, political decisions had to be taken swiftly and implemented irreversibly. With the political commitment to reconstruct the East German economy and to counteract a potential mass exodus of labour out

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<sup>2</sup> Among the few exceptions are Klaus von Dohnanyi's book "*Das Deutsche Wagnis. Über die wirtschaftlichen und sozialen Folgen der Einheit*", Munich 1990 and Walter Heering's article "Acht Jahre deutsche Währungsunion. Ein Beitrag wider die Legendenbildung im Vereinigungsprozess" in: *APuZ*, (1998) 24, pp. 20-34.

of East Germany, three fundamental decisions were made: swift economic and monetary union; rapid privatisation; and the massive support for economic development.

Owing to the Bundesbank's almost unrivalled international reputation as the guardian of price stability, the introduction of the Deutsche Mark in East Germany in the mid-1990s created widespread confidence in monetary stability. This in turn provided East Germany with the solid foundation necessary for economic progress.

The decision to enter into an inter-German monetary union was brave. It was taken against the advice of renowned economists – in particular the German Council of Economic Experts. Opponents of a monetary union between East and West Germany put forward the following two arguments. Firstly, it was feared that once both currencies merged irrevocably, the possibility to boost the international competitiveness of German industry by means of changing the external value of the *D-Mark* would be lost forever. Secondly, critics argued that the one to one exchange rate would result in rising labour costs followed by a sharp fall in production of East German industry. Even today, these arguments continue to be put forward by critics who hold inter-German monetary union as one of the original sins of German unity.<sup>3</sup>

However, this criticism fails to acknowledge that when the decision for monetary union was taken, it was already impossible to control labour cost through exchange rate manipulation. The key reason for this stemmed from the massive rise in labour mobility from East to West following the fall of the Berlin Wall. The exchange rate of one Mark (East) to one Deutsche Mark meant that wage levels in East Germany stood at one third of West German rates.<sup>4</sup> Nonetheless, even at one third of West German rates, the East was still not attractive enough to halt the exodus of highly productive workers. Hence, wage adjustments had to be made quickly. An exchange rate of two Mark (East) to one Deutsche Mark would have lowered East German wages even further to only one sixth of West German standards. It is highly unlikely that this state of affairs could have been stabilized even in the short run.

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<sup>3</sup> Most prominently, Helmut Schmidt's work "*Auf dem Weg zur deutschen Einheit*", Reinbek 2005, p. 114.

<sup>4</sup> Incidentally, this ratio was also named in some – albeit only partially accurate – comparative studies on labour productivity in East and West Germany.

The fact is that, soon after the wall had come down, East Germans irreversibly started to make all their economic calculations in Deutsche Mark. They were already living according to what economists would label a 'Deutsche Mark Standard'. With access to West German products, it was the value of their wage in terms of the West German currency that counted for East German workers, and nothing else. If necessary, they were willing to move to the West to earn higher wages and, crucially, they were also free to do so. Only the restriction of movement, combined with a non-convertible *Mark* (East), could have forced them to continue producing and consuming East German products. This, however, would have meant the unthinkable, namely erecting a new wall.

Hence, inter-German monetary union emerged as the only viable solution. Not only was it morally and politically the only correct choice. It was also an economically sound decision.<sup>5</sup> What followed in terms of the fall of production was not due to the specifics of the currency union, but the consequence of the newly gained freedom. That freedom suddenly unveiled the disastrous competitive state of East German industry.

What followed from 1990 onwards was in fact a drastic decline of East German industrial production. An all time low was reached in 1992. At the same time, a German trustee agency called *Treuhandanstalt* was given the authority to take over all former East German production and service facilities. Its guiding principle was to privatize as fast as possible, and this has been achieved. As a holding company of all previous GDR nationally-owned enterprises, it managed to sell these assets in record time. Indeed, until the *Treuhandanstalt* closed its doors at the end of 1994, the bulk of the 14,000 businesses had been privatized. However, the financial and economic fallout from this was dramatic as it led to a deficit of over 200 billion *Deutsche Mark* and the elimination of about 2.5 million industrial jobs. Furthermore, the radical course taken by the *Treuhandanstalt* was perceived by many East Germans as a form of colonialism by West Germany and the systematic destruction of four decades worth of East German achievements. Understandably, this created widespread negative sentiments amongst the East German population.

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<sup>5</sup> For a very convincing argument see: Walter Heering "Acht Jahre deutsche Währungsunion. Ein Beitrag wider die Legendenbildung im Vereinigungsprozess" in: *APuZ*, (1998) 24, pp. 20–34.

However, the economic assessment of the agency's work has to be significantly more positive. Most importantly, the *Treuhandanstalt* succeeded in creating a viable industrial core with competitive companies attuned to the free market. Buyers' investment and employment commitments were largely met and, at times, even exceeded. In the vast majority of cases the business models proved viable. A considerable number of East German industrial companies that are profitable today were previously owned by the German trustee agency. Furthermore, the *Treuhandanstalt* fulfilled a second important role that is often overlooked: it successfully withstood political pressure to keep ailing industries afloat through heavy subsidies. Precisely this would have been the greatest risk of privatization at a slower pace as some prominent economists<sup>6</sup> had proposed at the time and continue to argue for today.<sup>7</sup>

Various initiatives for the promotion of economic development complemented the work of the *Treuhandanstalt*. These included the comprehensive expansion and reconstruction of infrastructure as well as the support for the set-up and expansion of new industries. Initiatives for the promotion of economic development took place at all levels, beginning with the East German *Länder* (federal states) and local authorities up to the German federal government and the European Union. The success of these initiatives was felt quickly and initially began with a boom in the construction industry. While this meant the speedy reconstruction and renovation of the largely neglected East German towns, it also resulted in a high percentage of empty and unused business and office spaces. Later economic development efforts focused ever more exclusively on the support of manufacturing industries.

Gradually, East Germany experienced a significant increase in industrial production and has even seen a rise in employment figures<sup>8</sup> in recent years. While East Germany's contribution to the country's overall industrial production output stood at 3.4 percent in 1992, by 2008 it had risen to almost 10 percent. While the

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<sup>6</sup> See: Gerlinde Sinn and Hans-Werner Sinn "Kaltstart. Volkswirtschaftliche Aspekte der deutschen Vereinigung", Munich 1993, Chapter IV.

<sup>7</sup> See: Helmut Schmidt "Auf dem Weg zur deutschen Einheit", Reinbek 2005, p. 114 ff.

<sup>8</sup> Economic experts are divided in opinion upon whether this manner of initiating economic development has led to excessive capital intensity of East Germany's manufacturing industry. While the theoretical argument is convincing, empirical evidence suggests otherwise. See: Karl-Heinz Paqué "Die Bilanz. Eine wirtschaftliche Analyse der Deutschen Einheit", Carl Hanser Verlag, Munich 2009.



construction industry has been shrinking since the mid 1990s, the manufacturing industry has regained a prominent position.

It is difficult to present a realistic alternative to the measures that were actually taken. This is all the more so if one takes into consideration the specific context of the times. The most crucial challenge that had to be dealt with concerned the overwhelming willingness of the East German workforce to abandon their home for a life in the West. The threat of a mass exodus made it impossible to safeguard that part of industry whose products constituted only an insignificant percentage of West German productivity in the international market. Other than in Central and Eastern Europe, given the specific conditions in East Germany at the time, this part of industry had to be abolished. Moreover, this meant an enormously fast structural change with very high unemployment.

## THE OUTCOME: INDUSTRIES WITHOUT TRADE UNIONS

What is the situation in East Germany today? It is evident that, with regard to the industrial sector, the common perception that the East is not catching up is simply not true. Until very recently, the gross value-added per employee in East Germany has gone up continuously. It rose from just below one quarter of West German standards in 1991 to roughly two thirds in 2000 and reached 78.3 percent in 2008.<sup>9</sup>

Only if one looks at the economy as a whole (and not just industry), one might come to the conclusion that East Germany's catching up as massively slowed down. However, this is mainly due to some trends that must be regarded as a normalization of the East German economy: the massive shrinkage of the construction industry, a stagnating private service sector and a shrinking public sector. It is apparent that these trends are unavoidable if the current dependency on government subsidies is to be overcome. Both the construction industry and the service sector with their focus on the domestic market have to be replaced by an internationally competitive and export-oriented manufacturing

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<sup>9</sup> In 2008 labour productivity in East Germany's manufacturing industry per working hour stood at 71.0 percent of West German standards as daily working hours in the East were on average 10 percent longer.

industry. As economic growth has to be firmly based on a self sustaining and highly productive industry, the economic transition process is moving in the right direction.<sup>10</sup>

Remarkably, the rising labour productivity in the East's manufacturing industry has not been matched by corresponding wage increases. Since the late 1990s, compensation in East Germany stood at a constant 67 to 68 percent of West German standards, with no upward trend despite the continued progress of productivity. Correspondingly, unit labour costs, defined as the ratio of total labour costs to real output (or wage to labour productivity), have continuously fallen reaching 86 percent of West German standards in 2008. Despite lower productivity, East Germany has a competitive advantage over West Germany with a view to unit labour costs. And note that West Germany itself has massively lowered its unit labour costs by international standards since the mid 1990s as it experienced only moderate wage growth over a longer period of time. Hence, by all national and international standards, East Germany is now a highly competitive industrial location.

This development requires explanation as it was not anticipated in the 1990s. Its root cause lies in the erosion of the nation-wide collective agreements in manufacturing industries (in German: the so-called *Flächentarifvertrag*). Due to the high unemployment rates in East Germany, neither employer associations nor trade unions managed to rally large scale support. As a matter of fact, the percentage of industrial companies bound by collective wage agreements is extremely low. It appears that flexible ad hoc solutions that make room for competitively low labour costs have been adopted instead.

What remains to be explained is the persistent labour productivity gap between West and East Germany of about twenty to thirty percent, depending of how industrial productivity is measured (per employee or per hour). Statistical observations and empirical studies show that this gap can no longer be explained by the unavailability of technology or capital or by possible deficits in the education and qualification of employees. Roughly 300,000

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<sup>10</sup> For a detailed analysis see: K.-H. Paqué (Footnote 1) Chapter 4 and Harald Simons "*Transfers und Wirtschaftswachstum. Theorie und Empirie am Beispiel Ostdeutschland*", Marburg 2009.

East Germans commute to West Germany for work each day and have no trouble meeting the productivity levels of their West German colleagues. Hence, it appears most likely that the reason for East Germany's comparatively low productivity lies with the kind of products that are being produced in the East.

A main indicator supporting this hypothesis is the remaining deficit in export orientation and research activity of East Germany companies. Industrial Research and Development (R&D) activity remains much larger in West German than in East German businesses. In 2006, only 0.43 percent of all employees in East Germany were employed in the R&D sector whereas the figure for West Germany stood at 0.88 percent in the same year. This ratio has remained almost constant since the mid 1990s. It appears evident that the reindustrialisation of East Germany has proceeded without fostering enhanced research activity and orientation. In addition, industrial export figures for East Germany remain lower than those of the West. In 2008, the share of exports in West Germany reached almost 46 percent whereas East German figures hovered around a much lower 33 percent. On a positive note, however, these figures have increased quite dramatically rising from 12 percent in the mid 1990s to roughly 20 percent in 2000 until reaching 33 percent in 2008.

The two remaining structural weaknesses of East Germany's industry are closely intertwined. To some extent a common cause lies in the specifics of ownership structure and company size of the manufacturing industry in East Germany. In 2005, more than four-fifths of all companies in the East were owned by East Germans. With only 12 employees on average, the small size of these businesses hinders ambitions to increase export quotas and to intensify industrial research activity. While 48 percent of workers are employed by these (relatively small) East German owned businesses, 47 percent of the workforce is employed by (usually bigger) West German and foreign owned companies. Anecdotal evidence suggests that while the latter uses the latest technology in the production process, their research departments have largely remained in the West with only standardised production taking place in the East German section of the business. As such, East Germany's industry continues to function as the 'extended work bench' of West Germany. As such, its situation is typical for industry in structurally weak areas. While it is competitive at the

wage levels typical for its domestic market, structural weaknesses cause it to fall short of reaching the same levels of added value that are common in the main areas of industrial activity in West Germany.

All in all, the result of economic transformation in East Germany has to be described as a partial success. While a new industrial core has been created as the basis of economic growth, it does not yet meet West German standards either in terms of productivity or in terms of innovation. However, it has to be added that the West German standard is particularly demanding. It is important to remember that until 1989, East Germany was governed along socialist economic principles and had largely been sealed off from the world market. Forty years of socialist rule had led to an enormous waste of resources as well as the continuous loss of innovative strength. After 1990 even highly educated engineers were unable to develop new products and to position them on the world market. Almost all industrial branches required a complete reorganisation, which had to be done swiftly otherwise, the exodus of qualified workers would have become unstoppable.

It is highly informative to compare East Germany with the Czech Republic, a highly industrialized country, which traditionally had structural conditions that were very close in nature to those in East Germany. Today, productivity levels of the Czech industry stand at 30 percent and wages at only 20 percent of West German levels. Clearly, this is much less than was the case in the interwar period a much less than East Germany today. As the Czech Republic was not able to rely on a comprehensive aid programme and direct investments in the way that East Germany received support from West Germany it may be understandable that the country has fallen behind. Nonetheless, it also reveals that the task of catching up with the West following forty years of socialist mismanagement is much harder than it was anticipated in the early 1990s.

## **THE CHALLENGE: IMPROVING INNOVATIVE STRENGTH**

The primary objective of German reunification was to reconstruct East Germany's economy to a degree that it could finance regional consumption through its own production and would not be reliant on transfer payments. In the terms of international economics, the

East has to balance its current accounts to ensure it does not spend above its means. In this context, a region's current account refers to the difference between production and consumption whereby consumption is composed of private and public consumption as well as investment.<sup>11</sup>

Almost unnoticed by the public, East Germany has made tremendous progress in balancing its current account. While the mid 1990s saw consumption exceed production by more than 100 billion Euros, in 2006, the deficit had shrunk to only 30 Billion Euro and it is likely to have shrunk even further since then. It is primarily due to the recovery of its manufacturing industry that East Germany's economy has managed to overcome the total dependency on transfer payments that kept it afloat in the 1990s. A deficit of 10 percent of production value remains today yet the figures are distorted by the impact of commuters – that is East Germans who contribute to West Germany's economic productivity – and transfers payments that arise from the legal obligations of unified Germany's pension and social security system. The current situation is more than respectable when the high employment rates of the former German Democratic Republic (GDR)<sup>12</sup> that is making these transfer payments necessary is considered.

Undoubtedly, while there is still plenty of room for improvement, significant progress has been made. Crucial follow-up measures need to see the reduction of government purchases and investments at latest by 2019 when the Solidarity Pact II comes to an end. A consolidation strategy is already under way, in particular with a view to the still overstuffed civil service.

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<sup>11</sup> In strict foreign economic terms, the concept of a region's current account also includes transfer balance. We have deliberately chosen to alter this traditional definition as we are interested in East Germany's continuing need for transfer payments.

<sup>12</sup> In illustration of this point see: Gerhard Ritter "*Der Preis der deutschen Einheit. Die Wiedervereinigung und die Krise des Sozialstaats*", Munich 2006. K.-H. Paqué (Footnote 1) offers a rough estimate of the volume of annual transfer payments with regard to pension and social security obligations which have to be seen as a long-term effect of the GDR's socialist regime. The volume of annual transfer payments for pension payments stands at 21 billion Euros while 35 billion Euros are needed for social security payments. The total sum of 56 billion euros contributed to the annual production deficit in 2006 whereas commuters contributed an additional 8 billion euros to the total figure.

However, even more important are measures that aim to further boost industrial productivity. This goal has to be a guiding principle for political decision-making. It requires the reallocation of resources away from the current focus on infrastructure and job-creating measures towards initiatives that help boost the innovative strength of East Germany's industry. Successful collaboration between private research centres and public institutions of education and research has the potential to create future hotspots of industrial activity.

To achieve this goal requires the cooperation of all political levels within Germany's federal structure:

1. The federal government has to ensure that national programmes aimed at enhancing scientific excellence do not impact negatively on regional developments. In particular, East Germany's difficult starting position must not prevent it from participating fully in national strategies for closer collaboration between private and public research institutions. At the same time, the federal government has to ensure that key characteristics of East Germany's industry, including high levels of flexibility, remain intact as competitive advantages. As such, any form of regulating the labour market, for example by introducing a nationwide minimum wage is harmful.
2. Political decisions at state and community level have to focus on creating favourable structural conditions that attract industries and that are open to new developments. Decision-makers at the local level require competencies and resources that allow them to successfully compete with West German and foreign towns and communities in the recruitment of foreign investors. This is even more important for those regions that are not directly located within close proximity to major population and industry centres.

To be sure, even all these measures will have their inherent limits of effectiveness. It would be naive to expect too much from them. At any rate, they will take time to be effective. The task of overcoming the widespread economic damage that has been caused by forty years of socialist mismanagement remains a major national goal.

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# German Foreign Policy: Parameters and Current Challenges

*Eckart von Klaeden*

German reunification marked the beginning of a new phase in the foreign policy of the Federal Republic of Germany. The first phase of the new state's foreign policy after the Second World War had been dominated by the debate and decisions on whether the Federal Republic of Germany should integrate into the Western community (1949–1955), the second had been marked by the “Eastern Treaties” (1969–1972) and the third had been defined by the confrontation over the modernisation of the country's military capabilities (1977–1983). Following reunification in 1990, the Federal Republic of Germany was able to define its foreign-policy priorities untrammelled by the constraints of the East-West conflict as a fully sovereign state.

Since 1990, the reunited Germany's foreign policy has been largely characterised by its continuity. Change has taken place primarily at the level of strategies and instruments – as, for instance, in the field of European policy. One exception has been the deployment of German soldiers on foreign operations outside the NATO area. These operations have been undertaken both in response to the heightened expectations among our Alliance partners that Germany would commit itself more strongly and due to a learning process within German society that even today has still not run its course – as has been made plain above all by the current debate about the mission in Afghanistan.

## **NEW CHALLENGES**

Germany – like Europe as a whole – faces major challenges in the field of foreign and security policy. International terrorism and the proliferation of weapons of mass destruction pose direct threats to our security. The disruption of our energy supplies and flows

of other raw materials or international trade would endanger our prosperity to a considerable degree. Some of the main driving forces behind these new challenges are rooted in the developments that are frequently summed up under the heading of globalisation. While Germany profits on the whole from its strong integration into global structures, there is also another side to the coin, since globalisation opens up new operational opportunities for terrorists and organised crime groups, who have been transformed from local or regional factors into global threats.

The current financial and economic crisis as well as the increasing proliferation of weapons of mass destruction and, in particular, climate change are forcing the nation state to acknowledge the limits of its capacity to resolve problems.

As far as Germany is concerned, the European Union is the most important structure within which answers can be sought for challenges it is not possible to counter as efficiently, if at all, at the level of the nation state.

This is why European integration remains the most important pillar of German foreign policy. The European Union's capacity to resolve problems will be considerably bolstered once the countries that have still not ratified the Treaty of Lisbon do so as expected this autumn and the Treaty subsequently enters into force.

However, our membership of the European Union does not just shape our relationship to our European partners, but is also an important factor in our relations with third countries. This is the case above all in the field of foreign trade, where the European Commission possesses farreaching competencies, but to an increasing degree in the classic field of foreign and security policy as well.

Apart from the EU, we attach great significance to our relations with the USA, Russia and Asia, where attention is centred mainly on China.

## **THE USA – OUR MOST IMPORTANT PARTNER OUTSIDE EUROPE**

Our shared basic values, the profound exchange of ideas between our societies, our strong economic interdependence and our intensive political consultations make the USA Germany's most important ally outside Europe. Through its commitment within NATO and the security guarantees this commitment underpins, the USA has contributed decisively to the peace and stability enjoyed

by Europe since the end of the Second World War. It is essentially thanks to the USA that communism was overcome and German unity was achieved in peace and freedom. Today, the USA is still the indispensable superpower, and it will retain this status for a long time to come even though new powers are emerging. We share key foreign-policy interests with the USA. Only if Europeans and Americans act in concert will we stand a chance of dealing effectively with the central global challenges we face. The German Federal Chancellor, Angela Merkel, has succeeded in regaining the trust that was lost in Washington under her Social Democratic predecessor and initiating a new phase of collaboration. At the moment, the trusting relations that have been reestablished over the last four years are being rapidly expanded with the new American government under President Obama.

## **RUSSIA – A DIFFICULT PARTNER**

Our relations to Russia are of course completely different in nature. Russia is part of Europe and therefore our geographical neighbour. The hopes that the development of Russian democracy would follow a smooth, linear progression have unfortunately not been fulfilled. The absence of the rule of law is one fundamental reason for the country's lack of economic and social dynamism in comparison to other states. Russian foreign policy exhibits clear neoimperial tendencies.

Germany has traditionally cultivated good relations with Russia, which we want to preserve. However, these relations should not – as occasionally in the past – flourish at the expense of third parties. Our dependence on each other, above all when it comes to the energy and raw materials sectors, on the one hand, and technological cooperation, on the other, means there are plenty of opportunities for cooperative action from which both countries benefit. The CDU/CSU parliamentary group in the German Bundestag has supported the negotiations that have begun concerning a new partnership and cooperation agreement between the EU and Russia, which would place this cooperation on solid foundations. At this juncture, it is necessary to recall that at the beginning of this year the Russian government was prepared to let the gas dispute with Ukraine escalate to such an extent that member states of the European Union too would inevitably suffer

interruptions in supply, despite the political and economic costs incurred by this step. This experience and Russia's conduct during its war against Georgia have made it quite clear that the strategic partnership between Europe and Russia invoked by some people may be desirable, but is still far from being a reality.

## **CHINA – A PARTNER FOR THE FUTURE**

Its economic and political rise has transformed China into a significant actor on the international markets and in international politics. China's influence is expanding not just economically, but also politically and diplomatically, culturally and in the sphere of military strategy. As a result of its growing economic weight, its increasing 'soft power', its position as a permanent member of the UN Security Council and its more active engagement in regional and multilateral structures, Chinese contributions are now essential to the resolution of many regional and global difficulties. China is an emerging world power. China's rise has also made German and European relations to this country ever more important. China has become one of our most important economic partners around the world. German-Chinese relations are close, substantial and robust. For us, China is an important partner in Asia; for Peking, we are just as important as a political partner in Europe. There is a broad range of structures within which discussions are taking place between the two sides in fields such as the economy, academic life, the environment and politics, discussions that also encompass a dialogue on human rights and the rule of law. In this respect, however, we should not overlook the fact that, with China, a non-democratic, non-liberal state is climbing up through the world's economic and political hierarchies, an impression confirmed once again last spring when media censorship was intensified around the 20th anniversary of the bloody suppression of peaceful student protests on Tiananmen Square. Nonetheless, we have a great interest in building up our relations with China and other important partners in Asia, such as India, Japan and the ASEAN states.

## **NEW HOPE IN THE MIDDLE EAST**

It is highly welcome that, unlike his two predecessors, President Obama has put the Middle East conflict high on his personal

agenda right from the beginning of his period in office. It is greatly to be hoped that the offers of dialogue and cooperation in the region set out during his recent speech at Cairo meet with a positive response. Angela Merkel, the German Federal hancellor, has repeatedly articulated Germany's strong interest in the Middle East peace process starting to move forward with greater momentum again towards the goal of a twostate solution.

The international community must maintain a united front in its handling of the Iranian nuclear programme. The aim continues to be to obtain objective guarantees from Iran that its nuclear programme will be used permanently for peaceful purposes alone and to do everything to ensure this can be achieved by diplomatic means. Regrettably, the strategy pursued by the UN Security Council and the EU 3 + 3 has not hitherto prevented Iran from carrying on with the enrichment of uranium. There is no alternative to a strengthening of the twin-track strategy of sanctions and offers of cooperation. So far, Teheran has reacted only vaguely to the offer of talks from President Obama. Sadly, the recent Iranian elections have not boosted the moderate political forces as it had been hoped they would.

## **FIGHTING TERRORISM IN AFGHANISTAN AND PAKISTAN**

The devastating terror attacks in New York and Washington on 11 September 2001 were planned from Afghanistan. Since then, it has been possible for the terrorist threat that emanated from that country to be largely stemmed. Nevertheless, stabilising Afghanistan remains one of the most urgent tasks for international security policy, something that is necessary in order to prevent Afghanistan once again from becoming a safe haven for terrorists determined to act on a global stage. We were therefore much encouraged by President Obama's decision to make Afghanistan a foreign policy priority and also involve Pakistan in the action that is being taken. Without close cooperation with Islamabad aimed at making sure the Afghan Taliban are not able to retreat to the Pakistani-Afghan border region, there will be no hope that lasting peace can be brought to Afghanistan. Furthermore, Pakistan needs our support if it is to successfully combat the threat from terrorism on its own territory. We very much welcome that, with its new Afghanistan strategy, the fresh US administration has adopted

a European-style ‘comprehensive approach’ that is focussed on strengthening the civil reconstruction effort and improving the integration of civil and military measures. It continues to be our goal to put the Afghan government into a position where it is itself capable of ensuring the country’s security, stability and development. In the future too, Germany will remain committed to this task and the special responsibility it has taken on for the north of Afghanistan.

## MODERNISING NATO

NATO remains the central instrument of our trans-Atlantic security and defence policy. Apart from the key commitment to collective defence that is still vital to its identity, its functions now range from robust stabilisation missions in Europe, on its peripheries and far beyond the borders of the Alliance area to humanitarian operations in disaster areas. At NATO’s anniversary summit in Kehl and Strasbourg last April, the Alliance decided to revise its ten-year-old strategic concept. This offers an opportunity to set about the modernisation of NATO. Any such strategic concept for the future will have to reflect the radical changes that have taken place in security policy over the last few years and address the transformation of NATO that has still not been completed. It must be rooted in a comprehensive analysis of new threats and security-policy challenges that can hardly be delimited in geographic terms any longer. In this respect, non-military aspects such as ecological, economic, social and cultural issues will also have to be taken into consideration. These issues include questions that relate to missile defence, cyber defence and energysecurity.

The overarching goal is to build a new consensus about the risks and threats the Alliance faces, as well as the burdens it should be shouldering and the reach of its operations. This will require all the Alliance’s members to be reassured that they are covered by the Article 5 guarantee. NATO must also continue to be open to new members. They should be allowed to join if the Alliance’s accession criteria are satisfied and this would deliver added value for the Alliance in security terms. It is just as important to enhance NATO’s relations with its partners, especially the countries in Asia that are contributing their own soldiers to the ISAF mission in Afghanistan.

Furthermore, the relationship between NATO and the EU requires urgent improvement. In view of the growing responsibilities borne by NATO and the ESDP, the civil and military capacities that are available have to be used more efficiently and expanded.

## **REINFORCING DISARMAMENT AND NON-PROLIFERATION**

The new initiatives on disarmament, arms control and the non-proliferation of weapons of mass destruction that President Obama announced in his Prague speech are very much to be applauded. They hold out a new opportunity to drastically reduce the number of nuclear weapons and limit the size of the world's conventional forces. We are hoping for a rapid conclusion of the current US-Russian negotiations about a legally binding follow-on agreement to the START I treaty on the reduction of strategic nuclear arsenals that is due to expire in December of this year, in part as a way of reinforcing the nonproliferation regime and preventing the number of nuclear powers from rising further. As the cornerstone of international non-proliferation policy, the Treaty on the Non-Proliferation of Nuclear Weapons is central to any attempts to prevent the dissemination of nuclear weapons. This Treaty regime needs to be strengthened in view of the growing risks of proliferation, for instance in Iran and North Korea.

In order to rule out the further dissemination of nuclear material, nuclear technology and nuclear know-how, countries that wish to use nuclear energy to generate power must be helped to identify methods of doing this that will minimise the risks of proliferation. President Obama has called for the Nuclear Test Ban Treaty to be ratified by the US Senate. If this proves possible by the spring of next year, it will supply an important stimulus for the Non-Proliferation Treaty Review Conference that will be taking place at that time, the results of which will be crucial for the future of the Treaty regime. Unfortunately, it is rather unlikely at present that Obama will soon obtain the majority in the Senate this would require. Export controls that restrain the spread of technology for the production of weapons of mass destruction, military missile control technology and above all dual-use products are instruments that are just as indispensable in the struggle to contain proliferation. It is therefore very much to be welcomed that South Korea recently joined the Proliferation Security Initiative, which



is intended to halt proliferation and combat nuclear terrorism. This move is all the more important given that the greatest dangers of proliferation currently emanate from North Korea, which has recently conducted another nuclear test and several missile tests.

## RESOURCE SECURITY AND CLIMATE PROTECTION

As an open economy closely integrated into the world market, Germany owes much of its prosperity to the stability of the international financial system and open world markets, as the current global economic and financial crisis has so starkly demonstrated. The last few months have shown that we need to adapt the global financial architecture to the requirements of a globalised world and energetically oppose any burgeoning protectionist tendencies. In addition to this, as a heavily export-oriented economy, we have a great interest in securing maritime trading routes. This is why it is right for the German Navy to be involved in fighting piracy at the Horn of Africa.

Germany's security depends not least on the most unrestricted possible access to the markets for energy and other raw materials. The German Federal Chancellor has made energy and raw material security an important theme of her chancellorship. The risks that are associated with our heavy dependence on energy supplies from abroad were made abundantly clear by the Russian-Ukrainian gas conflict at the beginning of the year.

Climate protection is closely connected with questions of energy security. The EU has decided to reduce greenhouse gas emissions 20 percent by the year 2020. In this context, it is very much to be applauded that President Obama too is pursuing a new energy policy and has subscribed to the fight against climate change. We must work together, in particular to persuade threshold countries with high emissions such as China and India to make appropriate contributions. The goal of limiting the rise in global temperature by the end of the century to two degrees Celsius compared to the preindustrial level, and so keeping climate change within manageable dimensions, must be given binding force under international law.

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# The Fall of the Berlin Wall and European Integration

*Ludger Kühnhardt*

## CRISIS OF TRUST AS CRISIS OF DEEPENING INTEGRATION

Surprisingly, the fall of the Berlin Wall on November 9, 1989, turned out to be the biggest challenge to Europe since the fall of Hitler's Third Reich in the same city on May 8, 1945. Instead of rejoicing about the end of Europe's division in happy anticipation of European unification under the banner of freedom, democracy and market economy, skeptical concern, fear and immobility soon filled the air. With German unification imminent as the immediate consequence of the fall of the Berlin Wall, even the very rationale of European integration seemed to have become questionable. Germany might not need European integration any longer, some argued. Other notorious skeptics perceived united Germany as the dominating European power, while some analysts were questioning whether or not Germany would maintain its interest in pursuing European integration at all. Soon, a first set of reassuring answers was given: The government of united Germany under Chancellor Helmut Kohl was reelected twice after the unification of the two German states on October 3, 1990, before he lost his Chancellorship in the 1998 election. At all times during this decade, Kohl's government remained unwavering in its commitment to European integration. German unification and European unity were considered as two intrinsically linked sides of the same coin.<sup>1</sup>

Rapid German unification had come about only after formal consent of the four allied powers, who had won World War II against the German Reich. German unification accelerated the

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<sup>1</sup> See Szabo, Stephen, *The Diplomacy of German Unification*, New York: St. Martin's Press, 1992; Zelikow, Philip, and Condoleezza Rice, *Germany United and Europe Transformed: A Study in Statecraft*, Cambridge, Mass.: Harvard University Press, 1995.

path toward the European Monetary Union. It also opened up the possibility of further enlargements to include Central and Eastern European countries: After all, the accession of the German Democratic Republic to the Federal Republic of Germany – based on its traditional internal federal structures with five “new Länder” joining the eleven “old Länder” of the Federal Republic – was the first accession of a post-communist transformation society to the European Community, albeit under different conditions. Joy could have been the overall European attitude.

This, however, did not happen because a second set of answers to the questions raised with the end of the artificial division of Europe was much more difficult to obtain. In fact, it even took EU leaders a couple of years to define the right content of questions following the fall of the Berlin Wall and the end of the Cold War. The fall of the Berlin Wall in 1989 found a first formal answer in the EU membership of ten post-communist countries in 2004, followed by another two in 2007. Further applicant countries from Southeast Europe reminded the EU that even the enlargement marathon had remained unfinished business. The enlargement of the European Union to include former communist countries had been the only possible and morally right answer to overcome the division of Europe originating in the Cold War. Before joining the EU, the new member states had to go through a tough period of internal transformation in the course of which they had to adopt the EU’s *acquis communautaire*. Through this daunting process, they became formally more Europeanized than most of the “old” EU member states.<sup>2</sup> None of them would have wished to go through the ordeal

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<sup>2</sup> See Zielonka, Jan (ed.), *Europe Unbound: Enlarging and Reshaping the Boundaries of the European Union*, Abingdon: Routledge, 2002; Dimitrova, Antoaneta C. (ed.), *Driven to Change: The European Union’s Enlargement Viewed from the East*, Manchester: Manchester University Press, 2004; Cameron, Fraser, *The Future of Europe: Integration and Enlargement*, London: Routledge, 2005; Schimmelfennig, Frank, and Ulrich Sedelmeier (eds.), *The Politics of European Enlargement: Theoretical Approaches*, London: Routledge, 2005; Schimmelfennig, Frank, and Ulrich Sedelmeier (eds.), *The Europeanization of Central and Eastern Europe*, Ithaca: Cornell University Press, 2005; Brimmer, Esther, and Stefan Fröhlich (eds.), *The Strategic Implications of European Union Enlargement*, Washington D. C.: Center for Transatlantic Relations, 2005; Grabbe, Heather, *The EU’s Transformative Power: Europeanization through Conditionality in Central and Eastern Europe*, Houndmills: Palgrave Macmillan, 2006.

of a comprehensive review of the EU compatibility of its legal system.

No matter how important the enlargement process was, the other long-term question for the future of the European Union was not raised with the same clarity as the enlargement issue: How to deepen European integration and with which objectives? Eventually, during the 1990's and into the first years of the twenty-first century the idea of what European integration was meant became blurred across most of the EU. Instead of finding joint answers to the question of what European countries and societies could do together, the leadership of many EU member states became obviously more absorbed in preventing the European Union from advancing. They were trying to delineate the limits of European integration. Instead of pro-actively defining and advancing a common European good, they emphasized national interests. The European Union was stumbling from one crisis into the next and from one symbolic exit of a crisis into the next stage of self-doubts. The main question remained unanswered: How could united Europe define common interests and common public goods in order to prevent a permanent stalemate over vested national interests, mutual suspicions and an overall sense of stagnation and loss in the age of globalization? Paradoxically, the potentially positive process of constitution-building that culminated with the signing of the first ever European Constitution in 2004 was more an expression of reciprocal suspicion than of convincing leadership. At its beginning stood the Treaty of Nice, the embodiment of a politics of veto instead of a politics of enabling open doors. Lack of leadership inspired lack of differentiation among Union citizens: The rejection of the European Constitution in referenda in 2005 in two founding states of the EU was primarily a rejection of the incumbent leadership in France and in the Netherlands. The majority of EU citizens were ready for more integration, and also for a European Constitution. But their leaders failed them in convincingly explaining what their actions were meant to initiate. The same disaster happened, not surprisingly, in June 2008 when the Irish people were asked to ratify the Treaty of Lisbon in a referendum: 53.4 percent of the Irish voters said "no" and triggered a new crisis for EU politicians. Eventually, this was not an Irish problem but a problem of political authority and leadership across the European Union.

The absence of solid achievements of deeper integration in parallel to the unprecedented enlargement of the EU turned into a crisis of trust in Europe's political leaders. This crisis generated a reflection period which turned, interestingly, into the first reasonable constitutional debate in Europe. The constitution of the European Union, of European identity and of EU policy-making was discussed more than ever before in five decades of EU integration history. In itself, this was a good and reassuring reaction to the crisis in constitution-building. Hopefully, it could mean the beginning of a new contract between Union citizens and EU leadership, the initiation of a new consent about the future of Europe and hence a Second Founding of European integration. It surely meant the breakthrough of the Europeanization of politics in Europe. At last, this combination of crisis, self-doubt, fancy Euroskepticism and even more frustrating disappointment with the short-sightedness (and limited success) of national efforts to go it alone turned European integration eventually into a matter of domestic politics across the EU: 66 percent of EU citizens consider issues related to the European Union to be an element of domestic politics (and not of foreign politics) in their respective countries.<sup>3</sup>

During five decades of European integration, institutional Europe has been established. But, still, Europeans are rare. The end of communist totalitarianism and the divisions of the Cold War opened enormous prospects and opportunities for many societies in Europe. But, surprisingly, the idea of value added through a united Europe became increasingly obscure. One experience stood above all others during these years of trial for European integration: Europe needs to be a Europe of results if its institutions want to regain legitimacy. "A Europe that works," as political leaders began to formulate this insight, would remain the ultimate bench-mark for judging the readiness of the European Union to take its desired place in the world on the basis of a new internal consent among EU citizens and EU leadership.

The enlargement challenge arising from the secular change encapsulated in the fall of the Berlin Wall and the end to communist

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<sup>3</sup> See *Frankfurter Allgemeine Zeitung*, No. 187, August 14, 2007: 19. With 79 percent, the Portuguese were leading the assumption of this opinion poll, with 46 percent the Belgians were, astonishingly, the people with the lowest support for the thesis of EU affairs being a matter of domestic politics.

totalitarianism was handled reasonably rationally and successfully. With German unification in October 1990, the first EU enlargement to include a post-communist society took place. It should have been obvious that somehow the intra-German adaptations would have to be dealt with on a much larger scale in the face of an EU enlargement with a host of post-communist countries. On a much larger scale, socio-economic, political, constitutional and cultural matters needed to be addressed. The psychological and physical consequences of communist rule, and the implications of deep structural transformations, were unavoidable for the EU as a whole once other countries followed the German Democratic Republic (GDR) in joining the European Union. This was not an all too pleasant and comfortable thought for many political leaders in Western Europe. Politicians therefore tried to downplay its implications and continued to celebrate the unification of Europe in the name of freedom and democracy as a symbolic victory. Eventually, together with Malta and Cyprus ten post-communist countries joined the European Union during the first decade of the twenty-first century. In 2004, when the first eight of them entered the EU with a total of nearly 73 million inhabitants, they had a combined GDP of 458.4 billion euros. This combined GDP was not larger than that of the Netherlands with 465.3 billion euros and little more than 16 million citizens.

**TABLE: MEMBER STATES OF THE EUROPEAN UNION**

EU Member State	Population (in million) <sup>4</sup>	GDP (in billion euros) <sup>5</sup>	GDP per capita (EU average: 100) <sup>6</sup>	Seats in the European Parliament (as of 2009) <sup>7</sup>	Votes in the Council (as of 2009) <sup>8</sup>
Austria	8.2	245	122.7	17 (2.32 %)	10 (2.0 %)
Belgium	10.4	298	117.7	22 (3.01 %)	12 (3.48 %)
Bulgaria	7.8	21	32.1	17 (2.32 %)	10 (2.90 %)
Cyprus	0.7	13	83.5	6 (0.82 %)	4 (1.16 %)
Czech Republic	10.2	98	73.0	22 (3.01%)	12 (3.48 %)
Denmark	5.4	208	124.2	13 (1.78 %)	7 (2.03 %)
Estonia	1.3	11	57.4	6 (0.82 %)	4 (1.16 %)
France	60.6	1710	109.0	72 (9.84 %)	29 (8.41 %)
Finland	5.2	155	112.1	13 (1.78%)	7 (2.03 %)
Germany	82.5	2258	109.8	99 (13.52 %)	29 (8.41 %)
Greece	11.1	181	82.2	22 (3.01%)	12 (3.48 %)
Hungary	10.1	88	60.9	22 (3.01 %)	12 (3.48%)

Ireland	4.1	160	137.1	12 (1.64 %)	7 (2.03%)
Italy	58.5	1417	102.8	72 (9.84 %)	29 (8.41%)
Latvia	2.3	13	47.1	8 (1.09 %)	4 (1.16 %)
Lithuania	3.4	21	52.1	12 (1.64 %)	7 (2.03 %)
Luxembourg	0.5	29	247.8	6 (0.82 %)	4(1.16%)
Malta	0.4	4	69.3	5 (0.68 %)	3 (0.87 %)
Netherlands	16.3	502	123.5	25 (3.42 %)	13 (3.77 %)
Poland	38.2	243	49.9	50 (6.83 %)	27 (7.83 %)
Portugal	10.5	147	71.4	22 (3.01 %)	12 (3.48 %)
Romania	21.7	79	34.8	33 (4.51 %)	14 (4.06 %)
Slovakia	5.4	38	55.1	13 (1.78 %)	7 (2.03 %)
Slovenia	2.0	27	80.0	7 (0.96 %)	4 (1.16 %)
Spain	43.0	904	98.7	50 (6.83 %)	27 (7.83 %)
Sweden	9.0	288	114.7	18 (2.46 %)	10 (2.90 %)
United Kingdom	60.0	1791	116.8	72 (9.84 %)	29 (8.41 %)

<sup>4</sup> European Union, European Commission, *Europe In Figures. Eurostat Yearbook 2006–07*, Luxembourg: Office for Official Publications of the European Communities 2007, [http://epp.eurostat.ec.europa.eu/cache/ITY\\_OFFPUB/KS-CD-06-001/DE/KS-CD-06-001-DE.PDF](http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-CD-06-001/DE/KS-CD-06-001-DE.PDF).

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

<sup>7</sup> European Union, European Commission, Treaty of Nice: A Comprehensive Guide, [http://europa.eu/scadplus/nice\\_treaty/bodies\\_en.htm#PARLIAMENT](http://europa.eu/scadplus/nice_treaty/bodies_en.htm#PARLIAMENT).

<sup>8</sup> European Union, European Commission, Treaty of Nice: A Comprehensive Guide, [http://europa.eu/scadplus/nice\\_treaty/council\\_en.htm#VOTES](http://europa.eu/scadplus/nice_treaty/council_en.htm#VOTES).

At the end of 2007, the Schengen Area was enlarged to most new EU member states in Central Europe. Eight Central European countries (all new member states except Romania and Bulgaria) and Malta introduced control-free border crossing, the most prominent symbol of shared freedom of citizens across Europe. On January 1, 2008, the Single European Payments Area (SEPA) was inaugurated, providing for cost-free cashless financial transactions across the European Union. Estimates assume that customers will gain 35–70 billion euros annually. Simultaneously, Malta and Cyprus introduced the euro as their legal tender, bringing the member states of the eurozone to fifteen, covering 319 million EU citizens. In 2009, Slovenia became the sixteenth EU member state adopting the euro. The euro gained 13 percent against the US dollar within one year and its share of world currency reserves has reached 30 percent.



## CAUSES AND EFFECTS OF CONSOLIDATED CONSTITUTIONALISM

The need to deepen European integration during the 1990's and the first decade of the twenty-first century was a response to a threefold challenge posed to Europe: The European Union had to consolidate its economic structures in order to maintain stability for its emerging currency. It had to prepare the EU for dealing with the consequences of enlargement toward post-communist Europe and, in a related matter, for a recalibration of transatlantic relations, neighborhood relations in Southern and Eastern directions, and Europe's role in future global management. Finally, it had to find satisfying responses to the ever-increasing claims that the EC was suffering a "democratic deficit" and was lacking legitimacy, while its Byzantine institutional structures, not transparent and full of inconsistencies, impeded the efficient outcome of EU operations.

The decade after the fall of the Berlin Wall began with the ambitious effort to simultaneously realize the European Monetary Union and a European Political Union. During the European Council meeting in Strasbourg on December 8 and 9, 1989 – under the deep impression of the historical developments in Central and Eastern Europe<sup>9</sup> – the establishment of an intergovernmental conference on European Monetary Union was decided upon. In light of possible resentment in Germany about the loss of the Deutschmark to a common European currency – and certainly in East Germany, where the Deutschmark had only recently been introduced in replacement of the weak Eastern Mark – German Chancellor Kohl pleaded for tactical postponement of the announcement of the date of the Intergovernmental Conference; he had to win the first national elections in a united Germany on December 2, 1990. Finally, the European Council in Dublin on June 25 and 26, 1990, decided to begin the work of an Intergovernmental Conference in mid-December 1990 under the Italian Presidency. The same European Council also agreed on a joint initiative by

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<sup>9</sup> See Helmut Kohl's account of the frosty atmosphere at this meeting, where he was not only welcomed with joy about the fall of the Berlin Wall, but also with concern about the future prospects of a stronger Germany: Kohl, Helmut, *Ich wollte Deutschlands Einheit*, Berlin: Propyläen Verlag, 1996: 194–201.

French President Mitterrand and German Chancellor Kohl to launch a second Intergovernmental Conference on political union, likewise starting its work before the end of the year.

Both intergovernmental conferences conducted their work throughout 1991, finishing complex and sometimes highly controversial negotiations at the European Council in Maastricht on December 9 and 10, 1991.<sup>10</sup> At this meeting, the main parameters of the Treaty of Maastricht were agreed upon. Its most important decision was the finalization of the beginning of the third stage for European Monetary Union on January 1, 1999. But other aspects of the Treaty of Maastricht regarding the future structure of the European integration process were not less important, including its rather incomplete decisions on political union. The Treaty of Maastricht was the most thorough treaty revision since 1957. It was also the beginning of a series of further revisions that were to continue during the next two decades.

## EMERGING EUROPEAN INTERESTS AS MANIFESTATIONS OF POLITICAL DISPUTES

The period of European integration that started with the Treaty of Maastricht and the effect of the breakdown of communist regimes in Central and Eastern Europe ended with the implementation of the institutional reforms of the Treaty of Lisbon and the breakthrough of the politicization and Europeanization of politics in the European Union. During this period of European integration, the EU was able to broaden the basis of consent concerning European interests, which, by now, would include the following components:

The primacy of community law was consolidated in spite of strong irritations, at times, about the meaning and substance of a “European spirit,” leadership deficits and structural problems in upholding and deepening the treaty-based *acquis communautaire*.<sup>11</sup>

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<sup>10</sup> See Dyson, Kenneth, and Kevin Featherstone, *The Road to Maastricht: Negotiating Economic and Monetary Union*, Oxford: Oxford University Press, 1999; Mazzucelli, Colette, *France and Germany at Maastricht: Politics and Negotiations to Create the European Union*, New York: Garland, 1997.

<sup>11</sup> See Craig, Paul, and Gráinne de Búrca (eds.), *The Evolution of EU Law*, Oxford/New York: Oxford University Press, 1999.

Budgetary matters have become an intrinsic element of a community of destiny, bound by the will to maintain the strength of the common currency in a common market; however, no sustainable solution has yet been found to install solid economic governance and fiscal federalism.

The impact of European integration on domestic structures in all member states has given a new and larger meaning to the notion of Europeanization; the process of politicizing European integration has increased the need to adapt national traditions, legislature, governance processes and economic structures, which did not remain without critical reactions from the side of EU member states.

The right to speak “in the name of Europe” is not the privilege of any institution or member state, and certainly not the privilege of the bigger member states alone, France and Germany in particular; in order to achieve a Single Foreign, Security and Defense Policy it will be necessary for the European Union not to define herself as counter-power to the United States.

## EFFECTS OF “ENLARGEMENT FEAR:” NEW PERSPECTIVES FOR DEEPENING

During the 1990’s, the joy over the end of communist rule in Central and Eastern Europe gave way to realism, concern and also resentment in Western Europe. While the post-communist countries were seriously and adamantly struggling to incorporate the EU’s *acquis communautaire* into their domestic agenda of transformation, the 15 old EU member states were trying to prevent the transformation also impacting their ways. Speculation about the costs of integrating and reforming Central and Eastern European countries reached by the wildest projections concerning possible flows of migration. A certain increase of illegal migration and organized crime related to the new openness of borders were undeniable, but it seemed as if this was the inevitable prize of freedom. At the same time, the larger markets in Central and Eastern Europe were a golden opportunity for many businesses and companies across Western Europe. More trade with the new participants of the European market substituted for exhausted consumerism and recession in Western Europe. Fear of uncontrolled migration was another dubious prejudice that all of a sudden obsessed Western Europe. A more sober and differentiated analysis about migratory patterns into the EU had to consider two kinds of labor movements originating in the post-communist

societies: complementary movement and competitive movement.<sup>12</sup> While the first type was needed in several sectors of the Western European economy that are in need of seasonal manual workers or of cheap temporary workers (i.e. harvesting, construction business), the second one simply required stronger efforts by the economies of “old Europe” to proceed with the evolution of new levels of a modernized division of labor. Some countries of Western Europe were faster than others in recognizing the need for enhanced reforms of their labor markets and welfare systems, their education structures and curricula from kindergarten to university. Others were resorting to protectionist instincts as if new walls would have ever helped anybody in Europe.

Five million people had migrated to Germany alone between 1989 and 1996. Most of them did not come from the EU applicant countries, but from the former Soviet Union. Across the EU, the total number of 850,000 residents originating from another EU member state constituted only 0.2 percent of the population in the old EU. This number was in reverse proportion to the degree of polemic against migration from Europe’s center and east. It also has to be mentioned that 600,000 Poles returned home once the communist regime had disappeared in their homeland. As contradictory as the concerns and fears related to migration from Central and Eastern Europe were across the EU, the 1990’s saw an increasing debate in the old EU about the need to balance eastward enlargement with new initiatives toward the Southern littoral of the Mediterranean. Should the European Union’s stability be projected and exported in order to impact its neighboring regions, the orientation toward the Southern Mediterranean region was compulsory. The mix of arguments, however, for building up a coherent European approach was not consistent at all. Simultaneously, fear and hope were invoked, development intentions and strategies for increased economic interdependencies were presented, security concerns and visions of a cultural dialogue were expressed, ideas of how to deter migrants and how to better involve the economies of North Africa into the Single Market process were aired. The net result was not clear and

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<sup>12</sup> See Kühnhardt, Ludger, *Die Europäische Union – Fragen zur Erweiterung*, Berlin: Auswärtiges Amt/Europäische Kommission, 2003 (3rd ed.): 35–37.

the strategy resulting from this first initiative of the European Union to look to its immediate South was accordingly incoherent. Yet, the inevitable eastward enlargement also enlarged and widened the perspective of the whole European Union toward its Southern neighbors.

The Euro-Mediterranean Dialogue of the European Union was initiated during the early 1990's. As far as the intention of the EU Commission – and especially of Spain and France – was concerned, it was a response to the eastward orientation that dominated after the end of communist rule in Central and Eastern Europe. France and other Southern EU member states anticipated that the eastward orientation of the EU would largely be to the economic advantage of Germany and other countries in Northern Europe. Along with Germany Great Britain, Denmark, the Netherlands, Finland and Sweden expressed special interest in bringing their post-communist neighbors as soon as possible into the status of full EU membership. Italy found itself in an ambivalent situation. As much as Austria, Italy benefited economically from the newly emerging markets in Central Europe, but was at the same time hesitant to enlarge the EU to the east if it meant a loss of its own influence. Understandably so, the Southern members of the EU wanted to balance the prospect of a new and broader Europe to the East with a strengthened emphasis on partnership with the Southern littoral countries around the Mediterranean. This policy became known as the Barcelona Process, bringing together all EU member states and most Southern Mediterranean countries for the first time on November 27 and 28, 1995, in Barcelona. The simultaneous presence of Israel and the Palestinian National Authority was spectacular. The absence of Libya was noticeable, at that time still scorned as a terrorist state. By the end of 2004, the European Union had not only engaged Libya in the Barcelona Process, it had even lifted its ban on arms sales to Tripoli.

The Southern orientation of the European Union never gained the degree of emotional reaction as the prospect of eastward enlargement did. It was clear that Egypt, no matter what, would never become a European Union member state. Poland was about to join the EU in 2004. The only Southern country provoking a strong degree of emotions inside the “old” and also inside the enlarged European Union was Turkey. Amidst controversial disputes of Turkey's European character and vocation, the EU eventually opened full membership negotiations on October 3,

2005. The subsequent process was to become more twisted than all previous experiences with Central and South Eastern Europe.

The enlargement process of the European Union that took place during the 1990's finally buried all ideas to design Europe as a free trade zone only. If EFTA had not already been actually dead with the accession of Great Britain to the EC in 1973, the accession of Sweden, Austria and Finland in 1995 limited even the potential of its heir, the European Economic Space. The EU had negotiated this European Economic Space in 1992. It guaranteed that the remaining members of former EFTA accepted the legal provisions of the Common Market without becoming a member of it. In July 2009, Iceland applied for EU membership.

The European Bank for Reconstruction and Development forecasts annual growth rates in the new EU member states of around 4 to 7 percent over a consistent period of time. This would certainly require steady growth in the eurozone member states of the EU, high levels of investments and rapid productivity growth. To "catch up" with the economic standards of Western Europe will take quite a long time anyway. Since the "old EU" will also continue to grow and international investments have already begun to react critically to wage increases in Central Europe, World Bank estimates show that for the most advanced countries of the group, it would take 20 years for Slovenia, and for Poland, Hungary and the Czech Republic 40 years to only reach the EU average incomes of the year 2004. For Romania, the estimate is 80 years.<sup>13</sup>

The real challenge was yet to come, the evolution of a common image of Europe, of a commonly shared vision for Europe. It was easy to invoke Europe as incarnation of freedom and unity. To make use of Europe as the framework for reciprocal forms of solidarity became much more difficult. Nobody was really to blame. After decades of living under communist totalitarianism, the new EU member states from Central and South Eastern Europe went through substantial transformations of their political culture. This was a matter of ideas, but also a matter of generations. It took time to get used to the mechanisms, the symbolism and the emotions of European integration. This new reality in the public life of Europe was also a growing challenge in the traditional EU member states

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<sup>13</sup> See Grabbe, Heather, *The Constellations of Europe*, op.cit.: 6–13.

of Western Europe. They experienced the effects of European integration and were going through a genuine period of leadership crisis. Citizens across the EU were skeptical about the ability and seriousness of their political leaders. It was time for a new compact between the citizens of Europe and their political leaders. How to reach it, was not clear.

Political loyalties and party structures changed faster and more often than in decades. The overall sense of dissolution, transformation and realignment had reached the EU as a whole. When the constitution-building process took shape in the early twenty-first century, the political landscape of Europe had become grey and vague. In Central and South Eastern Europe, hardly any political party is still present in the circles of power that had overturned communist totalitarianism in 1989. In Western Europe, the dissolution of traditional sociological and hence political loyalties had spread all over. Uncertainty and political skepticism were dominating. The initial idea of a European Constitution that could serve as a political safety belt around the two parts of Europe that were growing together failed. It was overly optimistic, maybe even romantic. Europe was growing together, from bottom to top, and it had to grow together in reality, through a change of generations and through the realities of daily life, before a new European compact and one between Europeans and their European leaders could follow. In light of this frustrating reality, the 2007 Reform Treaty will be judged much more generously.

The roots of this necessary yet difficult realignment of ideas are to be found in the transformation processes of post-communist and post-Cold War societies both in East and West Europe. The consequences were felt in the European Parliament after new representatives from Central and Eastern Europe joined. They were also felt in the deliberations of the European Council, most notably after the constitution-building process was started again in 2007. It was all too simple to blame just one or the other country for the daunting process that was lying behind the EU. For decades, two different parts of Europe had grown into two separate directions. To bring them formally together after the end of communist dominance was a technical process, including EU enlargement. To reach the hearts and souls of Europeans and to bring them into the stream of a common search for joint and mutually reinforcing perspectives for the continent as a whole was to take much longer.



Only to those who had never thought about the parallelism of the unparallel did this experience come as a total surprise. The others had to accept the consequences. It would take several more years to define common European objectives. The controversies about the primacy of national interests would prevail. The idea that “European spirit” simply meant to define what could better be done together had to take roots before its fruits could be harvested. Yet, eventually there was no alternative to the return of a “European spirit.” In political terms it meant that there was no alternative to deeper integration aiming at the full realization of a political Union. The true enlargement fear was the fear to fail the challenge of deeper integration.

EU enlargements were always matters of a particular fascination and broader public attention. They have a dimension of geographical and cultural curiosity. They prove a sense of identity that immediately vanishes when the debate shifts to matters of political cooperation and integration. The fascination of EU enlargement is the fascination with the cultural unity and diverse history of Europe. The breakdown of communist rule over Central and Eastern Europe was of secular significance. It meant the end of the Cold War and the artificial partition of the European continent. Eastward enlargement of the European Union was highly complex due to the scope of the task and due to the fundamental structural and mental, socio-economic and political differences that had become cemented in those countries for decades and generations. Most impressive was the fact that finally the Central and Eastern European countries had liberated themselves. The charisma of Lech Wałęsa, the electrician from Gdansk, and Pope John Paul II, the priest from Cracow, are legend. These two exceptional Polish personalities are symbolic icons of one of the most impressive European narratives of modern times. Their unforgettable contribution to the European journey of freedom, the rule of law and human rights has been of exceptional importance. Yet, following the end of the division of Europe as symbolized in the Fall of the Berlin Wall on November 9, 1989, a consistent “deepening” of the integration process has become essential and existential for the future of the united continent.

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# Global Politics and the Collapse of the Political West Divide: The Emerging New Global Landscape

*Klaus Segbers*

Twenty years after the collapse of the USSR, after the withering away of the Cold War, and the crumbling of the (physical) German wall, there is an emerging consensus that these events by themselves did not cause major changes in and of the international landscape. Rather, they were embedded in major tectonic shifts of global politics.

These shifts were, and still are caused by a “global causal agent” – globalization. In this context, we do not perceive globalization as a neoliberal political program of deregulation, pursued and implemented by some political groupings. Rather, it is understood as the aggregate outcome of market-related actors, behaving in their respective fields, branches and regions as rational utility maximizers, in the sense of maintaining and enhancing their respective market positions. To achieve this, they support new technologies, new tools for capital markets (like securitization), the commoditization of ever more assets, including time and space, accelerated processes and procedures. Many of these trends, once implemented, lead to shorter time horizons.

This is the underlying trend. It hardly can be fundamentally changed by political actors, certainly not on a national level.

Related to these mega-trends, there are some collateral effects – not only in the economic sphere, but also increasingly in politics, domestically and in the global scene. These are the major shifts which can be observed over the last 20–30 years and these will continue in the foreseeable future.

## 1. LESS STABILITY

The Cold War system, as it was known between 1948 and 1989, was often criticized for its inherent risks and security dilemmas. Even after its demise since 1989, one can hardly enjoy the impression of more, or better guaranteed stability. There are rather more colorful and complex conflicts, including asymmetrical ones between state- and non-state actors. And many people are still not able to make sense of what is going on globally. During the East West Conflict there was at least a handy narrative of who was standing against whom, and why. The number of actors involved was limited. With a few, but notable exceptions (1952/52 Korea, 1958/61 Berlin, 1962 Cuba), most people did not feel an immediate danger of another big war.

This relative feeling of security and certainty is gone. One of the reasons is that with the Cold War, the underlying bipolar structure has disappeared. Bipolar systems are notorious for being relatively stable, whereas unipolar systems may be stable (with a “benign hegemon”), or unstable, and multi-polar structures are rather unstable. The latter is what we are living in since 1989.

There are too many actors (state and non-state), and too many cleavages, and not enough effective rules and institutions, to manage this kind of system. Also, it is difficult to describe even for specialists, let alone for the men and women in the streets and at home. There is no simple narrative strong enough to become dominant, and to cover what is going on worldwide. There are plenty of stereotypes, but mostly they only have a partial reach.

In this sense, Fukuyama’s much belittled dictum of the “end of history” seems to be rather correct – so far. The dominant discourses are centered around economic and political markets (representative democracies). Their implementation along with a series of conflicts, though, is not a recipe for eternal happiness, but apparently, they are not yet organized around new, alternative mobilizing ideas. Alas, there may be new challenges ahead. One is a fundamentalism originating mostly from Muslim-type societies. This fundamentalism is, as in its Christian companion, is fundamentally opposed to secularism and, therefore, to core values of Western-type societies. Another future challenge may be a potentially new formula for economic-political and global governance, deliberated and developed in China. The basic

ingredients here are Confucianism and market regulation. But both are not yet concepts and they still are not credible challenges to the dominant discourses.

## **2. THE WESTPHALIAN SYSTEM.**

Since 1648, when the Westphalian Peace made an end to the 30 Year War, there was a relatively stable macro-configuration of the inter-national system. This configuration rested on the existence of nation states bounded to territory. Only these entities were entitled to act as inter-national players. The core principles of this system were (internal and external) sovereignty, a monopoly of the power apparatus, and clear division between domestic and external affairs, indicated by the existence of (mostly) clearly delineated borders.

The core issues for these state actors were security and power, and the dominant currency was the military, resting upon a sizeable population and economic capabilities. The core principle was survival, according to (not only) realist thinkers. This was because governments could not rely on declarations of other governments (they never were considered to be credible), there most important preference was to prepare for the worst – war.

They followed the classical way of doing inter-national politics by maximizing economic and military power, and by building (temporary) alliances, as envisioned by writers such as Machiavelli, Morgenthau, Kissinger, Waltz, Mearsheimer, and others.

Governments, or rulers, as the representatives of nation states, expressed and pursued their “national interests”. How these national interests were defined, who was entitled to define them, where they were derived from, how to explain that different agents in one state expressed various attitudes and positions regarding one particular issue – all this was not troubling our black box or container state defenders. Allegedly, the box was black, and shut.

In the latter half of the 20th century, there was another school, the institutionalist, who shared the realists’ assumption of nation states being the only relevant players in town. But they diverged from them in assuming that

Governments may be willing to implement, maintain, enforce and preserve rules and institutions. Rules, so they said, have a lot of advantages: they make messy things potentially more predictable,

reduce costs of monitoring and control transaction costs, create mutual vulnerabilities and dependence, and thus can overcome the notorious danger of the security dilemma which is inherent in realist thinking and behavior.

Both approaches were challenged by other theories: Liberalist and Pluralist. These approaches demonstrated that the domestic dimension was much more important than both traditional schools – realists and institutionalists – assumed.

They opened the famous “black box” of societies, scrupulously kept shut by the traditional theoreticians. This was a major step forward, but the resulting theoretical and methodological suggestions were not particularly parsimonious.

Another challenge was related to the advent of the constructivist school (actually, it always was too broad and diverse to be called a “school”).

According to authors subscribing to non-positivist assumptions, reality is not a given, not exogenous, but can and will be influenced by actors trying to make sense of it. So observers, including researchers, are not neutral bystanders, but they are actively shaping what they try to understand. This happens, mostly, by communication via oral and written texts. To understand the (often) hidden or real meaning of these texts, they have to be deconstructed.

### **3. THE GRADUAL EROSION OF THE WESTPHALIAN SYSTEM**

All of these macro-approaches are in trouble when their main object of desire, the state, represented by national governments becomes weaker, or less relevant. But this is precisely what is happening. Ever more observers are registering this, but only a few can comprehend it.

A disturbing development was and is the emergence of flows. Flows, by their very nature, are floating. They neither know, nor care about borders. They make governments more often and do not look like an outdated and slightly weird director in a theater production where the piece on stage has changed repeatedly, as have the actors. But the director is still trying to organize the thing as if the old piece would still be given. This is because he does not observe the major problem as huge parts of the audiences are whistling or applauding him.

These flows, again, are not deliberately invented and sent off by some capitalists, or neo-liberal political groups. They are the result of an unbelievably effective reduction of transaction costs, the emergence of new technologies, and the ongoing search of market actors for relative advantages for investment, production, distribution, consumption and advertisement.

There are more traditional flows, like those of goods and services (though both types are today handled in a completely different way, compared to 100, 50, or 20 years ago – one may think about revolutions in logistics, transport etc.).

The same goes for flows of people, i.e. migration. Here we are observing the merger of old and new types of flows, domestic and transnational. They are today less induced by push and pull factors, but by the existence of networks, and by strategic decisions of families and clans (portfolio migration to enhance human capital investment). Of course, there are still refugees. And there is labor migration, from permanent to temporary and unskilled to skilled, and also a new type of circular permanent migration.

The two types of flows which are probably most decisive today are those of capital, and of content. There are very different categories of capital flows – credits (state to state, IO's to state, banks to state and reverse), portfolio investment, foreign direct investment (FDI), remittances, and others.

The core of the recent global financial crisis was not just the under-regulation by international organizations or states, but the ever more sophisticated nature of financial products, including loans, who are re-packaged and re-sold until even the actors directly involved have problems to properly assess the risks attached. This process of securitization is so complex that even many of those actors were clueless, let alone governments standing by, not being aware of what was going on. This ridicules the traditional notion of governments as the regulators of last resort.

Even today, after massive bail-out programs, it would be erroneous to say that the “state is back”. Governments could in a relative manner quickly mobilize huge (and, in terms of future prospects for the budgets plundered, rather problematic) amounts of cash for giving guarantees to “systemic actors”, or for bail-out operations. They were able to jump from bonfire to bonfire to throw sand at them, but this is different from strategic action. If governments (or IO's) will ever be able to anticipate innovations

in capital markets to have proper regulation timely in place, is doubtful.

The other form of flows is content-related. Here, we have basically two groups. The first one is providing information, with the Internet, intranets and data banks as the prime forms of delivery and storage. The size of these flows today is unbelievable huge. The generation and processing and storage of data, produces all kinds of problems, including that of data protection. E-related capabilities have grown into basic civilizational skills, equal to learning English. No CV will be taken seriously without elementary or, more often, advanced documentation about IT knowledge.

The second one is related to entertainment – including movies, music, TV productions like serials and soaps. These content flows are ever more relevant for transnational politics. They offer images, visions, patterns of life and consumption, of brands and “cool behavior”. These flows do have a major impact on people. They do not make them uniform, but they induce them to digest these images against the background of their respective cultural legacies. This process of adaptation, called indigenization, may produce major ruptures of identities. “Rich people also cry”, there is a lot of “sex in the city”, and housewives everywhere “desperate” – but in different contexts, making their inhabitants less content.

There are various forms for generating, storing, downloading etc. But, again, governments have a hard time to effectively control these flows.

Flows cross by their very nature borders. They do not carry passports. They are difficult to deter, and problematical to control.

#### **4. EVER MORE ACTORS ON THE PLAYGROUND**

As can be seen on the basis of the preceding parts, there are innumerable actors around today in global politics, along with states and governments.

To get some structure into this conundrum, it may be useful to put those actors into four groups: state related, market related, society related, and international.

Here are some examples:

State: governments, sub-national administrative entities (states, provinces, regions), cities (both megacities and globalizing city regions), sovereign wealth funds, etc. and even governments are



by far not unitary actors. The public choice theory has informed us that we have rather co-existing and competing fragments of bureaucracies, than a homogeneous state.

Market: Companies, Rating Agencies, Law Firms, media, legal and illegal entrepreneurs, lobby organizations, etc.

Society: NGO's, networks, including terror organizations, churches and religious communities, individuals, media, etc.

International: International Organizations (UN, EU, Shanghai Organization, CIS, WTO, World Bank IMF, G 8, G 20, Iran 6, Korea 6, etc.).

All these actors are permanently trying to influence each other, to build coalitions, to shape rules, and to protect and convince constituencies. Governments are, and remain powerful actors, but they are now far away from effectively dominating the crowded playgrounds of global politics.

## **5. MULTILEVEL GAMES AND RULES**

This term was coined for describing and understanding the way of doing politics in the EU. Here we can see that governments and other actors have to simultaneously pursue their interests at least on three different levels: on the national level, in the sense of organizing the ruling government and/ or coalition and the parties involved. On the EU level, the Council of Ministers, the Commission, and the European Parliament have to be taken care of.

But then, action has to be taken also on the subnational/ domestic level, because consensus has to be built and maintained among domestic actors and (potential) veto players. No energy policy initiative, or some move on subsidies for agriculture, or changes of oversight over banks can be imagined and engineered without having some support on the domestic front/s, including the media.

Politicians have to address, to calculate, and to target their politics, fine-tuned to all these levels and audiences. They have to calibrate and re-calibrate their messages to each of them. It goes without saying that this produces linkages, side-payments, contradictions, and opposition. Also, that voters can have all of these politics, layers and dimensions in their mind when they go and vote, is highly unlikely.

## 6. NEW POLITICAL STYLES – ADHOCISM

Allegedly, there were times when politicians enjoyed the luxury of being able to address one or two problems at a moment. They had relatively long time horizons, one or two TV stations to take care of (mostly public ones), and a stable number of political parties.

Today, there are four interrelated reasons for a fundamental change in this orderly sequence of addressing problems: overload and growing complexity; election cycles and (shorter) time horizons; acceleration; and media involvement.

The number of domestic and international issues to be taken care of in a country like Germany used to be limited. In the 1950's, it was re-armament and the question of EEC and NATO membership. In the 1960's, it was the lag of domestic reforms, and the blocked educational system, both in international cross-comparison, producing, together with historical debates and revolts at the universities. Also, the Vietnam War and the "Spiegel" scandal (actually, the F.J. Strauss scandal) kept looming over the horizon. In the 1970's, it was the "New Eastern policy", i.e. the new balance with the U.S.S.R. and Poland, and a new realignment with the GDR.

In the 1980's, the debate about armament, particularly new medium range missiles to be deployed in Europe, was dominant. At the same time, the new social movements, especially in the sphere of ecology, required attention. Then, unexpectedly, German unification came over us.

Today, in a globalized world, there are not just one or two items on the agenda. In Germany, European issues have become dominant and can be seen in the current situation where the questions of the Lisbon Treaty, future enlargement, a more robust European foreign and security policy, and a redefinition of the distribution of the EU budget have become matters of great importance. In addition, regional questions are prominent on the agenda: proliferation issues, especially in Iran and the greater Middle East in general; the future of Turkey; the apparently eternal and irresolvable Near East conflict; the issue of domestic developments and their external repercussions in the Russian Federation; how to manage the gradual decline of the United States as a geopolitical factor; and the future role of China, whose

elites seem to be still caught in a debate between accepting and shaping geopolitical ascendancy, and a reinvention of a new global landscape – something like Confucius going global.

And there are a plethora of domestic issues: a still difficult demographic trend, causing worries about labor markets and the stability of social security systems; educational systems in need of reform; a still undecided new balance of federal and regional roles in the national constitutional/ European configuration, also after the so-called federalism reform II; a cumbersome tax system; an awkward health sector; and many other items.

The astute American observer Peggy Noonan has put it in the following way:

“I refer to the sheer scope, speed and urgency of the issues that go to a president’s desk, to the impossibility of bureaucracy, to the array of impeding and antagonistic forces (the 50-50 nation, the mass media, the senators owned by the groups), to the need to have a fully informed understanding of and stand on the most exotic issues, from Avian flu to the domestic realities of Zimbabwe.

The special prosecutors, the scandals, the spin for the scandals, nuclear proliferation, wars and natural disasters, Iraq, stem cells, earthquakes, the background of the Supreme Court backup pick, how best to handle the security problems at the port of Newark, how to increase production of vaccines, tort reform, did Justice bungle the anthrax case, how is Cipro production going, did you see this morning’s Raw Threat File? Our public schools don’t work, and there’s little refuge to be had in private schools, however pricey, in part because teachers there are embarrassed not to be working in the slums and make up for it by putting pictures of Frida Kalho where Abe Lincoln used to be. Where is Osama? What’s up with trademark infringement and intellectual capital? We need an answer on an amendment on homosexual marriage! We face a revolt on immigration.

The range, depth, and complexity of these problems, the crucial nature of each of them, the speed with which they bombard the Oval Office, and the psychic and practical impossibility of meeting and answering even the most urgent of them, is overwhelming. And that doesn’t even get us to Korea. And Russia. And China, and the Mideast. You say we don’t understand Africa? We don’t even understand Canada!

Roiling history, daily dangers, big demands; a government that is itself too big and rolling in too much money and ever needing more to do the latest important, necessary, crucial thing.

It's beyond, "The president is overwhelmed." The *presidency* is overwhelmed. The whole government is. And people sense when an institution is overwhelmed. Citizens know. If we had a major terrorist event tomorrow half the country--more than half—would not trust the federal government to do what it has to do, would not trust it to tell the truth, would not trust it, period."<sup>1</sup>

A few years later, and from a different political angle, it sounds similar:

"Even before Obama's helicopter lifted off from the South Lawn, the start of his whirlwind trip to the Danish capital, Republicans were calling the effort a distraction for a president already dealing with a health-care reform bill, job losses in the economy, Iran's nuclear ambitions and a fateful decision about the U.S. military's mission in Afghanistan. The IOC's quick dismissal of Chicago only intensified the criticism."<sup>2</sup>

Secondly, all this had to be addressed against the background of a notorious over-exposure to elections, accompanied by increasing election fatigue on the side of the electorate. The political elites, alas, are caught in an everlasting and almost permanent cycle of elections – European, federal/parliament, federal/ presidential, regional and some local ones. Germany enjoys (or, rather, suffers from) the luxury of having almost 20 elections spread over four years.

This has significant and detrimental consequences for the time horizons of politicians and other decision makers. They are getting ever shorter. In other words: while the problems enumerated above require a rather medium to long term perspective, politicians are following ever shorter time horizons, bent to elections. This follows the dramatic shortening of time spans in the commercial sector, where CEO'S and managers have to produce – "positive" – reports every three months to their strategic investors.

Thirdly, we are experiencing a situation where different sub-systems of societies are developing ever faster: capital markets and

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<sup>1</sup> WSJ, October 27, 2005

<sup>2</sup> Washinton Post, October 3rd, 2009

flows, most of all; content flows and other culture-related spheres; life patterns and life cycles, also; and, up to a point, politics as well. But there is a significant “but”: to organize political decisions and outcomes, it takes a lot of time, at least in representative democracies. Processes have to be organized, actors involved, compromises negotiated and achieved, potential veto players neutralized or overcome, and procedures have to be observed. Then there may be legal options and obstacles to be overcome.

In other words: democracies are, increasingly, too slow to catch up with the problems faced.

Finally, media are playing an ever more important role in international relations and global politics. Events not fulfilling the criteria of relevant news value, or entertainment value, are not reported and, accordingly, are not taking place - in the horizon of millions of viewers and readers, ordinary people and elites alike. The so-called CNN effect is a related phenomenon.

Media and their main actors, journalists, produce images and put them into frames. Framing, supported by pictures and images, is crucial for producing images, imagination, and perceptions, and stereotypes.

How are persons applying violence to be called? Terrorists or Rebels or Freedom fighters? What do we take from black limousines delivering apparently important decision makers to an international conference? How do we assess apparently suffering “innocent” civilian victims of violence, contextualized as hostages and supporting terrorists?

The power of the media is hard to overestimate. Not in the sense of them telling politicians what to do and how to decide, but by setting the agenda of decision makers. This agenda setting role puts media – traditional print, electronic, and new virtual ones - in a decisive role for generating and shifting agendas, and for creating corridors for action by framing techniques.

Summing up, the sphere of politics is under pressure from different sides.

While electorates and constituencies are still harboring expectations, politicians and endowing them with some legitimacy, the political personnel seemingly in charge is hunting after ever more complex problems, bargaining for solutions, losing out in terms of pace, and being under duress from the media. Politics in general and global politics in particular, are losing agency.

Unlike the 20th century, Politics can no more be masterminded, engineered, implemented, executed, organized and controlled. Politics, rather, is happening, as the result of thousands of moves by a multitude of actors on different levels of action. It is looking ever more ad-hocistic.

## **7. HOW TO LIVE IN UNCERTAIN GLOBAL TIMES?**

Most people do not understand much about global politics. It is not their job to do so, to start with. It seems to be far away. It is complex, and who knows if it good for them to get involved especially with the current scenario and after 8 hours of work plus pressing family needs.

While they do not really believe anymore that national politicians can deliver (others are too far away), they still tend to support some of them, particularly those who express a sound level of optimism – like G.W. Bush in his 1st and 2nd runs for president. People should try not to get overwhelmed, but to look for linkages between the local, regional, sectoral or societal spaces they inhabit, and global trends.

Experts have to get engaged in serious new business, in exploring virtually new territories. Those analysts who are following global events and trends have to think about how to produce a reasonable re-mapping of the globe. They have to design a new cartography, where states still have their spaces after being squeezed by important classes of other, non-state actors.

Decision makers should think about how not to lose sight of the most pressing priorities. They should try to be more independent from (often too frequent) election cycles. And they should think about how to relate to those subsystems, like the finance sector, that develop much faster.

Probably, the demand that politics can be “done” has to be given up. Instead of expecting that things can be engineered, as it was the case since the Enlightenment. Politicians should reduce expectations. May be politicians can function as moderators, or as navigators. That would be much less, but it could be much more realistic. Moreover, this could be achieved – possibly.

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# EXTERNAL VIEWS

# Facing a Sobering Truth: France has Become One of Many

*Jacqueline Hénard*

On that very special night, the intellectual and political elite had gathered at the lecture hall of “Sciences Po” University. Alfred Grosser, considered to be among the nation’s best analysts of Europe in general and Germany in particular, was speaking on the latest developments in Eastern Germany and its probable consequences. Grosser is of German-Jewish descent and gifted with a particularly sharp mind. One of the participants, the historian Elisabeth du Réau, recalls that Grosser was just telling his captivated audience that all those demonstrations and civic movements going on in the GDR were probably not going to lead to much. Suddenly, the dean of “Sciences Po” University erupted in the lecture hall, slightly out of breath. “I have a most extraordinary announcement to make”, he said, “the wall is coming down!” Elisabeth du Réau, herself a specialist on European matters and foreign relations, remembers that, despite the subject of the conference, all those present immediately turned their gaze to the wall behind Grosser’s chair: Was there something wrong with the building? Maybe a terrorist attack?

France took some time to acknowledge the news that shook the continent. Its intellectual and political elite did not rejoice at the perspective of seeing Germany reunited – apart from some notable exceptions, Jacques Chirac – at the time mayor of Paris, later to become president (1995), immediately welcomed the changes to come. He gave a speech that is worth rereading. Jacques Delors, president of the European Commission, did all he could to integrate a reuniting Germany into the mechanisms and the dynamics of the European Community. On the other hand, François Mitterrand, French president and considered to be close to the German chancellor Helmut Kohl, seemed reluctant to accept the inevitable. One month after the fall of the wall, Mitterrand flew to East Berlin, thus honoring a disintegrating regime with a state

visit by one of the major players of the Western world. Obviously, the visit had been planned well ahead; but did it have to be maintained? Germans took notice of the gesture, and the political class of the Federal Republic was ruffled by the strange behaviour of one of its allies. For many years, French officials tried to blame the last French ambassador to GDR for giving bad advice. But isn't that looking for the easy way out? Shouldn't the president's office dispose of an analytical capacity of its own?

Although French newspaper coverage was extensive and often of good analytical quality, France missed the point of what was going on at the very top of the country. There are many explanations for its difficulty in understanding what was happening on the other side of the Rhine. First, in France, 1989 had been dedicated to grand celebrations of the bicentennial of the French revolution, thereby diverting people's attention. Then, curious as it may seem when looking at European politics from another continent, France and Germany, although sharing a border and involved in many common projects, frequently behave like strangers in the night. Unable to decode signals, language and behaviour, they instinctively mistrust each other. Decades of Franco-German reconciliation have not led to any intimacy between the two countries. Even today, the most remarkable achievements in European politics start out with a culture clash between France and Germany. France is a centralized state with a tradition of technocratic elites eager to steer both the state and the private economy; Germany is a federal state that rejects any idea of such an all-pervading technocratic elite. Despite France's national pride in the 1789 revolution that led to the public execution of the King, the French cherish an intellectual agility (*esprit*) that has its origins in the public life of the royal court. Germans, on the other hand, value economic success much more than intellectual playfulness; the quick, contradictory style of the French elite drives them to distraction.

In November 1989, ordinary French people were happy and deeply moved by the fall of the Wall and its consequences for the people of Germany. Freedom, after all, is the first word of the state motto *liberté, fraternité, égalité*. For them, the politics of reconciliation – after three terrible wars in less than a century, 1870/1871, 1914–1918, 1939–1945 – had proved a success. They were not worried. The intellectual and political elite, on the contrary, had their doubts and apprehensions, both rooted in the past. On one hand, their fears have proved groundless; since 1989,

Germany has not turned into the unstable, aggressive, expansionist neighbour they remembered and feared from former times. On the other hand, however, the acceleration of globalisation that followed the fall of the Iron Curtain was bad news for them.

For centuries, the French elite have wielded far more influence in the world than their country's share in demographic, geographic or economic terms would suggest. Their language, culture, values, political and military power have had significant impact on other countries and continents. France's elite lived on the conviction their country carried a message to the world. With the fall of the wall, they had to face a double challenge: Germany would not stay the political dwarf they had become accustomed to. It would discuss what it meant to be a nation, define and emphasize its own interests. And the world, starting with Europe, would simply become less French. France had no strategy with which to counter the events. An offer from the German chancellor's office shortly after 1989, to cooperate in the development of the two geographical zones that would be major challenges for either France or Germany – the Maghreb countries and Eastern Europe, was simply left unanswered.

In the mid-nineties, instead of trying to conquer a fair share of Eastern European markets and minds, French president Jacques Chirac took several unilateral decisions that shocked France's friends. He abolished conscription without even informing the Germans, and he started a last round of nuclear tests in the Pacific. France failed to gain influence in the aftermath of 1989. The post-communist countries would have been more than willing to develop partnerships with European powers other than Germany. Bridling its own potential, France was not very welcoming, to say the least. In 2000, the French presidency of the European Union was supposed to create a new set of institutions and mechanisms that would allow for a smooth enlargement of the European Union to include the former communist countries. Lacking imagination and political will, the presidency ended with the treaty of Nice, a disappointingly poor compromise.

France and Germany had drifted far apart. Reason brought them back together. Chirac and the then-chancellor Gerhard Schröder started seeing each other on a regular basis. At the outbreak of the war in Iraq, they stood together – the sudden understanding came as such a surprise that they forgot to tell their neighbours what was going on between them and what they were planning to do together.

The resulting split of the continent in 2003 had many reasons, among them France's quasi genetic incapacity to deal with countries smaller than itself. Politicians and technocrats alike simply did not know how to deal with the myriad of nations, governments, oppositions and histories that after 1989 claimed to be part of "Europe". France's spontaneous reaction was a posture of arrogance. When the Iraq war was about to begin, these countries were neither prepared nor could be seduced into accepting France's claim to leadership, based on a claim of moral superiority.

The 2007 presidential election promised change. Nicolas Sarkozy was a man from a different generation and from a different background. His father had come to France in 1956 as a political refugee from Hungary, and his mother's father was a survivor of Saloniki's Jewish community. In foreign policy, Sarkozy introduced two major shifts, mending the relationship with the United States and purposely establishing friendly relations with Israel. His first major initiative was the creation of a Mediterranean Union, an ambitious project that could have split the European Union in the long run, if Sarkozy and his advisors had had their way. The German chancellor took care of that, opposing the first version of the project. Well over a year after a grand first meeting in Paris, the Mediterranean Union has come to...next to nothing.

France is a country that wants to wield clout and influence in the international arena. Charles de Gaulle managed to manoeuvre it into a very special position after 1945. France is a member of the UN Security Council and a nuclear power. It likes to think of itself as the "other" leader of the Western world, voluntarily cultivating a certain opposition to the United States. The most forceful expression of this ambivalence was the position France held in the western defence alliance, Nato, until 2008 : being a founding member (and an ally) without participating in its most important committee. President Sarkozy acknowledged the futility of such a claim in a world that had overcome the Cold War and had to face entirely new challenges like global warming, the rise of new powers or the financial crisis.

That does not mean, however, that France finds it easy to become one of many.

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# The Fall of the Berlin Wall: Effects on and Impressions of the United States

*Stanley R. Sloan*

Most Americans celebrated the fall of the Berlin Wall as a sign that international trends were going well for the United States and a stunning victory for democracy, individual liberty, the rule of law and the free market system. My wife and I watched wide-eyed as our small kitchen television set in Vienna, Virginia presented almost unbelievable images of the festivities in Berlin on the evening of November 9, 1989 after East German authorities had opened the border. Of course, we were not a “normal” sample. The fact that I had worked transatlantic security issues for two Cold War decades, and that my wife, as a child in Vienna, had survived allied bombing of the Austrian capital, gave us unique perspectives on what had happened.

The next day the story was front page news on American papers. The *New York Times* headline reported “East Germany Opens Frontier to the West for Emigration or Visits; Thousands Cross.” The *Times* correspondent who filed the story from Berlin, Serge Schmemmann, recalls in a new book, “...it was not only a political story. It was also an intensely human story, about people rising up to break down a wall that had kept them brutally apart—a wall that had divided Germany, and all of Europe, into a free and democratic West and an East that lived under dictatorship. It was about people choosing freedom.”

For me, the new reality hit even closer to home because I had only a few weeks before I returned from a conference in Berlin, for the first time having seen the Wall from the air as the plane circled for its landing at Tegel. Participants in the conference at the Aspen Institute surely sensed change in the air, as the democratic rumblings across Eastern Europe had already begun to shake the continent, but few if any foresaw just how deep the revolutions would run.

While in Berlin, I took the opportunity to visit an East German academic I had met in Washington. Transported in a US consular car through Checkpoint Charlie, I dutifully showed the East German border guard my passport without opening the car window—the procedure recommended by US officials in Berlin. Within weeks, such formalities would be ancient history.

Fortuitously, the West German government had earlier awarded me a visitor's grant to return to Germany and Berlin in the second half of November. Being able to experience the "before and after" in the short span of a few weeks was a priceless experience for a Washington-based analyst. With a disposable camera, I captured images of East German guards standing on the top of the wall with a haze hanging over the Brandenburg Gate in the background. Under different circumstances, the guards might have appeared threatening. In the new state of affairs, they were anything but—flirting with a group of teenage girls on the western side of the now-breached wall.

Huge questions remained about what would come next, but the atmosphere in Berlin in those days was of palpable joy, relief and celebration. I felt privileged to have seen and felt it so closely.

These events came against a backdrop in which Americans, perhaps more than anyone other than West Germans, saw the Berlin Wall as a symbol of communist danger and Western strength and resolve. American presidents had often suggested the importance of the Wall to America's objectives in the Cold War. John F. Kennedy, visiting Berlin in 1963, proclaimed "Ich bin ein Berliner." Kennedy's formulation conveyed empathy for West Berliners as well as support for the goals of a liberal democratic West Germany. It was seen as an important token of American support for the city, and enhanced West Berlin's image as a beacon for freedom and democracy.

In 1987, President Ronald Reagan, also speaking at the Wall in front of the Brandenburg Gate, just as famously commanded "Mr. Gorbachev, tear down this wall." In the end, neither Mr. Gorbachev nor Mr. Reagan tore down the wall. It fell of its own weight, like the communist regimes across central and eastern Europe, the Warsaw Pact, and, ultimately, the Soviet Union.

In those early days of the "post Cold War world," stunned governments across Europe and the Atlantic were forced to assess the implications of what had just happened and to produce strategies for their reactions. No government had anticipated



these events, and none had contingency plans in hand. However, all interested governments had predispositions, prejudices and priorities.

The United States had long supported the West German government's approach to German reunification, even though the Soviet Union and its previously-compliant East German regime had saved the United States and other governments from being forced to face the issue squarely. The George H. W. Bush administration's reaction was at first cautious. On November 10, reports suggested the administration worried that the new circumstances might provide the Soviet Union the opportunity to entice West Germany away from its NATO moorings by offering some form of controlled unification of the two Germanies. *The Los Angeles Times* quoted a "senior Administration official" as saying "We're on the horns of a dilemma in that respect.... We can't be against reunification, if it's peaceful and within the framework of a democratic Western European community. But we can't be for reunification that goes too fast and threatened to suck West Germany out of NATO."

The Bush administration wisely responded to its "dilemma" by going on the offensive. It decided to help facilitate reunification on terms favorable to the United States and a democratic Germany. Meanwhile, the Soviet regime's position was weakening on all fronts, with its East European allies openly rejecting their Soviet-imposed systems and similar fracture lines spreading in the Soviet Union itself.

Long-standing Soviet opposition to German reunification on western terms was nonetheless joined by skepticism in some western quarters. While the United States moved strongly to support West Germany's position in reunification negotiations, some other allies did so only reluctantly. In Paris, French President Francois Mitterrand acted as if he shared novelist François Mauriac's 1958 much-cited comment that "I love Germany so much that I am thrilled that there are two of them." Mitterrand naturally reflected French concerns born of historical experience with a too-powerful Germany and the more recent close relations with a pacific and more manageably-sized West Germany. Britain's Prime Minister Margaret Thatcher shared some of Mitterrand's concerns about reunification and argued that the process should not move ahead too quickly.

The process was nonetheless unstoppable, and the United States had made the appropriate policy choices. When German reunification was agreed just a year after the Wall had fallen, the United States was on the right side of history, and the right side of Germany. The Germany that resulted did stay in the NATO alliance, and remained a friend and ally of the United States. However, seen twenty years later, there is a degree of American disappointment with the nature and policies of the united Germany that emerged from these dramatic events.

Joining in a unified Germany, the East Germans brought with them some troublesome remnants of their communist/Warsaw Pact past. The eastern half of a reunited Germany required huge injections of capital from the west to jump-start the process of economic integration. Perhaps this was the easy part. More complicated was the fact that there was no entrepreneurial spirit for which their western cousins had become known and from which they had become wealthy. Successfully transplanting this mentality onto the East German populace in place of the paternalism fostered by the East German regime could be a decades-long task. The East Germans also brought with them attitudes conditioned by four decades of propaganda against the West, NATO, and the United States.

These Germans from the east had none of the appreciation for American political, military and economic assistance to West Germany following the Second World War. After all, they were on the other side. The early stages of integration with the west were not easy, and many East Germans waxed sentimental about the less-challenging “good old days” inside the Soviet-dominated Empire.

Unfortunately, even in West Germany, the post-World War II generations were passing, and the successor generations of leaders and opinion-makers had attitudes toward the United States conditioned more by Vietnam, Euro-missile deployments, and well-engrained pacifism—the latter a product of intentional Western policies aimed at burying forever German militarism.

Since the revolutions of 1989, differences have accumulated between the United States and Germany on a variety of fronts. The German approach to its role in Afghanistan makes no sense to many Americans. Germany won't officially acknowledge that it is “at war,” while American and other allied troops, including these days some Germans soldiers, are falling victim to Taliban assaults

and Improvised Explosive Devices. Elsewhere, Germany benefits from its energy and trade relationship with Russia, while Russia falls back into old authoritarian ways.

A leading American expert on U.S.-German relations, Stephen F. Szabo, argues that "...there are real differences in interests, cultures, and approaches between Berlin and Washington, which could lead to dangerous divisions if not handled well." In a recent analysis published in the *Washington Quarterly*, Szabo suggests that, at the root of the problem is the fact that "Germans tend to believe the Cold War ended peacefully and Germany was reunified because of détente and engagement with the other side.... The lesson drawn for future policy was that dialogue, diplomacy, mutual trust, and multilateralism were the best approaches for dealing with seemingly intractable opponents." Meanwhile, many Americans tend to see "...the end of the Cold War as a vindication of the more aggressive policies of former president Ronald Reagan, such as the military buildup, the Strategic Defense Initiative (SDI), "the evil empire" and "tear down this wall Mr. Gorbachev...."

Americans will celebrate the fall of the Berlin Wall along with their German friends, but some may regret the outcome that is today's Germany. There will be no regrets concerning American facilitation of reunification. For American realists, the terms and conditions of reunification prevented Germany from drifting into the Russian sphere of influence. For American idealists, the terms and conditions honored American support for democracy, individual liberty and the rule of law.

Some Americans will nonetheless wonder why this Germany that has been helped in so many ways by the American democracy over the past 60 years today stands out as one of the most severe critics of the United States. Perhaps, on the other hand, the United States helped create a new state that so honors the values we espouse that it feels an obligation to remind us when we seem to be straying from them.

In any case, the United States and Germany are destined to affect and be affected by each other's policies and actions. Germany has not disappeared into the European Union's wallpaper, but instead presents itself as a state increasingly sensitive to its own perceived national interests as well as its European and transatlantic moorings. And, the United States benefits in the

long run from a cooperative, even if mutually critical, relationship with Germany. The advent of the Obama Administration, and the president's popularity in Germany and across Europe, certainly affected the tone of the U.S.-German relationship, even if it did not fundamentally alter divergent national interests. The anniversary of the fall of the Wall should therefore be seen by Germans and Americans as cause for celebration as well as an opportunity for re-dedication to common values and accommodation of legitimate perceptions and interests on both sides of the relationship.

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# November 9<sup>th</sup> from the Russian Point of View

*Igor Maximychev*

There were unending discussions among smaller groups in Russia before and during the perestroika period (“in the kitchen” as these discussions were aptly called at that time), many of which were increasingly carried on in the public sphere. However, the Berlin Wall was not the subject of any of them. Very few Russians had any idea what the Berlin Wall actually was. That also applied to millions of Soviet citizens who performed their military service as members of the group of the Soviet military forces in Germany (there were almost 10 million in the 40 years that East Germany existed). For most people, the Berlin Wall was nothing but a “normal” border where firearms were used sometimes just like at any other border. The reformers - and they were the absolute majority of the population of the USSR - thought all borders, including the Berlin Wall, had to stop being something akin to the “Iron Curtain”.

Russians have always been people that enjoy travelling, which is why there was this massive demand for eliminating the extremely strict border regime in the USSR (or at least liberalising it radically). In this sense, there was no disagreement between the mood of the Berliners and the Muscovites. The desire to make all borders permeable was something that brought the East Germans and Russians together. Where they differed was the fact that the Germans were willing to go out on the street for it and the Russians were not yet (the first major street demonstration in East Germany was on June 8, 1987 on the large Unter den Linden Boulevard in Berlin with cries of “the wall has to go!”).

The Berlin Wall had become a foreign-policy liability for the political leadership in Moscow. When the president of the United States Ronald Reagan stood at the Brandenburg Gate and said “Mr. Gorbachev, open this Gate! Tear down this Wall!” on June 12, 1987, he was barking up the wrong tree. If it had been up to

Mikhail Gorbachev, the Berlin Wall would have been long gone. For instance, when he spoke internally about the necessity of changes in East Germany, he did not fail to mention how pressing the need was to find a solution for the Berlin Wall. A textbook case was the run-up to the conference for the Eastern European Council for Mutual Economic Assistance in Moscow at the end of September of 1986, where he said when talking to his advisers on the Central Committee: “Every time we talk to Erich Honecker [the Chairman of the East German Communist Party] about the Berlin Wall, he starts squirming. That’s why we have to be more tactful about it – we have to talk about processes you can’t steer clear of”. The Berlin Wall was almost never explicitly mentioned when getting together with power brokers from East Germany, even though it was always in the air. Gorbachev preferred to avoid anything that even faintly resembled interfering in the internal affairs of the socialist countries. Internally, he said over and over again: the party governing there knows the situation much better and has to bear the full responsibility towards their citizens and history. That is why we should refrain from sticking our nose in their business. It was abundantly obvious what the political leadership in Moscow wanted, even though it was only stated in a roundabout way. Unfortunately, his intention, that was entirely correct, was unexpectedly transformed into a harbinger of failures to come. The concept that “everybody is his own man” does not work for a coherent foreign policy of a major power.

The great progress that perestroika made in the USSR made it obvious that the Berlin Wall did not have many days left. Erich Honecker was obstinate and refused to open his mind because he and the people around him were convinced that East Germany would only be able to thrive under the protection of the Berlin Wall which is why they declared the Berlin Wall to be absolutely indispensable. For them, East Germany would be doomed if the Berlin Wall fell. Moscow did not think in such dramatic terms about this problem and not everybody in the leadership of East Germany shared Erich Honecker’s pessimism either. He was overthrown on October 18, 1989 (which incidentally was not done with the active participation of Moscow, although the USSR hoped that afterwards the situation in East Germany might calm down). Then, the new people in power put at the top of their agenda the liberalisation of the law allowing people to travel outside the country. The first

version of the law published on November 6 was torn to shreds because the text gave the government apparatus too many formal options to curb people's freedom to travel. The next day the leadership of East Germany thought of a more radical solution. There was a seemingly endless row of cars filled with people trying to escape from East Germany on the territory of Czechoslovakia. The leadership of East Germany wanted to set up a special crossing especially for these people who had decided to turn their backs on East Germany forever at the border between East and West Germany, near Czechoslovakia. For all practical purposes, this would lift all of the restrictions on leaving the country that had been valid to date. East Germany asked Moscow what it thought of this idea and the Soviet Union had no objections.

To this day, nobody knows how the idea of an extra border crossing in the middle of nowhere metamorphosed into the idea of opening all border crossings, including the Berlin Wall with its special status. After all, detailed consultations on the Berlin Wall had been long overdue with the USSR because the Quadripartite Agreement of 1971 gave Moscow (not East Berlin) the key vote on everything concerning West Berlin. It goes without saying that the Soviet Union would not have voiced any objections to opening the Berlin Wall. Of course, they might have expressed the desire for a slight delay to give their colleagues among the Three Powers in the western sectors of the city and the Senate of West Berlin a decent interval to prepare for the coming wave of refugees. Yet, the Soviets only found out about the seismic shifts in their area of responsibility from the Western media. Günther Schabowski [the East Berlin Party Boss] made a mess of the declaration to the press that the Berlin Wall was open. That tale only serves to illustrate how helpless East German officials were in the face of the tidal wave of people standing at the border crossings of the Berlin Wall demanding to leave the country on the evening of the 9th of November. East Germany's new government was not only clueless; it had no idea how to derive any political advantage from their own positive decisions. At any rate, that was the impression that the political leadership in Moscow had of its most important ally in Europe that had still not realised that its end was at hand. However, the bewildering circumstances surrounding the fall of the Berlin Wall did their part to prompt Gorbachev and his advisers to conclude as early as January of 1990 that in the long run the



East German republic could not be maintained. And that meant building up a cooperative relationship with the Federal Republic of Germany sooner and not later.

The political leadership in the Soviet Union only had words of praise on the opening of the Berlin Wall, which Moscow only learned about officially on the morning of the 10th of November. The official Soviet press agency TASS published a favourable commentary at 2:20 p.m. Moscow time where they said the Soviet government backed East Germany's decisions because the Berlin Wall had become the symbol of the division of Europe. Tearing it down would therefore give a boost to building the European House. One hour later, Gennady Gerassimov, the speaker of the Foreign Ministry of the USSR, bore out this assessment at a press conference where he basically said that the decision to open the border was a sovereign act of East Germany and the new rules made sense. That did not mean that all borders would be suspended, but they only represented a portion of what should be done to stabilise the situation. In the course of the day, the Soviets ambassador in East Germany, Vyascheslav Kochemassov, was asked to transmit a verbal message to Egon Krenz from Gorbachev that included his thanks for the information given to them (albeit late) on the events of the night coupled with unequivocal encouragement: "Everything you did was absolutely right. Keep it up – be full of élan and don't let yourself be deterred".

As is often quoted, the Soviet military supposedly insisted on "decisive countermeasures" when the Berlin Wall was opened. But that is nothing but cheap sensationalism. Usually, Eduard Shevardnadze's instruction is cited in a nightly telephone conversation with Kochemassov on November 10th. The ambassador's verbal report to his co-workers on the same evening states that the Soviet Foreign Minister had information that "the military forces were making moves" in order for Kochemassov to make sure that Moscow's command "not to take any action" was carried out unequivocally. After this conversation, the ambassador dutifully called the then supreme commander of the West Group of the Soviet troops, Army General Boris Snetkov and recommended that he "stand still and stop and think". The general was totally amazed and denied that he had any other intention. Indeed, the members of the West Group had been stringently prohibited from leaving their barracks since November 6, which had been the rule before every

state holiday in the USSR and East Germany to make sure that “nothing happened”. As is known, on November 7th and 8th there was the 72nd anniversary of the Great October Revolution of 1917, which means that the duty to stay in the barracks could only be suspended on Monday, November 13th.

The confusion surrounding the minister’s instruction surfaced due to Kochemassov’s message when discussing the situation in the embassy on the morning of the 10th of November that “troops had been introduced (at the Brandenburg Gate)” during the night. It was obvious to everybody in the room that the ambassador had meant the East German National People’s Army. It soon became obvious that in this case his source had led him astray (which might have been a result of linguistic obstacles – Kochemassov had a poor command of German and the senior power brokers in East Germany sometimes only spoke broken Russian). Some of the people in power in East Germany had the idea of setting troop reinforcements in motion towards the Brandenburg Gate, although they soon dropped the idea like a hot potato. Unfortunately, in the course of the day the ambassador’s message percolated through to Moscow in its unadulterated form. Aleksandr Yakovlev, the éminence grise of perestroika, called the embassy (when the ambassador was out) and found out how the ambassador had formulated it, which he then interpreted in his own fashion. This is how the fairy tale of the insubordination of the generals of the West Group emerged. The truth is that not one single Soviet politician or military appealed for the use of force. The general attitude was that the situation as it had unfolded could and should only be mastered by political means. In any event, the general public in Russia hardly took notice of the opening of the Berlin Wall because, on the one hand, this event was looked upon as something quite ordinary and, on the other hand, the tempestuous developments in the USSR stole away public attention.

No matter how one looks at it, the fall of the Berlin Wall and the subsequent evolution of the political balance of power in East Germany caused a problem to emerge right in the Soviet Union’s strategic back yard in Europe, and this problem had to be solved – politically to be sure, – yet it had to be solved fast. The USSR felt it was being confronted with the following situation on a major political stage: most probably the “loss” of East Germany would be accompanied by signs that the socialist community was

crumbling. This was an explosive mixture for the entire security profile that Moscow had built up in Eastern Europe in the course of almost 50 years in the post-World War II environment. There was one condition under which it did not have to metamorphose into a tragedy. International detente (that had been both a prerequisite and a result of perestroika) had to become institutionalised. There was already a point of departure to do so – the final accords signed in Helsinki in 1975. There was even an acceptable blueprint for it – the project of the European House applauded by everyone. Now they had to apply the phenomenal energy of the German reunification process to accelerate motion towards European unification. A reunited Germany in a united Europe where both unification processes would parallel one another might show Moscow how to square the circle in the problem it was now confronted with. In other words, the breakneck speed of German reunification just might give the European House its best shot at realisation. Even the friends of the Federal Republic of Germany in the West came out in favour of a European Germany while expressing reservations given the potential of a “German Europe”. The crux was how the term “European” might eventually be defined.

To look at it differently, the strategists in Moscow had a very intricate game of chess to play. It was difficult, but not hopeless. Unfortunately, they were in total disagreement and there was a complete parting of the ways. The one side (mostly professionals from the Foreign Ministry – with the exception of Shevardnadze – and the general staff of the military forces) believed that the core of the problem was guaranteeing security for their own country. They thought German reunification should be balanced out by creating a system of collective security in Europe (or in the Northern Hemisphere from Vancouver to Vladivostok). Their attitude was that NATO should never be accepted as a substitute for this overall European system because there was no doubt that the Western alliance, as a creature of the Cold War, would generate new schisms. They also felt that they should try to get something like a promise of future security out of the immanent radical changes to have a say in the formation of the new Europe. It was totally irrelevant whether they would allow East Germany to exist for a longer period of time or keep a longer token presence of Soviet troops in Germany.

The other side (mainly the people surrounding Gorbachev, including himself) thought that the envisioned end to the Cold War would eliminate all of Moscow's foreign-policy worries for all time. They believed the West would receive the Soviet Union with open arms as soon as it let East Germany and the other East Bloc countries go. They were serious about their prognosis for the future embodied by the German poet Friedrich Schiller's poetic "Be embraced, ye millions". NATO was also a problem for them since the Alliance taking over East Germany made it look as if the USSR had failed or even been defeated. The West's promise that NATO's territory would not be extended eastwards (even though it was received like a general guarantee, in written form it meant the territory of East Germany and had a time limit – until the West Group withdrew) enabled Gorbachev to sell his project of giving up East Germany "without any compensation" (that was very unpopular among Russians) as a triumph of his personal diplomacy.

However, everything that has happened after 1990 has proven that Europe's security problems have not lost any of the significance they have had for centuries. Even after German reunification they still remain unsolved. The proposals that Dmitry Medvedev made here in 2008 are an honest attempt to make up for what was missed. This time, there might be a justified hope that Russia's voice will finally be heard.

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# The Fall of Berlin Wall in the Eyes of China: From the “Dramatic Changes in East Europe” to the “Unification of the Two Germany”

*Li Wie*

The fall of the Berlin Wall on the 9th of November 1989 led to the culmination of the confrontation between Eastern and Western blocs and the end of Germany's separation. Far in the East, China paid close attention as the event unfolded. The Chinese government perspective on the event experienced major changes as things developed from the “Dramatic Changes in East Europe” to the “Unification of the Two Germany”.

The “Dramatic Changes in East Europe” was the official term used by China's official media. A simple interpretation from the words suggested that the East European Socialist regimes went through major and dramatic changes. This could be seen as a subtle and indirect manner of describing the collapse of East European Socialist regimes and its replacement by capitalist systems. The fall of the Berlin Wall was an important event during the “Dramatic Changes in East Europe” and to the Chinese government, it was an event with strong ideological and political implication on China's political situation.

1989 was not a peaceful year for China and the rest of the world. In January, massive protests broke out in Czechoslovakia. In May, Bulgaria opened its borders and massive numbers of Muslims flooded into Turkey. June, the Independent Self-governing Trade Union “Solidarity” won the Poland general election with a landslide victory. In August and October, massive protests broke out again in Czechoslovakia. November, the Berlin Wall fell. December, violence broke out in Romania and the exiled leader of the Romania Communist Party and Head of Government, Nicolae Ceausescu, was secretly executed. By the summer of 1990,

the Communist Regimes in Poland, Czechoslovakia, Hungary, Bulgaria, East Germany and Romania had all collapsed. Similarly in between the spring and summer of 1989, China was stuck in a political turmoil. In Beijing and many other cities, large scale demonstrations broke out and masses of students, workers and urban residents took to the streets demanding that the government put an end to corruption and allow more democracy and respect for human rights. In Beijing, the demonstrators camped at the Tiananmen Square and erected a “Statue of Liberty”. In the end, the army was called in on the 4th of June to end this “Anti-Revolutionary violence aimed at toppling the Socialist system”. From the Chinese government’s point of view, China and the Socialist states in East Europe were in a political crisis and “the socialist movement world wide was at its lowest point”. The fall of the Berlin Wall had unquestionably catalytic effect on the worsening of this crisis.

The Chinese government believed that China and East Germany belong to the Socialist camp and shared similar social system. Due to common ideology and internal politics demand, China supported and empathised with the East Germany’s Socialist government. The Chinese government never expected the Socialist regime in East Germany to collapse and nor were happy about it.

China had a long period of diplomatic relation with the German Democratic Republic (GDR). In 1949, the Chinese Communist Party (CCP) united China and founded the People’s Republic of China (PRC) on the 1st of October 1949. The GDR was founded on the 7th of October 1949 and diplomatic relationship between the two was established on the 27th of the same month. During the 60s, China’s relationship with GDR deteriorated for a while as Walter Ulbricht, then leader of GDR, was implementing policies similar to those of Khrushchev. The relationship returned to normal in the 80s. In 1986, the Secretary-General of the Socialist Unity Party of Germany, Erich Honecker, visited China and in 1987, then CCP Secretary General cum State Premier, Zhao Ziyang visited GDR. In the aftermath of the “June Fourth” Incident, the GDR government expressed their support for Beijing’s effective measures in suppressing the violent riots. In October 1989, the vice-Premier of China, Yao Yilin led a delegation to East Germany to participate in the 40th anniversary of the founding of GDR. Both parties acknowledged each others’ contribution to socialism for the

past 40 years and affirmed their determination to walk the path of socialism.

Until the middle of November in 1989, both countries' still had frequent political and cultural exchanges and everything appeared to be normal. The Chinese official media reported on East Germany's society as per normal. For example, there was a report in August which reports on the "Solidarity Day" in which the GDR Reporter's Association held a garage sale and all proceedings were be used to support developing countries. The cultural exchanges had further painted a serene picture of the domestic situation of both countries. In September for example, Beijing Hotel sent senior chefs and service crew to East Berlin to start a "Beijing Restaurant". To celebrate the 40 years of diplomatic relation between China and GDR, the East Berlin city government held a "Beijing Week" from the 7th of September till the 25th. To celebrate the 40th anniversary of the founding of GDR, the Beijing Cultural Palace of Nationalities organised a GDR movie week. Even after the collapse of the Berlin Wall, the GDR People's Army Song and Dance Troupe still went to China to perform on the 13th of November.

The Chinese government did not expect the situation in East Germany to undergo such a dramatic change within a sudden, that the Berlin Wall will collapse overnight. On the 9th of November, the GDR government decided that the GDR citizens may now cross the border to go into the Federal Republic of Germany for tourism purpose. The Chinese official media's report read: "China sees that the check points in between East and West Berlin, at the border of the two Germany, and the various police stations in East Germany were all crowded with East Germany citizens applying to cross the borders." Massive numbers of people drove or walked across the borders, crowding out every street and alley in East Germany. According to initial statistical survey, tens of thousands of people have entered West Berlin. On the 17th of November 1989, State Premier Li Peng, who was then on a visit in Brazil, held a press conference to answer questions on the situation of East Germany and other countries in East Europe. He said, "Recently, certain socialist countries in East Europe, including East Germany, underwent some rather "shocking" changes." Here, "shocking" refers not only to how sudden the changes are, but also to the gravity of the event.



To the Chinese government, the collapse of the Berlin Wall signified that the Socialist regime in East Germany was facing a dire crisis, but it did not necessarily mean that the regime will or have been dissolved. The Chinese government hoped that East Germany will be able to overcome this crisis and continue its socialist path.

If East Germany's socialist regime can survive, the CCP government will be able to gain more support in the international community to resist pressure from the West. To the Chinese leaders, China and East Europe socialist regimes were facing a common threat; the regimes were facing a possibility of being toppled by external forces. On the 9th of June, the Chairman of the Central Military Committee, Deng Xiaoping gave a speech when he met with the officials above Army level in the crackdown forces. He pointed out that, "This storm will come sooner or later. This has been decided by the big climate at the international level and the small climate within China. It will come. It is not something that can be swayed by human will." This "big climate" refers to the Western countries attempt in toppling socialist countries. On the 9th of September, Li Peng said while hosting some guest, "China wants a relationship with the West, but we must also be on alert for external toppling effort." October, the East Germany leader said, when he met with Chinese delegates, that while the trend of easing is irreversible, the imperialists' "intention to doom me is still well and alive". They are starting launching offensive against socialism and GDR is their first target. East Germany reiterates its understanding and support for China's suppression of anti-revolutionary riots while China expressed its understanding of East Germany's present difficulties. After the "June Fourth" incident, the Chinese government faces immense pressure from the international community. East Germany's support had a positive effect in alleviating this pressure.

To China, the existence of East Germany is not restricted to being an international cheer leader. If East Germany can save socialism through reforms, it will cause more Chinese to believe that the reforms policies implemented in China by Deng Xiaoping is right. This will inevitably help to stabilise situation in China. For almost 30 years since the founding of the PRC, China had been under the influence of extreme left policies. This leftist politics reached its peak when Mao Zedong launched the Cultural

Revolution. With the death of Mao Zedong in 1976, the Cultural Revolution ended and China's economy was on the brink of collapse. In 1978, China put an end to its extreme left policies and embarked on Deng Xiaoping's route of "Reform and Opening Up". Within less than 10 years, China went through a positive overhaul. The peasants are no longer hungry and they have meat in their bowls now. At the same, Chinese citizens are able to see the outside world and saw China's gross material difference with the Western developed countries. Deng's policies could be summarised into two premises, stick to socialism and determined to reform and open up. After the "June Fourth" incident, an additional premise would be that there will be absolutely no tolerance for social disturbance and that stability will have priority over everything.

Based on Deng Xiaoping's three premises policy, China's official media provided "positive" coverage on East Germany's crisis management. Firstly, on the issue of sticking to socialism, Chinese official media reported on a speech by Egon Krenz, Secretary-General of Socialist Solidarity Party. He pointed out that the future of socialism in GDR is beyond doubt and the leadership role of Socialist Solidarity Party should not be underestimated. The Socialist Solidarity Party has the ability to find the best solution for problems that arises as socialism progress. The changes in every sector in GDR are not a departure from socialism, but to reinforce socialism. After the collapse of the Berlin Wall on the 9th of November, China reported on the influx of East Germans to West Germany, but also reported on the Socialist Solidarity Party's emphasis to maintain a Marxist world view. In early December, the Socialist Solidarity Party announced their en masse resignation and established a Party's interim working committee. The committee expressed their determination in holding a party general meeting so that it can build a "Neo-Socialist" state in Germany. In short, China wished to express, through these reports, that despite the fall of the Berlin Wall, GDR's socialist status has no room for discussion, and that GDR's determination to walk the path of socialism will not waver. Secondly, on the issue of reforms, the Chinese reports emphasised the Socialist Solidarity Party's understanding of the relationships between reforms and socialism, between reforms and stability. The Socialist Solidarity Party had expressed once and again that the purpose of reforms is to have a better socialist state. Reforms do not mean less socialism, but more

and better socialism. The Party also emphasised that while reforms are necessary and urgent, it must not threaten to harm the stability of the nation. Thirdly, on the issue of intolerance of instability, the theme of the Chinese reports was that the GDR government will not allow volatility to exist. In the December of 1989, in cities such as Dresden and Hansestadt Rostock, government agencies were occupied or attacked and prevented from functioning normally. Hans Modrow declared that GDR will not allow a state of lawlessness; it will ensure the lives and properties of its citizens. Weapons must be held by those reliable and there will be no attacks on important government ministries. These reports were important to China's propaganda to counter the West's strategy of "peaceful revolution", stabilising China's society and consolidating the CCP's "proletariat rule".

Although the Chinese government realised that it would be beneficial for China's domestic stability if East Germany is to continue its socialist route, China kept by its principle of "non-interference" at the diplomatic level. A week after the collapse of the Berlin Wall, Chinese Premier Li Peng said, "China does not interfere with other nation's internal affair". He also pointed out that, "China also does not interfere with the party affairs of those who maintain a friendly relationship with CCP. This is a fundamental principle of China." As a matter of fact, this is China's attitude not only towards East Germany but also to the entire episode of dramatic changes in East Europe. In December, riots broke out in Romania, Nicolae Ceausescu was secretly executed. China's Ministry of Foreign Affairs held a press conference and expressed China's stand, "China had always believed that what is currently happening in some countries in East Europe is entirely their internal affair. China does not interfere with other nation's internal affair. We believe that the Romanian people are able to handle their own affairs." Even in the realm of ideology, the Chinese government has retained maximum flexibility. Right from the start, the Chinese government has proclaimed that Deng Xiaoping implemented "socialism with Chinese characteristics". China's socialism will have its own destiny and track. The fate of the communist parties in East Germany and East Europe cannot decide the fate of the CCP. Just as Li Peng said on the 17th of November, "China chose the socialist system. This is the correct choice due to history and China's situation. China will not change

its system because of what is happening in Europe.” Adopting the principle of non-interference in foreign policy and emphasising the Chinese characteristic on the ideology of socialism prevent China from tying its political fate to those of East Germany. It allows the Chinese government to catch up with the development of the “collapse of the Berlin Wall” and rapidly refocus its attention from the “Dramatic Changes in East Europe” to the “Unification of the Two Germany”.

From the Chinese government’s point of view, the “unification of the two Germany” episode demonstrates the reunification of two Germanic countries that had been separated for almost half a century since the World War II. It signifies that a major change in the international political order is underway. Within a span of twenty years from 1989 till 2009, the political significance of the unification of the two Germany has gradually dissipated. The reason for this change is the development of China’s domestic situation and the changes in the international order.

Towards the end of the month in which the Berlin Wall fell, Helmut Kohl proposed the “Ten Points Strategy” for Germany’s unification. The way the Chinese government sees it, re-unification is likely to result in East Germany being devoured by West Germany and the diminishing of socialist East Germany. China gave a positive report on East Germany’s criticism on the “Ten Points Strategy”. East Germany points out that unification is not an issue on the schedule, the relationship between the two Germany should be one where there is mutual respect and recognition for sovereignty, integrity, equality and mutually beneficial. Germany Democratic Republic will not sell itself to others nor combine with any country. This situation changed in the February of 1990 when the East Germany’s Modrow administration raised a re-unification proposal on the 1st of February. On the 9th of February, the Chinese Ministry of Foreign Affairs held a press conference expressing “our understanding of the Germanic people’s wish for nation re-unification”. China mentioned that it has noted both Kohl and Mondrow’s proposals and hooped that the unification will be mutually beneficial. China’s reports on Germany’s re-unification began to become more neutral and by mid May, Chinese official media’s comments on the issue began to root for the Federal Republic of Germany. When reviewing the unification history of Germany, the Federal Republic of Germany was portrayed as a

positive and active role: “historically, it maintained a common nationhood among the Germanic people through its “New Eastern policy”, fundamental agreements and a series of other agreements to development the relationship of the two Germany and promoting the German people to interact.” In comparison, GDR was cast as a more passive role: “it emphasised on the difference between socialist Germanic nation and the capitalist Germanic nation, insisting on a clear line to be drawn between the two ideologies and obstruct the German people from becoming closer.” On the 2nd of October, the Prime Minister of the Federal Republic of Germany, Kohl, gave a speech, “Our motherland is once again united”. Midnight, the bell in the Berlin city hall rang in celebration of the unification while the Bundesflagge flew on the Reichstag Building. The two Germany are finally united. The Chinese government made a swift and active response. On the 3rd of October, China’s Minister of Foreign Affairs Wu Xueqian met Germany’s ambassador to China, Dr Hannspeter Hellbeck, and said, “The Chinese government and people understands, empathise and support the Germanic people’s wish to be re-united. We respect the choice of the German people and welcome Germany’s peaceful re-unification.” He also said that China has had good relationship with both Germany and wish to enhance and develop the already well-established friendship with a united Germany based on the “Five Basic Principles of Peaceful Coexistence”.

On the issue of Germany’s re-unification, the Chinese government was able to prevent itself from being influenced by its ideology. This is primarily due to the following reasons: Firstly, East Germany had already collapsed. It was no longer credible to cite East Germany to illustrate the superiority of socialism or as a correct approach of reforming socialism. If East Germany was to be utilised in the ideological arguments, it will have to be cited as a source for “learning from mistakes”.

Secondly, it is detrimental for China’s domestic affair and effort to maintain nation integrity to place emphasis on the ideological aspect of the issue of Germany’s re-unification. When the People’s Republic of China was founded in 1949, it did not only signify the implementation of socialism in China, but also marked the re-unification of China. In 1911, the Qing Dynasty collapsed and China was thrown into an era of fragmentation with factional warlords dominating pieces of China and battling each other. Prior

to 1949, the Kuomintang (Nationalist), headed by Chiang Kek-shek, was effectively controlling only the South-eastern coastal region of China. All other provinces were under control of the warlords. In 1949, the CCP had once again established a centralised administration that controls an area that stretches west to Xingjiang, east to the coast, north to Mohe and south to the South China Sea islands. The Nationalist retreated to Taiwan. Till today, Taiwan still refuses to recognise PRC as the only legal government of China and still maintain diplomatic relationship with a few countries. The CCP government had always dreamed of reunifying the entire China. In the early 80s of the last century, in order to take back Hong Kong and Macau from the United Kingdom and Portugal, Deng Xiaoping proposed the idea of “One Country Two Systems”. The basic concept was that under the pretext of one China and that the main body of the nation will remain socialist, Hong Kong, Macau and Taiwan can retain its capitalist status without changes. It was because of this flexible “One Country Two System” which downplayed ideological relevance that China was able to repossess Hong Kong and Macau in the 90s, thus gaining a big step towards nation re-unification.

In respond to Deng Xiaoping’s concept of “One Country Two System” (一国两制 / *yi guo liang zhi*), Taiwan counter proposed the concept of “One Country Good System” (一国良制 / *yi guo liang zhi*) to voice their opposition towards Deng’s concept in which socialism will be the main system. Two (两) and Good (良) are homophonic in Chinese. Taiwan’s concept is a pun line and the “Good System” refers to the “Three Principles of People” and capitalist system in Taiwan. The underlying meaning is that the socialist system in China is a bad system. To the Nationalists in Taiwan, the two Germany in October 1990, the unification of socialist East Germany by capitalist West Germany, is historical evidence that “Good System” will definitely win over bad system and be the final victor. The day after Germany’s re-unification, Taiwan leaders spoke at an executive branch meeting, “The re-unification of Germany proves that only good system will unify bad system and bad system will have to accept good system”. Mainland China refuted the statement but did not escalate the exchange into a war of ideological criticism, for overtly heated debate over ideology will only worsen the political mood in the straits and emphasise the difference between Mainland and Taiwan. Taiwan also raised the

idea of “One Country, Two Governments”, which was shot down by Mainland China using international law. There are those in Taiwan who used the unification of Germany as precedent to illustrate that “One Country” can have “Two Governments”. Mainland China however, thinks that this is an inappropriate comparison. In the Chinese government’s eyes, firstly, China’s situation is, of all things, very different from the two Germany and hence incomparable. Secondly, prior to their unification, East and West Germany were in effect, two separate sovereign states. The Nationalist administration on the other hand, was overthrown in the Mainland and occupied the Taiwan Island and is hence nothing more than a renegade regional authority. It has no authority to represent China and the international law does not allow two governments to represent one country at the same time. Yet regardless of the Communist’s “One Country Two Systems” or the Nationalist’s “One Country Good System” or “One Country Two Governments”, the political precondition is that both Mainland and Taiwan held the consensus that there is only one China. This situation changed during the 90s. Then, the pro-independence faction in Taiwan was rapidly growing; Lee Tenghui came up with the “Two Countries Theory” which aimed at creating “One China and One Taiwan”. At the dawn of the new century, the Democratic Progressive Party (DPP) came into power and Chen Shuibian emphasised that there is “One Country on each side” of the straits and even attempted to legitimise Taiwan’s independence via a referendum. Mainland China’s policy bottom line on this issue is, “As long as Taiwan recognises the One China principle, anything is negotiable”. Chinese government’s ideological emphasis on the Taiwan issue is fading away. Similarly, in the eyes of the Chinese government, the element of ideological confrontation in the re-unification of Germany is fading away while the theme of national reunion and nation re-unification is standing out.

Another reason why the Chinese government had swiftly set aside the ideological differences and support the re-unification of the two Germany is because it hopes that a unified Germany will not support separatist forces in China. Towards the end of the 50s, the Dalai Lama of Tibet went into exile. Since then, he has been seeking the administrative right of Tibet. In October 1990 prior to the re-unification of the two Germany, the Federal Republic of Germany was seeking support from the international community. To gain the support of China, which occupies a permanent seat



of the UN Security Council, the Federal Republic of Germany had rejected a meeting with the Dalai Lama and recognised that Tibet is a part of China. In December 1989, Kohl did not receive the Dalai Lama in Bonn. The Federal government's explanation was that meeting the Dalai Lama equates to recognising his right to rule and is against the diplomatic principle between Germany and China. But things changed the very next day after the two Germany unifies. On the 4th of October 1990, the German President, Richard Karl von Weizsacker, met the Dalai Lama in Berlin. On the 6th of October, the Chinese Ministry of Foreign Affairs launched an official protest to Hellbecker and sees the event as open support for the Dalai Lama's quest for Tibet independence and interference in China's internal affairs. While the Chinese government wishes to develop a pragmatic and mutually beneficial relationship with the unified Germany, the Tibet issue casted a shadow over the relationship right from the start.

Lastly, allowing the ideological colour of the collapse of the Berlin Wall is useful for the Chinese government to walk out of its foreign affairs predicament caused by the "June Fourth Incident". After the June Fourth Incident, the Chinese government was politically ostracised and economically sanctioned by the international community. Chinese government has been trying to improve this situation and hopes to normalise its relationship with the Western countries. This is very important to China if it is to continue its route of reforming and opening up. The fall of the Berlin Wall provided such an opportunity. To the Chinese, the fall of the Berlin Wall signifies the end of the Cold War in Europe and that the U.S. and Soviet Union will end their confrontation to engage in dialogues and cooperation and also signifies a reshuffling of powers among the various countries. This sudden turn of events certainly provided China with such an opportunity. In first of November 1993, the Maastricht Treaty entered into force and the European Union was established. This marks the transition of the European Community from an economic entity into a political entity. By mid 90s, China was actively responding to the multi-polarisation of the world and economic globalisation. To the Chinese government, the fall of the Berlin Wall suggests that a unified Germany and a united Europe will play a major role in the world order of the future. By the turn of the century, China established multi-facet and multi-dimensional diplomatic relationship with Germany, European



Union and the majority of the nations in the world. Compared to a decade ago, China's external situation had improved drastically.

The Berlin Wall has collapsed for 20 years. During the past 20 years, China went through a complete overhaul. 20 years ago, the main form of transport on the road was the bus while the economical "Santana" car was the sedan of government and Party officials, a symbol of power. 20 years later, the roads and streets are packed with private vehicles and sedan cars are entering the average household in large quantity. In 2009, China became the world's largest automobile market. Rapid development of the market economy caused fundamental changes in the structure of China's society and with it, the Chinese's thinking and values change. 20 years ago, the Chinese official media criticise "Western" democracy in the harshest possible means. 20 year later, Chinese official media promoted the book "minzhu shi ge haodongxi (Democracy is a good thing)" by Yu Keping. The book believes that democracy is a universal value and that developing democracy is beneficial to China's reforms. 20 years ago, the Chinese eagerly awaits the return of Hong Kong and Macau, today; they look forward to the re-unification with Taiwan. In the memories of the Chinese, the fall of the Berlin Wall has faded as an episode of the "dramatic changes in East Europe" but still lingers in their mind as part of the "unification of the two Germany". The happiness and excitement on the faces of those who tore down the Berlin Wall 20 years and run towards unification is still imprinted in our minds. The Chinese yearn that in the future not too far away, they too, can taste the sweet fruit of nation unification like the Germans 20 years ago.

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## 20 Years after the Fall of the Berlin Wall – A View from India

*Ummu Salma Bava*

1989 has gone down in the annals of history as the year the world changed, opening up endless freedom of possibilities to people and states. Just two years earlier when US President Ronald Reagan spoke at the Brandenburg Gate on June 12, 1987 saying “We hear from Moscow about a new openness,” he also said “Mr. Gorbachev, open this gate! Mr. Gorbachev, tear down this wall!” That, events would soon lead to the wall coming down and with such speed was never predicted.

The Berlin Wall, the symbol of Cold War was also a grim reminder of how the world and people were divided. From 1945 as the World War came to an end and with it came the era of decolonization, it also brought in its wake a new balance of power at the global level. This was the beginning of bipolarity that was to be tested all around the world and which was acutely felt in Europe and in particular in both the Germanies. Political barriers had created new borders not only for Germany but for the world as well.

As a newly independent country in 1947, India faced tremendous developmental challenges, foremost being the task of nation building. As a fledging republic, it was also pulled into the undertow of global politics and bipolarity. It was under these circumstances that India took the lead with other similarly inclined newly independent countries to launch a third way in global politics- and so was born the idea of Non-Alignment. The three leaders Prime Minister Jawaharlal Nehru of India, President Gamal Abdul Nasser of Egypt and President Tito of Yugoslavia were bold enough to charter a new course in 1955 in global politics by not being aligned to either blocs.

However, India was acutely aware of the global divide. At the political level, India and West Germany have a long established partnership. This made India very aware of the political

developments surrounding West Germany and when the Wall came down, India supported German reunification.

## **FALL OF THE BERLIN WALL AND CHANGES IN INTERNATIONAL POLITICS**

Undoubtedly, the fall of the Berlin Wall in 1989 created new scenarios in the international world. The events of 9 November 1989 changed the world, a continent, a country and a city and more importantly the lives of millions of people around the world. As Germany celebrated unification in less than a year's time on 3 October 1990, it was hard to imagine that geopolitics would get another major shock when the Soviet Union imploded in December 1991. These tectonic shifts were bound to affect all countries and people.

At a political level, the familiar bi-polar structure which had so determined political outcomes on the chess board of global politics gave way to the rise of the sole super power- the United States. With out any counterbalance or opposition of equal dimension, the US emerged as a hyperpower and continued to straddle global politics from 1991 to 2001.

The end of the Cold War in 1990 was also heralded in the West as the end of Communism and the victory of the liberalism and capitalism. In an article that made headlines at that time, American political scientist Francis Fukuyama called the moment as 'the end of history,' signalling thereby that the ideology of the west had triumphed over the east. In many ways, democracy, liberalism and capitalism became the buzz words for the countries of Central and Eastern Europe and the republics of the former Soviet Union.

Within Europe, the newly unified Germany was aware of the reaction that unification had on its neighbours. Despite 40 years of strong democratic traditions in West Germany, its past history was subjected again to scrutiny. Amidst this backdrop of cautious optimism on the part of its neighbours, Germany rededicated itself to the European project that would lead to the establishment of the European Union in 1992. As the 'paymaster' of Europe, it strongly endorsed the vision of Jean Monnet and Schumann that took Western Europe from conflictual dynamics to peace dynamics. It was this philosophy endorsed in equal measure also by France that led to a new writing of history in Western Europe from 1949

to 1989 and the creation of the most successful process of regional integration.

Although the Berlin Wall was symbolic of the division of Europe, within the western side, the barriers to movement of people, trade and goods was slowly dismantled. In a break from the history of conflict, from 1949 -1989, Western Europe had managed to redefine its relation to the word 'sovereignty'. When the Cold War came to an end in 1990, the West Europeans were able to demonstrate to the world what cooperation between states and people could achieve – a building of a new and joint political and economic future.

## **INDIA AND THE WORLD AFTER THE END OF COLD WAR**

In South Asia where the impact of Cold War was also acutely felt since the two main protagonists- India and Pakistan were on the opposite sides of the fence. India was supported by the Soviet Union and Pakistan was part of the American camp. In this context, India's foreign policy choices till 1990 were circumscribed by Cold War politics that defined its political, economic and security relations with other states. As India welcomed German unification in 1990, it had to adjust to an extremely transformed external reality and an emerging internal financial crisis. Both these factors had a tremendous impact on shaping the emerging Indian politics and economy.

Post-Cold War global politics presented India with opportunities and challenges. For the first time in its history it was no longer contained in South Asia by the Cold War rubric. Although history is a selective recall or narration of memories and we pick and choose what we want to privilege, it would be no exaggeration to say that the fall of the Berlin Wall actually opened a new path for Indian foreign policy. The disintegration of the Soviet Union in December 1991 left it without a trusted partner and friend but also presented opportunities for new relationships and partnerships.

The economic crisis on the other hand forced India to restructure and liberalise its economy and open the various sectors to private players and investment. Both these factors have profoundly impacted India politically and economically.

At the global level as the world is witnessing changes in power equations between and among states, India is no longer seen

as being on the periphery of international politics, This shift in perception was largely driven by the dramatic change in the Indian economy after liberalisation that speeded up the economic growth and sent India up on the list of new emerging economies. This also meant that India could now reconfigure its political relations with many countries, where this had been weak.

With the fall of the Wall and the end of Cold War, India has emerged as ideationally the country closest to Europe and the US. Endorsing common political and economic values, India and the West now find each other on the same side of the table, although the means to achieve certain common goals are expressed differently.

The liberalisation of the Indian economy and its integration into the globalised world economy was also enhanced when bi-polarity came to an end. It is in this context that India's engagements with the regional and global levels have also been transformed. With a strong growth in the economy and a sustained democratic tradition and performance, the end of the Cold War has catapulted India to the forefront of the developing countries into a new league of emerging powers or emerging economies.

The fall of the Berlin Wall and the end of bi-polarity has not signalled an end to conflict and problems. Rather, with the global spread of political and economic liberalism, globalisation has led to a growing interdependency today as compared to the past when the world was divided. India along with other countries is faced with new threats to security. In the post Cold War world security threats have become diverse and diffused. If bi-polarity divided the world into battle lines of the known enemy, then today, the world is coming together to fight the new threats collectively. Whether it is climate change, terrorism, nuclear non-proliferation, organised crime and trafficking and narcotics and the list goes on, only collective action can lead to a successful outcome. In that sense the fall of the Wall has also tied together all our futures even more.

## CONCLUSION

In 1945 when the World War came to an end, a new beginning was made at the global level that quickly fell foul to the Cold War. The vision of the UN Charter remained a vision till 1989 when the Wall came down, opening since then the possibility to construct a new kind of global politics.

India's potential to play a global economic, political and security role depends on developments in the international structure and regimes, regional stability and its own domestic economic growth and internal political stability. India, which was brought up on the concept of "balance of power", which was part of the bi-polar structure is confronted with the "power of dependence" as emphasised by growing international trade and economy. Freed of the structural limitations of the Cold War, India is today trying to build strategic political and economic alliances at the bilateral, regional and global level so that it will bring it additional security dividends.

More significantly, while the wall symbolised bi-polarity, division and borders, its fall signalled the ending of barriers especially in Europe. The dismantling of Check-Post Charlie and its conversion into a museum is a sharp reminder that barriers were a reality till only 20 years back. In stark contrast, South Asia still grapples with conflict and barriers. The end of the Cold War, which should have facilitated a new political relationship between India and her neighbour- Pakistan, is today caught in a new conflict because of the rise and threat of terrorism in the Af-Pak region. However, in a globalised world, just as India engages the world, India is also being engaged by the world. India's foreign policy today shows a mix of balancing and hedging of interests.

In the backdrop of the fall of the Wall, India both as a developing country and an emerging power is negotiating two different spaces. India's changing aspirations and its pursuit to emerge as a significant player is also constrained by the limitations imposed by world politics and its own domestic challenges.

20 Years after the fall of the Berlin Wall, the world is more free and connected, barriers have been dismantled and opportunities created, However, many a new global challenge and the ability of states to respond to them draws attention to the asymmetry still present in global politics.

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# Berlin Wall in My Mind...

*Kim Gi-Eun*

## THE BERLIN WALL IN MY MEMORY

The first meeting for a Korean student with the Berlin wall began in the airplane on a cold Sunday in February. It was cloudy and dark. The city was limited with a borderline, it looked interesting from upside and to come into such a circle made her suspicious. Flying was the only possible way to come into the totally closed city without control. After a strict passport-control, an outsider was permitted to drive by the highway or by the railroad to visit the city. On the highway you had to give attention to the strict traffic regulations. You could be stopped every time and everywhere by the soldiers from the east side. In this case it was useless to discuss or explain. Only in some western parts money could help you. It was frightening enough for a South Korean at that time during Cold War to be in such a communist city. There was a special lecture about many kinds of dangers with North Korea abroad, before leaving Seoul. At first it was a little bit frustrating to come into such a city, but an attractive and beautiful city like this can make you forget all the things

For me the West Berlin looked like a very well protected city from the inhumane and the dangerous place on the other side of the wall. Living there would benefit with various privileges in your daily life, like your citizenship, tax, pay, rent and possibilities to visit the other side of the wall. The culture in this city was unique enough with such possibilities. Even with such a special right and atmosphere you could feel isolated from the outside world and controlled, especially if you go across the border by subway or travel to the other German cities. For the privileges enjoyed during living there you had to pay extra-patience and tolerance.

Such an atmosphere after the world-war gave birth to the cultural characteristics. The classicism was the base of the whole

historical city and at the same time all the new tendency in the culture were tolerated and melted. The city was globalized with people from all over the world. Every kind of music, paintings, movie, drama and performance could be dealt with sympathy and tolerance.

For a South Korean who lived in West Berlin, everyday life was the same as others. You got used to the wall and the wall did not play any kind of a role in everyday life. You could hear every day about East Berlin, watch about them in the television and could feel a sense of familiarity with East Berliner. Visitors from the east would take some consumption goods for home from the west, so called 'east packet', which used to sound strange to me. But I felt envy of it, because it was very different from North Korea. Even the existence of the wall in the west side of the city was opened to the outside and humane enough to accept. In the east there were scarce of cars and imported goods and going abroad was not always permitted. But unemployment was not a problem and they always had enough food to eat. Everybody had the same or similar lifestyle. The citizen's life was maintained as usual, but politically the situation was different.

### **THE WALL IN KOREA...**

Korea and Germany had many similarities like border-wall and at the same time many differences. Economically and culturally the west was much richer than the east side and had an important political meaning in the world in comparison with South Korea. After Korean War, this country had fewer possibilities as a nation to rebuild themselves from poverty and Japanese exploitation. After a long political whirl all the energy was concentrated to build a rich nation with much trouble in and out of the country. The patriotism to protect the country from communism was one of the most important things for us to learn and to keep in mind since schooldays. There were fewer tolerances for a human right or private life. Every generation had to work hard only with a future perspectives, of a better and richer fatherland. There was not much choice for Korea at that time. Maintaining dictatorship was rationalized in the name of the patriotism. Politically North Korea was the best choice as a common enemy to fight together. The severe time passed and one day South Korea was estimated as an



Asian Dragon. Koreans were very much proud of themselves. After a long and severe citizen movement the political power could be changed peacefully.

There were variable strong walls in the South Korean society between generations, regions, political parties and groups. After the peaceful political change the people felt like as if these walls could have to be also disappeared and it did happened somewhere. It was one of the other engines of growth for social development.

### **THE WALL WAS BROKEN...**

The Berlin Wall was broken, suddenly and dramatically. It happened in a time in history when nobody was expecting it. Especially for Koreans it was the biggest surprise and they thought about themselves. There was a hope for unification like Germany! Everybody began to talk about reunification and North Koreans were being considered as same people and not enemies to fight against. Without huge conflict, packets were sent to the North, filled with food and dollars. The Korean president visited North Korea and there were dramatic meetings. Families and relatives could meet only for a little while in the south, who had not met or heard from each other after the war at all. The head of a Korean company brought 2,000 cows to the north by himself on the road through the border. At that time there was only a peace and euphoria, as if the Korean reunification were in front of the door. The North Korean only required to say, what they needed and they got from the South. The Korean president got the Nobel Price for Peace. For the opposite site the German case has been always an important argument. The fallen Berlin Wall has always been very special for the Korean .

### **WITH THEODORE FONTANE...**

I could visit the east side of city over the wall with curiosity, not as a South Korean, but West Berliner. Theodore Fontane was one of my favorite writer, who wrote many essays about Brandenburg and described well his birth place, home, downtown, forest, bank, streets and woods etc. I would like to visit there and anticipated changed views. It was amazing, after more than 100 year everything stays as the same, as it was! The streets with the same stones,

house, bank, woods and forest like before 100 years! It was beautiful, sometimes windy, and silent like music. As if you heard the symphonies of Beethoven, it was peaceful, blue, green and sometimes red. After the first visit I was eager to go there once more, because I could not forget the beautiful scenes everywhere in Brandenburg. It was important for me to find out that not all the things on the other side of the city were gray and sad. Since this experience, I thought differently and started accepting the existence of diverse form as a fact.

On the other side of the wall there were also happiness, pleasure, suffering and sadness. There exist also life and death. To the outside, they looked shoddier and more difficult. And it was important to accept their existence as they are. Only the strong border was disturbing, not the wall by itself. Both the Germany's recognized and accepted each other, as they were. Historically the political situation with and in the neighborhood was one of the most important factor for reunification. But for me philosophy and esthetic was the worthiest thing between two Germans and they could also conquest all the difficulties in the last 20 year after reunification.

### **POST-WALL-DISAPPEARANCE...**

The small pieces from the broken Berlin Wall were distributed in the world as a souvenir and gift. Every Korean at that time, who visits Berlin and Germany, brought a piece of the wall with a hope for unification. Politicians from North and South talked about unification, when they met and there was always euphoria. For the sunshine policy in the last 10 years the politicians liked to talk about German case. It has always been considered as the best sample for Korean unification, along with all its problems. However some Korean politicians and researchers have only emphasized its positive sides.

Since the new government in Korea, the policy to North Korea has been changed. Then political propaganda against South, South Korean and president began again. No more visit or tourism to the North has been permitted at once without announcement. It was a shock for businessmen, who have factories in the North. Everything stopped. It happened exactly as some people had warned about the North in the last 10 years. In the South there has always been

much discussions and rumors. We speak the same language, but with different meaning and thought. There is a harder wall than the border itself. Reunification is an astounding incident in the history and is indisputable, but a real unification needs more time, endurance, efforts and power to conquest disappointment.

In our life only pleasure and euphoria cannot be continued, sometimes the reality becomes more important. You could get used to the wall-less Berlin and growing desires in everybody's mind. In the beginning you would tolerate all the difficulties and abnormalities. The reality began and many people could be familiar with changing world. For our own happiness we try to establish a political system with election and control. But any policy or doctrine cannot fill all the intentions.

Even while using the same language or having the similar feature there can exist an abstract wall, which was not expected before. Differences in thought and form exist everywhere. Economical discrepancy can be only a part of it. It takes time and needs efforts to conquest and recognize. Even with a wall people could communicate and see each other, but without the wall not always.

For social economy after unification people would have to pay more tax, but other people would feel unconcerned from the society and unsatisfied. Dissatisfaction and disaffection would drive out hope and pleasure. Especially the younger generation needs more time and education to adapt in the changing society. They need time for preparations. Even though time goes fast and the change happens with all the efforts very slowly. But after 10 years it will be surprising to find out all the changes and developments. The development will be accelerated and stimulated.

## **PERSPECTIVE WITH DOMINO EFFECT...**

20 years later after the historical event we can get hope and brevity from the wall-less Germany. People are proud of changes and development in policy, economy, society and culture. Maybe after 10 years in the future you can be more proud and we can organize an incorporate seminar as reunified countries together.

Changes can be positive and negative. With all the difficulties there has been changed with development enormously after reunification. In the world policy and economy the unified country has much more influences. The German experience can be a good

example for Korea, especially with its difficulties in the last 20 years. Koreans want to learn from Germany and prepare earlier and fully enough for the reunification. The educational and economical part has been a big issue.

The sunshine policy has been compared very often with Germany before unification. In the last 10 years with sunshine policy Korean government has tried to persuade people for peace and tolerance. With the financial and many kinds of help Korea has been sending to the North, talks about reunification have emerged.. The Korean president visited Pyongyang and during his era he got the Nobel Prize for peace. It was only an image or one side intension. With new government in South everything has been changed dramatically, as we have seen in the last year. There are so many problems in North, as we know. The hunger, scarce nutrition, North Korean defectors, who are escaping through every Asian country in misery have become actual problems, which we can neither solve, nor help. In this case the German experience could not help. Only some positive experiences have been explained as examples. The minister for unification looked like a minister of the North Korea, as he visited Pyongyang during the last government era. Such a picture brought many troubles between people with different political thoughts. Even many supporters of North Korea want more and more without changing themselves. South Korean has been skeptical about reactions from North Korea. And all these factors caused the governmental exchange last year. Especially if the North Korean defectors have suffered in China like a fugitive from justice and have been sent back to North Korea. In home only inhuman treatment, punishment and pain is waiting for them and nobody knows what will happen after the compulsory return. This wall can be fallen at first, and then we can expect to remove other walls like dominoes. In this regard, in Germany the wall has been falling like dominoes and it will continue. 20 years after the fall of the wall, we are still learning.

There are many events for the disappeared Berlin Wall in this year. One of them is 'Domino of the Berlin Wall', which is planned and organized by Goethe Institute. Three Korean Artists joined this event, they drew pictures with some sentences about unification, sadness, sufferings and hope. Domino effect may be realized also for Koreans...

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# The Fall of The Berlin Wall: A Singaporean Perspective

*K. Kesavapany*

In recent history, stretching back twenty years, there are only a few significant events that have changed world history. One of these was the Fall of the Berlin Wall in 1989.

In his book, *The World is Flat*, Thomas Friedman cited the Fall of the Berlin Wall on November 9, 1989, as Flattener No. 1 – an event that started a chain reaction that ultimately would lead to the end of the Soviet Empire. The fall of the wall changed history and created long-lasting and wide-spread consequences. Systemic change was one such consequence. This paper specifically presents a Singaporean perspective on the Fall of the Wall.

An important question about walls concerns their impact. Walls have two sides: what are they keeping out or keeping in? The Berlin Wall was built to keep East Germans in and to prevent them from escaping to a better world beyond. It also symbolizes a siege mentality and a physical separation from neighbours. In a different era, the Great Wall of China was meant to keep nomadic barbarians out of Imperial China, but it also had an isolating influence. Societies that welcome foreign ideas and influences, like Tang China and modern Singapore, were and are more dynamic, better able to adapt to change and progress faster as they absorb best practices and good ideas from many sources. When civilizations isolate themselves, they rapidly decline or stagnate: one contemporary example is North Korea. When societies keep their minds open and welcome foreign talents, they flourish: current examples are the US, with its easy acceptance and assimilation of immigrants, and Singapore, with its embrace of foreign talents. While walls are sometimes necessary for protection, it is better to build bridges and dialogues, which convert potential enemies into good friends and helpful neighbours.

## SOME SINGAPOREAN PERSPECTIVES:

To my mind one interesting question is what role a re-united Berlin should play now, twenty years after its rebirth. The intervening period was spent on rebuilding and re-connecting the two halves of East and West Berlin. Besides being the capital of re-unified Germany, Berlin should also be more than another one of EU's capitals. Like London and Paris, it should be a global city, but in view of its past history of being a divided city, it should play a special role as a Fusion City, one that bridges divides of ethnicity, religion, language and other differences, a Bastion of Tolerance and Harmony – something that resonates with a multi-ethnic, multi-religious and multi-cultural place like Singapore.

What are the particular traits of Singapore on which the Fall of the Wall had an impact?

**Singapore as a global trader:** With the end of the Cold War marked by the dismantling of the Berlin Wall and the subsequent opening up of the ex-Soviet Union itself, economic spaces in the former USSR, Eastern Europe and Central Asian markets became more accessible for Singapore manufacturers and traders, and these economies in turn sought more trade and investments from Singapore. They had some seventy years of repressed demand for both producer and consumer goods and services from the outside world, so there was a rush by other countries to fulfil these new demands.

**Singapore as part of globalization:** With the advent of the new, ex-Soviet states, at the same time competition for investments also increased, especially from Eastern Europe, which had well-educated and talented peoples. Factories were uprooted as businesses shifted their manufacturing plants into China and other cheaper countries to take advantage of the masses of low-skilled labour. But in a way, the addition of these new economies also increased the size and number of global markets and consumers, just as the rise of China and of India added over 2.5 billion consumers and competitors to the world economy.

**Singapore as a small state:** The Fall of the Wall liberated small states like the Baltics, which increased the number of like-minded countries which share certain characteristics, such as the economic limitations of small, domestic markets, security vulnerabilities and liability to external political pressures from giant neighbours.

Singapore is just as susceptible to these vulnerabilities and hence is fully sympathetic and supportive of small developing countries. A member of the Non-Aligned Movement, Singapore's resolute opposition to the Vietnamese invasion and occupation of Cambodia stemmed from its belief in the sovereignty and territorial integrity of small states threatened by irredentist or otherwise hostile neighbours.

**Singapore's Own Walls:** Every country has its own domestic walls that exist in the minds and demonstrated in the behaviour of its people. Singaporeans, too, have their walls of prejudice against foreign workers and walls of social separation. It will take time and growing self-awareness of our own shortcomings before we become a better, more gracious and more understanding society, hence making it possible for these walls to come down.

**Singapore as a Divided City Removed from Its Hinterland:** The economic success of Singapore since its independence in 1965 may have obscured the circumstances in which it was ejected from its natural hinterland, Malaya. Hence, in a sense, Singapore is similar to a divided Berlin, which, too, was physically separated from its hinterland or, rather, motherland, West Germany

In a way, the Cold War gave many small states like Singapore a certain amount of certainty and predictability, with the global political and security structures underpinned by two hegemonic super-powers. The advent of an era of hegemony by one super-power meant less room for manoeuvre for small states. As President George W. Bush memorably put it: Either you are with US, or against US in the War on Terror. A more anarchic system is neither suitable nor pleasant for small states since they are liable to predation from rogue states like Saddam's Iraq. Kuwait was lucky that the world's policeman, the US, did respond to its urgent calls for help.

## CONCLUSION

The Fall of the Berlin Wall and the peaceful re-unification of Germany offer hope for Asia, where there are still pending cases of divided countries: the two Koreas and China/Taiwan. The first lesson is that the process can occur peacefully, without conflict. Secondly, the process of integration can be smooth even though it might be expensive. Thirdly, the newly-united country can play

a constructive role in the region, as Germany has done within the EU. The dismantling of walls or barriers, be they physical or metaphorical, and the opening up and liberating consequences that brings can only mean good news for a Singapore whose strategic and economic well being depends so much on a stable and peaceful neighbourhood, regional openness, the free flow and exchange of ideas, the creative intermingling of cultural influences and pragmatic coexistence among ethnic and religious communities.

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# The Fall of the Berlin Wall: Perceptions and Implications for Australia

*Nina Markovic*

## FALL OF THE BERLIN WALL—THE END OF AN ERA?

In Europe, the fall of the Berlin Wall on 9 November 1989 was a watershed for East-West relations.<sup>1</sup> This soon became evident at the meeting of the North Atlantic Treaty Organization (NATO) on 19 November 1989, which culminated in a declaration stating that the NATO Alliance and the Warsaw Pact members were no longer adversaries. *Annus mirabilis* of 1989 was also seen in Australia as a year that had brought about monumental changes to the ordering principle of the international relations after the Second World War, altering the central geo-strategic balance, and closer to home, in North-East Asia.<sup>2</sup>

Australia had opposed the construction and maintenance of the Berlin Wall since the early 1960s.<sup>3</sup> In 1989, Australia did not have an embassy in the German Democratic Republic (GDR) to convey Australia's concerns to the GDR Government.<sup>4</sup> As one Australian academic, Dennis Rumley (2001), correctly observed, the fall of the Berlin Wall symbolised a *regional* (or European) rather

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<sup>1</sup> The term 'Europe' in this article refers to a loosely defined European continent, which spreads from the Atlantic Ocean to the Ural Mountains. The term 'Eastern Europe' is deployed as a political concept, rather than as a separate geographical area in Europe. It denotes a loose group of countries which had a socialist system of government, such as Warsaw Pact countries and Yugoslavia.

<sup>2</sup> International Institute for Strategic Studies (IISS), IISS, *Strategic Survey 1990–91*, Brassey's, London, March 1991, p. 15.

<sup>3</sup> G Evans (Minister for Foreign Affairs), 'Berlin Wall', Senate Hansard, 24 October 1989, p. 2072.

<sup>4</sup> Senator Button, 'Answer to the question without notice: relations with the People's Republic of China and the German Democratic Republic', Senate Hansard, 4 October 1989, p. 1646.

than a *global* collapse of communist regimes in the international system.<sup>5</sup> A visit by the Minister for Foreign Affairs, Gareth Evans, to Europe immediately after the fall of the Berlin Wall demonstrated that the Australian Labor Government followed the unravelling events in Europe with great interest.

In the Asia Pacific region, communism nevertheless continued to exist as a system of government, albeit in vastly different forms, in China, Vietnam and North Korea. In regional discourses, the policies of comparative isolation by China and Vietnam have been gradually replaced, before and after the collapse of the Berlin Wall, with the policies of more regional and global engagement, and deeper economic inter-dependence. A point of departure in Australia's foreign policy towards China was Australia's public and diplomatic response to the Tiananmen Square massacre of June 1989; however, economic and trade relations continued almost unaffected.

## IMPLICATIONS FOR AUSTRALIA'S FOREIGN RELATIONS IN THE 1980s

In the late 1980s, Australian foreign and defence policy was characterised with a move towards a greater self-reliance; an increased importance of economic issues for Australian diplomacy, and faced issues of greater complexity and strategic uncertainty. Although Australia was, during the Cold War, 'perforce aligned with the Western camp' in terms of democratic institutions and 'values, cultural heritage and trade', it had a moderate trade relationship with the Soviet Union.<sup>6</sup> The latter had been put into jeopardy due to a declining Soviet Union and the resulting consequences the fall of the Berlin Wall had for the European continent.

In the Asia Pacific region, Australia's closest ally, apart from the United States and New Zealand, was Japan. The fall of the Berlin Wall had reignited domestic debates about Australia's role and place in the world. Even though the fundamentals of Australia's defence relationship with the United States were not

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<sup>5</sup> D Rumley, *The Geopolitics of Australia's Regional Relations*, Kluwer Academic Publishers, Dordrecht, Netherlands, 2001, p. 20.

<sup>6</sup> R O'Neill, 'Diplomacy and Defence', In *Agenda for the Eighties*, C Bell (ed), 1980, pp. 45-64, p.55.

brought into question by the Hawke government, the Opposition wondered in the late 1980s whether the Labor Government's policy of greater self-reliance in terms of defence was proceeding at the expense of Australia's relationship with the United States.

Furthermore, following the *Harris Review's* emphasis on economic issues, the Department of Foreign Affairs and the Department of Trade in Canberra were amalgamated into a single Department of Foreign Affairs and Trade in 1987. This was a significant development in the history of Australian diplomatic service as trade became a more significant component in the conduct of Australian diplomacy, including in its relations with Europe and Asia.

In the late 1980s, Australian foreign and defence policy debate was characterised by a move towards a greater self-reliance. An Australian academic, Stewart Firth, said that Australia's defence policy at that time had incorporated some of the recommendations from a review in 1986 of defence capabilities by Paul Dibb, which was effectively based on the principle of continental (rather than forward) defence.<sup>7</sup> In the 1987 White Paper, the Hawke Government had embarked on a policy of greater 'defence self-reliance'.<sup>8</sup> After the fall of the Berlin Wall, the question of the future role and presence of the United States in the Asia Pacific region resurfaced in the mainstream discourses among Australian policy-makers, academic community, and society at large.

Despite the decline of the Soviet Union, symbolised with the fall of the Berlin Wall, these events did not bring a pivotal change to Australia's preference for bilateral alliances in maintaining a regional balance.<sup>9</sup> Events in the Asia Pacific region in the 1980s had a significant influence on the orientation of Australia's foreign and security policy. As Prime Minister Keating later recalled in his book, his belief during his term that the 'more Australia was

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<sup>7</sup> S Firth, *Australia in International Politics. An introduction to Australian foreign policy*, Allen & Unwin, Australia, 1999, p. 45.

<sup>8</sup> Department of Defence, *The Defence of Australia 1987 [White Paper]*. Presented to Parliament by the Minister for Defence the Hon Kim C Beazley MP, Commonwealth of Australia, Canberra, March 1987.

<sup>9</sup> For a discussion about the central balance and regional balance, see C Bell, 'The International Environment and Australia's Foreign Policy', In *In Pursuit of National Interests. Australia's Foreign Policy in the 1990s*. FA Mediansky and AC Palfreeman (eds), Pergamon Press, Sydney, 1988, pp. 67–84.

integrated into the Asia-Pacific the greater would be our relevance to Europe and our influence there on the things that matter to us', such as trade and agriculture.<sup>10</sup>

## PERCEPTIONS

### AUSTRALIAN GOVERNMENT

As evident from the Australian strategic review of 1993, there was a realisation in Australia that the United States would play a unique role as the sole superpower in the international system at the end of the Cold War.<sup>11</sup> However, as Australian academic David Goldsworthy (1997) observed, in the 1993 strategic review and the Defence White Paper of 1994, the US alliance was said to be 'a key element' rather than 'the key element'.<sup>12</sup> This further highlighted the degree of change in Australia's defence policy.

On the one hand, the Australian Government welcomed the proclamation of the New World Order (famously announced by US President George Bush in November 1990 in the midst of the First Gulf War), and the belief it enshrined that Communism (or socialism as a system of government) had ceased to provide an alternative in international affairs, and a credible threat to the Western alliance. On the other hand, the greater complexity in international politics that became evident after the collapse of the Berlin Wall became part of the discourse of many Australian policy-makers and strategic analysts. Many had also recognised that the rise of China was an important development in the Asia Pacific region, and of increasing strategic significance to Australia in the post-Cold War period.

After the fall of the Berlin Wall, a greater emphasis had been placed by the Australian Government on opportunities for increasing Australia's influence in the Asia Pacific region,

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<sup>10</sup> P Keating, *Engagement. Australia Faces the Asia-Pacific*, Macmillan Australia, 2000, p. 246. For further reading, see D Lee and C Waters (eds.), *Evatt to Evans: The Labor Tradition in Australian Foreign Policy*, Allen & Unwin, Australia, 1997; and G Evans and B Grant, *Australia's Foreign Relations in the World of the 1990s*, second edition, Melbourne University Press, Melbourne, 1995.

<sup>11</sup> Department of Defence, *Strategic Review 1993*, Commonwealth of Australia, December 1993, p. 1.

<sup>12</sup> D Goldsworthy, 'An overview', In *Seeking Asian Engagement. Australia in World Affairs, 1991-95*, J Cotton and J Ravenhill (eds.), 1997, pp. 17-31.

particularly through regional forums such as the Asia Pacific Economic Cooperation (APEC), and playing a more active role in peacekeeping and peace enforcement.<sup>13</sup> The end of East-West confrontation, therefore, had strategic implications for the formulation of Australian foreign policy, and defence and strategic outlook after 1989. This was coupled with the Australian Government's consideration of key regional developments in its long-term assessments.

The Australian policy-makers had recognised by the early 1990s that the ideological competition that had dominated the post-Second World War period had become less significant. For the Labor Government, the end of the Cold War had presented Australia and the international community with an opportunity to reinvigorate United Nations (UN) mechanisms, such as preventative diplomacy, arms control and non-proliferation regimes. The Australian Government also saw participation by the Australian Defence Force (ADF) in multilateral security operations (such as the UN mission in Cambodia in the early 1990s) as forming the backbone of Australia's foreign and defence policy. Such operations were seen as having the potential to provide operational experience that the ADF would not otherwise obtain.<sup>14</sup>

The Australian Defence White Paper of 1994 had recognised that 'the end of the Cold War meant the passing of the structures which have shaped the regional strategic environment' for over four decades'.<sup>15</sup> In the early 1990s, the Australian Government's priority became the strengthening of national capacities. In the immediate sense, there was relief from the Soviet nuclear threat and the government welcomed the Bush Administration's call for the New World Order.<sup>16</sup> Only gradually did the government become aware of the necessity to respond to new and complex challenges, such as non-traditional security threats, whose advent was symbolically announced with the fall of the Berlin Wall.

Paul Keating was the first Australian Prime Minister to visit a reunited Germany in March 1995. His meeting with Chancellor

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<sup>13</sup> Ibid, p. 5.

<sup>14</sup> Ibid, p. 17.

<sup>15</sup> Department of Defence, *Defending Australia. Defence White Paper 1994*, Commonwealth of Australia, Canberra, 1994, pp. 10–11.

<sup>16</sup> I am grateful for this point to Prof. S Harris from the Australian National University.

Helmut Kohl in Bonn on 7 March presented both leaders with a unique opportunity to talk about deepening Australia's relationship with Germany, closer cooperation between the two countries in Asia, and the future of Europe. It is evident from Keating's memoirs that after the demise of the Berlin Wall, Australia saw Germany as 'the dominant economy in Europe' with its centre of gravity shifted towards the East.<sup>17</sup>

### **MEDIA**

A survey of the Australian press in the late 1980s demonstrated that despite the initial euphoria, there was concern about the future course of events in Europe, as democratic changes across Eastern Europe had unstable outcomes. Some commentators warned of a return to discontent in the Soviet Union as well as in other Eastern European states.<sup>18</sup> There seemed to be a genuine concern in Australia that millions of refugees could try to emigrate from Eastern to Western Europe if the Soviet Union were to disintegrate.<sup>19</sup> This was, in turn, seen as a potential source of instability in Western Europe.

### **PARLIAMENT OF AUSTRALIA**

Many members of the Australian Parliament saw the Berlin Wall as a symbol of suppression of freedom and fundamental human rights in Eastern Europe, and thereby welcomed its demise. Some Members and Senators viewed the 'breach of the Berlin Wall' as a 'symbol that we [were] moving to a new stage and that we must rethink the type of approach we have had in the past'.<sup>20</sup> Senator Hill, for example, said that the collapse of the Berlin Wall was 'a powerful symbol of the triumph of freedom over oppression'.<sup>21</sup>

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<sup>17</sup> P Keating, *Engagement. Australia Faces the Asia-Pacific*, p. 250.

<sup>18</sup> A Clark, 'Europe speeds up economic reform', *The Australian financial review*, 11 December 1989; G Haigh, 'The year of Europe's great leap forward', *The Age*, 30 December 1989. See also N Markovic, *Courted by Europe? Advancing Australia's relations with the European Union in the new security environment*, Parliamentary Library research paper, no. 1, 2008–09, Commonwealth of Australia, pp. 11–12.

<sup>19</sup> IISS estimates that 'in 1989, a total of 1.2 million people left eastern Europe and the USSR for the West', IISS, *Strategic Survey 1990–91*, Brassey's, London, March 1991, p. 41.

<sup>20</sup> Senator Macklin, Senate Hansard, 21 November 1989.

<sup>21</sup> Senate Journal no. 203, 21 November 1989.

Senator Vallentine equally ‘welcomed the pace of change in Europe ... in particular the demolition of the Berlin Wall, and the end of the old regimes in Poland, Hungary, Bulgaria and the German Democratic Republic’.<sup>22</sup> She also warned the Australian Parliament that ‘we [ought to] think of security in a global sense’ rather than in terms of East-West confrontation, because that was ‘the stuff of the Cold War, that is, the stuff we have to leave behind’.<sup>23</sup>

These remarks demonstrate that the collapse of the Berlin Wall had brought about a renewed hope (as expressed by many Members and Senators of the Australian Parliament and which have resonated within sentiments of Australian society more generally) in fundamental values of democratic freedoms, human rights and human dignity. The fall of the Berlin Wall was seen as a change towards a political discourse on global community rather than ‘as part of one ideological set opposing another’ which was seen as a matter of past practices, policies and endeavours.<sup>24</sup>

## CONCLUDING REMARKS

The fall of the Berlin Wall constituted the beginning of a new era in Australia’s relations with Eastern Europe countries. It altered Australia’s geo-strategic perception of Europe. Following this monumental event, Australia had begun to re-evaluate its relations with member states of the European Community, and to build and expand foreign relations with countries located east of Berlin, as well as a reunited Germany. Australia also became (and to date continues to be) a financial donor to the European Bank for Reconstruction and Development, which is a key source of funding for economic recovery projects in Eastern Europe.

The events in Eastern Europe in the late 1980s, in particular the demise of the Soviet Union, had significant geo-strategic implications for Australia. However, the significance of other events (such as the rising role of China and other regional powers in the Asia Pacific region) had a more profound long-term strategic impact on Australia’s foreign and defence policy deliberation.

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<sup>22</sup> Senate Journal no. 203, 21 November 1989.

<sup>23</sup> Senator Vallentine, Senate Hansard, 21 November 1989, p. 2929.

<sup>24</sup> *Ibid.*

This became evident during the Keating Government (1991–1996), which placed a robust emphasis on regional engagement, multilateralism and Australia’s middle power diplomacy.<sup>25</sup>

An evaluation of the perceptions in Australia of the fall of the Berlin Wall has yielded mixed results, displaying elements of optimism and caution. On the one hand, the Australian Government had expressed solidarity with peoples in Eastern Europe and their desire to live in freedom by ridding their countries of Communism as a dominant ideology. On the other hand, Australian policy-makers were realistic in their expectations that a colossal task—political, diplomatic, and economic—lay ahead for nations in both Western and Eastern Europe, and the European Community more broadly, in building a united Europe. The looming discontent in the Middle East and the Balkans had only reinforced their view.

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<sup>25</sup> For further reading, see the Parliamentary Statement by Australia’s Foreign Minister Gareth Evans on *Australia’s Regional Security* of 6 December 1989.



# The Wall Came Down! Hope Returned!

*Estevão C. de Rezende Martins*

In 1989 Brazil was still undergoing a stage of account settling with its immediate past, of reestablishment of democratic practices. In fact, the military regime had imposed stringent authoritarian rules between 1964 and 1985. March 1985 witnessed the beginnings of a transition to democracy that would last until October 1988, when the new Federal Constitution, currently in force, was promulgated.

Many were the traumas that had to be overcome in the country. Twenty years of restrictions and of impositions, serious problems in the economy, runaway inflation (an average of 330% a year during the 1980 decade), painful memories of political persecutions and of armed conflicts, the need for reconstituting the bases of a political leeway, steep domestic and foreign indebtedness (on the order of 35% of the GDP in 1989).

In January 1989, another economic recovery plan – known as the *Plano Verão* – had been adopted by the government, amidst a myriad of negative numbers in the economy, in another effort to restrain inflation – but in vain.

Apprehension permeated Brazil's political restructuring, given that in 1989, after a 29-year political abstinence, society would elect the President of the Republic by direct vote. Public awareness was to a greater extent dominated by the theme of the unrelenting economic crisis and by the elections, than by the developments of the recent constitution or by the international context. Among these, there was the imperative of drafting or redrafting the constitutions of the country's states pursuant to the Federal one.

Politicians, academics, journalists, commentators and entrepreneurs had their attention steadfastly fixed on this domestic agenda. A political *première* was taking place in São Paulo: for the first time the Brazilian megalopolis begins to be run, on January 1st, by a mayoress elected by the PT (Workers' Party). Additionally,

another major city (Porto Alegre, capital of the state of Rio Grande do Sul) also comes under the rule of the PT.

Thus, the Brazilian domestic scenario provides an intense and intensive program of interests and attentions. On the other hand, the international scene, as perceived by the country's public view, seems to be congealed within the traditional seesaw of the Cold War. George Bush Senior became President of the United States and pointed towards continuity of Ronald Reagan's "Star Wars" policy. For a long time already, the South Atlantic wherein Brazil is situated exhibits a mostly favorable attitude with regard to the American protective shield, albeit some localized criticism. At the same time, one eagerly expects the Russian-American disarmament talks to advance beyond the merely rhetorical plan.

A number of signs that the international scenario was changing were little or poorly perceived: the fall of Alfredo Stroessner in Paraguay, the leave-taking of the communists from the Hungarian government, the return of Solidadanorsc to political the scene in Poland, the soviet defeat in Afghanistan, the first direct election to the European Parliament, the street demonstrations in Eastern Germany.

In the sphere of political events, the prospect – of relatively little impact – of celebrating the centennial of the Republic on November 15th was overshadowed by the electoral campaign for the Presidency. The bicentennial of the French Revolution seemed to have mobilized public awareness to a greater extent, due to its symbolic importance and the strong international festivity-programming that France organized around it.

Press, radio and TV news gave priority to the coverage of the presidential election, given its unprecedented nature to the majority of Brazilians. The campaign also electrified public opinion, given that in its first round it comprised all the leading political figures of the time. In the run-off, it pitted a center-right candidate of the political, economic and cultural elite with a liberal and aggressive discourse against a left-wing candidate of labor lineage with a tolerably revolutionary-socialistic tainted discourse – to a certain extent already outmoded by global events at that stage.

Upon the disclosure of international news on the unexpected developments in Berlin, a part of the public opinion began to interest itself with regard to the new situation. Not many political leaders, but opinion-forming academics and journalists. The

tendency was towards the perception of a no-return trend, towards the withdrawal of the Soviet Union. *Glasnost* and *perestroika* started to become a part of the vocabulary of political commentators to define the renaissance of hope for getting out of deadlocks.

Without leaving domestic politics unheeded, these elucidated groups gradually began to pay more attention to what was taking place in the “democratic republics”, albeit without quite grasping its meaning. Indistinctly, one had a “*wind of change*” foreboding, of an epoch-making transformation, whose perception hovered imprecisely in the air with an undefined expectation, amorphous hope and a latent anxiety.

As of the recent repression of the demonstrators at the Tiananmen Square in Beijing on June 4th, the impression that the rigidity of the communist regimes had remained unaltered and that the absurdity of the situation would continue to persist permeated minds once more. The ‘reformer’ image of Deng Xiao Ping became irreparably dented. Considerations with regard to the domestic power confrontation within China, as a possible explanation factor of the harsh decisions taken by Beijing, appeared very superficially and sporadically within the scope of comments by pundits.

In May, the celebration of West Germany’s 40th anniversary had left an aftertaste of fraternal joy due to the friendship that had sprung up between Brazil and the revived German society. The recollections of the triumphal path of democracy in German redemption and of the social and economic effects of the social market economy were the object of unanimous applause. The successful partnerships between the Federal Republic of Germany and Brazil already as of the 1950 years were remembered and duly appreciated. On the other hand, the jubilee of Eastern Germany in September due to its formalism and ostentation, brought back to the minds of many, the coldness of ideological war, the political standstill, the monotony future expectations and the risk of confrontations. Nothing seemed more unshakeable than the ‘war of positions’.

On the eve of the first round of the Brazilian presidential elections of 1989 a sudden outburst of surprise and joy encompasses reality: the wall had come down! During outright ‘prime time’ of the television newscast, due to the difference in time zones, one watches a multitude of Berliner’s crossing over to the western side of the city.

A sensation of apprehension that this will not last and that repression shall reproduce something akin to what had taken place in Beijing still permeates the air for a couple of hours. When one ascertains that no intervention takes place, that one does not run the risk of a turnaround, commentaries explode: freedom won, democracy may be late but prevails, reconstruction is possible, a new world may be our tomorrow.

The parallelism with the wave of redemocratization that Brazil was undergoing is immediate. The circumstances of the political events experienced in Berlin and in Brazil become the issue for immediate discussion. In August 1961, twelve days subsequent to the construction of the Berlin wall, when the world was still aggrieved from the shock caused, Brazil undergoes a political trauma of great consequence. On August 25th, President Jânio Quadros, the last to be elected by direct popular vote prior to 1989, resigns from office plunging the country into a maelstrom of confusions, conflicts and both political and ideological confrontations. A physical wall does not materialize, but the political process unleashed at this moment inexorably leads to the symbolic walls that install themselves in April 1964, and which only begin to come down in 1985. The two last stages for the removal of the 'authoritarian debris' in Brazilian life were the 1987-88 National Constitution Convention and the presidential elections of 1989.

In 1989, Berlin, Germany and the world as well, ridded themselves of a greater trauma that has its beginning in 1961, albeit inserted within a perverse logic of confrontation, in practice since 1945. In the swell of commentaries and of attempts to understand what was taking place, some took advantage of the opportunity to recall a famous passage of a speech by Konrad Adenauer, federal Chancellor from 1949 to 1963, while still President of the Parliamentary Council at the beginning of the German recovery on promulgating the Basic Law of 1949: "*this is the happiest day for the Germans since 1933*". November 9th 1989 was, possibly, the second happiest day for Germany during the 20th century. The third might well have been October 3rd 1990, when Germans separated by the line of shame of the intra-German frontier could, at last, reunite.

During November and December of 1989, the most disseminated popular feeling within the Brazilian environment is one of solidarity and euphoria, "*we are all Berliners!*" – drawn

from the exclamation of President Kennedy, in 1961: “*Ich bin ein Berliner!*” – A kind of shout of emancipation at last achieved! Public and individual contentment is generalized. The political and economic world enthusiastically hails the collapse of one of the most painful stigmas in contemporary history.

The theoretical hope of four decades suddenly gives way to concrete hope, to a real possibility: Germany may come together to reinvent itself.

Brazil, its government and its society, sincerely and spontaneously vented their joy with the fall of the Berlin Wall. The impression one gets is that the cure of this politically and physically rankling sore on German, European and International territory came late, even if within a manner unexpected by both politicians and analysts. What a wonderful surprise for the Christmas that was drawing near! To this joy one must couple another one: the unprecedented mobilization in the Brazilian presidential election. Albeit in a different manner, the country was witnessing the downfall of social and political walls that had sprung up between Brazilians since 1964. It was lucky coincidence that such obstacles had given way to political common sense, social practice of democracy and the collective construction of well-being.

The sequence of events as of November 9th was accompanied with great interest. The path towards German reunification was seen as the real one for global reunification as well. And for Europe, whose redefinition was (and is) relevant both domestically and internationally. Brazil became quickly aware of this trump card and embraced the German cause with enthusiasm. However, only slowly did it become conscious that the task before the Germans was gigantic and costly - both socially and financially. Nonetheless, the Brazilian attitude remained optimistic and confident: if the Germans managed to overcome so many hurdles since 1945, they are confidently going to overcome new ones.

Thus, 1990 began under the sign of renewed hopes. From exacting hardships one extracts salutary teachings. By and large, public opinion lauded the victory of tolerance, of negotiations, of patience, of perseverance and of trust. One may assert that, since then, this apprenticeship proved to be beneficial for both Brazil and Germany.

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# The Impact of the Cold War and the Fall of the Berlin Wall on Southern Africa

*John Daniel*

Southern Africa's immersion as a region into 'the international civil war of the twentieth century', as Sue Onslow (2009: 2) has described the Cold War, came relatively late in that seven-decade long conflict and lasted only a short period, no more than two decades. Yet the price paid in human and material terms was horrendous, arguably, as I have suggested elsewhere, 'one of the great crimes of the twentieth century' (Daniel in Onslow 2009: 50). The gradual winding down of the Cold War in the latter half of the 1980s likewise impacted on events in the south of the region, contributing significantly both to ending a decade of bloodshed as well as to the early 1990s transition to democracy in South Africa. The fall of the wall in Berlin was unquestionably one of the defining images of the twentieth century but it was not the decisive trigger to change in southern Africa. It was, as I will argue, a separate cold war-related development prior to the fall which was the greater catalyst. But first the terrible impact of the Cold War, a catastrophic legacy little recognized by the South African public of the present day.

The politician most responsible for the catastrophe of the Cold War in Southern Africa was PW Botha. In 1966, he assumed the post of Minister of Defence in the National Party government. Up to this point, the South African government's primary security concern had been the rising tide of African nationalism and the threat which European decolonisation from Africa was seen as posing to continue white-minority hegemony in the south of the continent. PW Botha's vision of regional security was, however, broader. According to a South African Defence Force (SADF) submission to the Truth and Reconciliation Commission (TRC), he conceptualized the threat to South Africa within the context of the 'East-West ideological conflict'. In his view, the 'West was

threatened by Soviet expansionism' and he envisioned South Africa as playing a vital role in that conflict 'as part of the West' and as part of 'a global struggle against the forces of communism' (1996a: 4). Central also to Botha's thinking was the notion that the 'defence line' must be kept 'as far as possible away from South Africa' (Ibid).

Consistent with this view, a number of pre-emptive steps were taken post-1966. These included i) the deployment of police units to both northern Namibia in response to SWAPO's decision to launch an armed struggle and into Southern Rhodesia to assist Rhodesian government forces fighting Zimbabwean and ANC guerrillas. According to the SADF, these units were dispatched 'to fight against men who originally came from South Africa and were on their way back to commit terrorism in South Africa' (1996a:5) – a classic expression of pre-emptive interventionist thinking; ii) what the SADF referred to as 'limited support' to Portuguese forces fighting liberation movements in both Angola and Mozambique. This included helicopters and tracking personnel for use in Angola and intelligence and logistical support in Mozambique (1996a: 6).

By April 1970, this limited support had developed to the point where a senior SADF intelligence analyst, Brig. Willem 'Kaas' Van Der Waals, was stationed in the South African consulate in Luanda as liaison officer to the Portuguese armed forces in Angola while in Mozambique several high-ranking SADF officers were deployed at the Portuguese regional military headquarters in Nampula, northern Mozambique. One of these was Brigadier Cornelius (Cor) Van Niekerk who in 1979 was appointed to head up the Department of Military Intelligence's (DMI) Directorate of Special Tasks (DST), a covert unit supporting operations by the Mozambican National Resistance (RENAMO) in Mozambique and the Union for the Total Independence of Angola (UNITA) in Angola.

By the early 1970s, therefore, there was an extensive co-operative network involving the Rhodesian, Portuguese and South African governments and their security forces committed to preventing the forces of Southern African Black Nationalism advancing further south than Zambia and Tanzania. As these relations deepened, so too did their discourse of anti-Sovietism. According to the apartheid intelligence operative, Craig Williamson, by 1971 the security studies field had become a veritable industry with all of South Africa's police and war colleges offering courses in the theory and practice of counter-revolutionary warfare whose



‘central tenet ... was that the Soviet Union was central to our security problems...that the coexistence of the Soviet Union and imperialist states was unthinkable. One or other must triumph in the end. And before that end comes, a series of frightful collisions between the Soviet Republic and the bourgeois states will be inevitable’ (TRC 1997:2). In this paradigm, Southern Africa was conceptualized as part of the bourgeois world in which the Soviet Union would ‘use a series of revolutionary civil wars ...as a means to advance (in camouflage) the Marxist ideal of world revolution’ (Ibid).

The overthrow by revolutionary military officers of the longstanding Salazar dictatorship in Portugal in April 1974 and their decision immediately to abandon their African wars fundamentally changed the balance of power in the Southern African region. In one fell swoop, the eastern and western flanks of apartheid’s *cordon sanitaire* separating white and black Africa collapsed. In strategic terms, this meant that now for the first time ANC and SWAPO guerrillas could gain direct access to the economic heartlands of ‘the enemy’. Even more ominously for the beleaguered regime of Ian Smith in Southern Rhodesia, it would now face insurgent incursions along its lengthy eastern border with Mozambique.

The events of 1974 also affected the power balance within the National Party. Prime Minister John Vorster’s power base had since the early 1960s when he served as Minister of Justice been the police and its allied intelligence agencies. Three years after he assumed the premiership in 1966, Vorster created the Bureau of State Security (BOSS) to co-ordinate the activities of both the security arms of the police and the military intelligence division of the SADF. The establishment of BOSS accentuated the longstanding inter-agency tensions within the security arena and BOSS’ dominance was particularly resented by Minister of Defence PW Botha.

The Portuguese coup and the prospect of avowedly and Soviet-backed Marxist regimes assuming power in Mozambique and Angola triggered a fresh round of inter-agency friction. With events seeming to have confirmed the logic of his cold-war thinking, PW Botha pushed for a more militarized response. On this occasion, Vorster sided with Botha at least in regard to Angola. In October 1974, the SADF began to render support to the two western-aligned groupings (the Front for the National Liberation of Angola or FNLA

and UNITA) opposing the Soviet-backed Popular Movement for the Liberation of Angola (MPLA) in the three-sided struggle for power in post-colonial Angola.

With the collapse in mid-1975 of a power-sharing agreement negotiated in January 1975 (the Alvor Agreement) amongst the three guerrilla groupings, the United States Secretary of State, Henry Kissinger, with CIA support, began to urge South Africa to intervene directly but covertly in the Angolan civil war to stop the MPLA from seizing power. In August 1975, Vorster authorized Botha to undertake a covert military invasion (Operation Savannah) of Angola with a view to install UNITA in power in Luanda. The operation at the time was illegal, and in terms of the Defence Act the deployment of South African troops beyond national borders required parliamentary approval. Not only was this not sought but not even the Cabinet was informed of the operation. As Annette Seegers put it, 'the first Foreign Affairs heard of Operation Savannah was when it received a protest from the Portuguese government' (1997:210). In short, while Henry Kissinger in Washington knew of the invasion, South Africa's then foreign minister, Hildgard Muller, did not.

The operation lasted some eight months and was terminated only when news of it leaked to the outside world and the United States publicly denounced it. By then, SADF forces were camped on the outskirts of Luanda and poised to attack the city in an attempt to dislodge the MPLA regime. In an interview (Schirmer 2000), PW Botha described the goal of the operation as follows:

The CIA had an informal agreement with us that the US would mine the harbour of Luanda and we would take Luanda with the help of Savimbi...Viljoen [Chief of the SADF, Gen. Constand Viljoen] and Col. Jan Breytenbach made use of certain parts of the army with the help of the Air Force to clear the southeastern parts of Angola from communist infiltration...at the very last moment, when our troops were near Luanda, I received a phone call from our Ambassador in the US telling me that The US Congress had laid restrictions on Pres. Ford not to assist Angola and we decided to withdraw.

Despite the humiliation of the enforced withdrawal from Angola, the operation was regarded as militarily successful and it strengthened Botha's hand politically. Conversely, it weakened Vorster's position that was seen as having danced to the American tune to no political advantage.

In his study of the South African security state, Alden (1996: 118–9) argues that a consequence of what PW Botha described in Parliament as being ‘ruthlessly left in the lurch by an undertaking that was broken’ (Ibid: 40) was a decision to embark on a nuclear weapons’ development programme. In the years ahead, South Africa developed at least six nuclear devices. A test on one of these in 1979 was detected by a US spy satellite. While Botha always denied the existence of a nuclear programme, FW de Klerk confirmed it after 1990 when he agreed under US pressure to dismantle it in Toto.

## **THE NATIONAL SECURITY STATE: COUNTER-REVOLUTIONARY WARFARE**

In September 1978, PW Botha replaced John Vorster as South Africa’s Prime Minister. The way was now clear for Botha to implement his vision of a national-security state and to achieve this he appointed a fervent cold-war warrior to succeed him as Minister of Defence. This was Gen. Magnus Malan, then Chief of the SADF, and a graduate of US army counter-insurgency training in the Viet Nam era.

Amongst his first tasks was to draft the 1979 White Paper on Defence. In doing so, he drew on an earlier draft which Botha had himself written. In it, Botha had identified the Soviet Union’s goal in South Africa as being to foment revolution in the region. He argued that South Africa was facing a ‘total onslaught’ both externally and internally. He pointed to Soviet and Cuban involvement in Angola and the international anti-apartheid solidarity campaign as evidence of the external threat ‘while the ANC was singled out as the main internal revolutionary threat’ (SADF 1996a: 7). The ANC, it should be noted, was not regarded by either Botha or the Department of Defence at this time as an autonomous actor, a domestically-grounded national liberation movement. It was instead conceptualized as a proxy of Moscow, the willing instrument of the Soviet Union’s global ambitions. The quotation from Craig Williamson cited at the head of this paper reflects this view. According to Williamson, the general view amongst the securocrats of the time was that it was time ‘to take the gloves off’ in the fight against the enemy (Ibid. 8) as, in their view, the situation in the region had reached a revolutionary phase

and that it was now time to take on the insurgents using their ‘own weapons’ and on their ‘battlefields’ (Ibid: 5) – both classic tenets of counter-revolutionary warfare theory.

Late in the 1970s and for close on a decade, the South African government unleashed on its regional backyard a strategy of counter-revolutionary warfare. Popularly dubbed the ‘total strategy to counter the total [read Soviet] onslaught’, it involved the following:

1. Scuttling for a time during the Carter presidency of the 1970s seemed to be promising prospects of a settlement to the war in Namibia in favour of a further ten years of conventional warfare directed at SWAPO forces based in both Namibia and Angola;
2. arming, training, funding and deploying local surrogate or ‘contra’ forces in each of Angola, Lesotho, Mozambique, Zambia and Zimbabwe. These not only targeted the local militaries for attack but also state infrastructure in the form of transport routes, clinics, schools, electricity lines as well as the planting of tens of thousands of mines in the farming areas. Nowhere was this more so than in Angola and Mozambique;
3. organizing security personnel into covert groups which operated as cross-border civilian death squads abducting and or assassinating insurgents and their sympathizers;
4. targeting insurgent facilities in the form of safe houses, food and weapons storage facilities etc for attack and destruction, often even in built-up areas where large- scale civilian casualties were an inevitable consequence.

The net effect was the widespread destabilization of the region and a level of death and destruction unprecedented in the histories of the states affected. According to United Nations estimates, by the late 1980s at least half a million Southern Africans had died as a direct or indirect result – induced famine, for example,- of this South African-orchestrated aggression. Commenting on this, the Truth and Reconciliation Commission in its Final Report noted that the majority of the victims of the apartheid regimes attempt to cling to power were Southern Africans and not citizens of the country itself (TRC 1998: Vol.2, Ch. 1, pp. 3–4).

## THE FALL OF THE WALL

Amidst this regional cauldron of death and destruction came the events of Berlin 1989. Just short of three months later, Pres. de Klerk astonished all but the most informed of observers by announcing his willingness to negotiate a new constitutional dispensation with political elements which his National Party had for decades branded as communist puppets, the instruments of a Soviet grand design to control the African sub-continent. Was there a link? Of course, but was the former – the events of November 1989 – the direct trigger for the second, the extraordinary speech of 2 February 1990 in Parliament in Cape Town? Some have argued as much but, in my view, their case is thin. My counter argument is that the fall of the wall only accelerated a transition process already underway in the region for a good three years.

In an article in the *Contemporary Journal of African Studies* in January 1996, I took issue with those whose analysis of change in southern Africa ascribed seminal importance to events in Europe by suggesting that it was rather the United States government's 'response to the changing international realities – and the very specific impact that had on its strategic thinking on South and southern Africa – that was the decisive factor in the South African transition...that both the Bush administration and the security establishment in South Africa had, by late 1989, recognized that for some time the Cold War was over well before the wall was breached. That event was more like the end of the end' (1996: 101–2).

The beginning, I argued, was the 'accession to power in the Soviet Union of Mikhail Gorbachev and the crucial signal was the Reykjavik summit between Gorbachev and Reagan in October 1986' (Ibid: 102). While the primary focus of that gathering was arms control, its key agreement for southern Africa and other cold-war driven regional disputes in Afghanistan, Nicaragua and Ethiopia amounted to 'a redefinition of spheres of interest in the world' ...[by which] 'the United States agreed to a non-interventionist role in Eastern Europe, Nicaragua and Afghanistan in return for which the Soviet Union ceded Africa to the United States – specifically the Horn of Africa and southern Africa'(Ibid).

While the hard-line securocrats around PW Botha continued to beat the drums of war, senior intelligence figures and the more enlightened members of the cabinet including Foreign Minister

‘Pik’ Botha read the signs differently, as did senior members of the ANC like President Oliver Tambo, Head of International Relations Thabo Mbeki and Intelligence head Jacob Zuma. Fifteen months after Reykjavik, secret talks between South African government officials and the ANC were initiated. By then it is now known, National Intelligence in South Africa was secretly circulating the draft of a speech uncannily similar to that delivered by de Klerk in Parliament in February 1990. But they still had to move cautiously and largely clandestinely. Two events changed that scenario for them and pushed them to the fore.

The first was the SADF’s military setback at Cuito Cuanavale in Angola in late 1987. Confronted by the increasingly obvious limitations of a military strategy, Pres PW Botha authorized Pik Botha to negotiate a way out of the Angolan-Namibian impasse. The end result was the New York Accords of December 1988 which triggered the withdrawal of both Cuban and ANC military forces from Angola and South African troops from Namibia and which, in turn, led to its independence in March 1990. The second was the enforced removal from office in September 1989 of an ailing PW Botha and his replacement by FW de Klerk.

## CONCLUSION

It should be clear from the above that by the time of the events around the Berlin wall that the momentum for change in South Africa was gathering pace. What the fall of the wall did was not create the conditions for change but push them forward and speed up the whole process. What it did was lessen the obstacles confronting those promoting a new way forward. It was, for example, now possible for FW de Klerk, under intense pressure from the United States and facing the prospect of intensified sanctions, to tell his critics that the cold war was over, that ‘we’ had won and the Soviets lost and that this had in turn, weakened the ANC in that it had lost its main sponsor. Consequently, he could argue it was now possible for the National Party to confront them politically and on a more even playing field. The ANC, he could argue, now had no choice but to negotiate.

This of course, was a misreading of the ANC’s position. The whole thrust of the ANC’s diplomacy from the time of its banning in 1960 had been to force its opponents to the negotiating table.

Only the most romantic of elements in the ANC's armed wing had imagined that Pretoria could be taken militarily. Wiser ANC heads knew better. Thus, when offered the opening of talks, the ANC responded unhesitatingly, certain in the knowledge that it could never be defeated electorally. Thus it was that while de Klerk and his top aides in National Intelligence had read the cold war signals post-1985 correctly, they were never able to understand the true realities of the nationalist struggle in southern Africa where it was not the Soviet Union that was the real problem. What was the problem for the white minorities were the legitimate aspirations of the black majority. However, the addiction of the National Party to a racist paradigm left it unable to accept that black South Africans wanted for themselves – and not some imagined Soviet master – the same thing the white minority had, namely, the right to rule and misrule themselves.

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