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# GERMAN UNIFICATION AND A NEW EUROPE

### 1. Introduction

The question of German unification has become a direct consequence of the recent changes in Eastern Europe. The first free election in the GDR since World War II has severely undermined its independent statehood and clearly opted for speedy unification with West Germany. Since then, the issue of unification is no longer a question of possibility—it is now a reality with almost all the impediments in the way being removed.

The history of Germany is a centuries-long cycle of divisions and unifications. Thus, history repeats and the century will end as it began with a German super power in the continent of Europe. The unification process is already in action with the formation of the monetary union between the two. Still the question remains how it will take its final shape, which depends entirely on reconciling the German and non-German interests and perceptions. Although the changes in East Europe with a likely new pattern of power configuration bring the cold war to an end, it appears that the German unification issue might keep the superpowers embroiled over their future security and strategic considerations. The superpowers are coming up with proposals that would meet security apprehension aroused by a United Germany.

The German question is interlinked with the question of the future structure of Europe. In retrospect, the issue of German unification was viewed to be the detonators of 1871, 1914 and again of 1939 when in all these cases, political map of Europe was redrawn. Now, the delicate power balance in Europe will be again upset. One Germany as an emerging super power might be a colossus in the European context. Therefore, the European nations, both Eastern and Western, remain still suspicious and ambiguous about the future role of a united Germany. This posed policy dilemmas of a new kind for all the European nations. Questions have been raised as to how would European order evolve in the face of sharply reduced military threats? What would be the future political and security landscape of Europe? What role a United Germany is likely to play in an integrated Europe?

These are some of the issues to be taken up in this paper. The first section of the paper reviews the question of German unification in historical perspectives. The second section gives a brief description of the unification process and forces at work. A short resume of the position of United Germany in the global as well as European context constitutes the third section, while the fourth one deals with the implications of the united Germany and new security scenario in Europe.

## 2. German Question in Historical Perspective

The chronology of fragmentation and unification of German nation from the first Reich to third Reich has its roots deep in the Central European past. Long before this, history marked the unification of the German peoples during Holy Roman Empire in 962 A. D. In 1815 with the defeat of Napoleon, the Great European powers met at the Congress of Vienna and they established the German Confederation, an aggregation of 39 largely independent states which is known as the First Reich. In course of time it was disintegrated till 1871, when Otto Von Bismarck established a German Empire—the Second Reich, followed by the victory in the Franco-Prussian War.<sup>1</sup> This period was marked by the impact of

<sup>1.</sup> Newsweek, 26 February, 1990, p. 8.

industrial revolution and the historical cycle entered a phase of economic nationalism and expansion.

The Pan-German movement, founded in 1895, provoked the chauvinistic nationalism and advocated the expansion of German to incorporate all of the Teutonic peoples of Central Europe. Even they advocated that the boundaries of the German Empire should be extended to take in Denmark, the Netherlands, Luxemburg, Switzerland, Austria and Poland.<sup>2</sup> The influence of 'Pan-Germanism' as a kind of ultra-nationalism was one of the important factors in instigating the Germans to start the First World War in 1914.

The twentieth century was marked by the most frequent upsetting of power balance in Europe and the subsequent changes in Germany. In 1914 Germany started the First World War by invading neutral Belgium. Power politics and the failure of the balance of power accompanied by ultra-nationalism as considered by the historians were the underlying causes of the World War I.

Finally, the Germans were defeated and the treaty of Versailles in 1919 settled World War I. According to the treaty, Germany was required to surrender Alsace and Lorraine to France, northern Schlesswig to Denmark, and most of Poznan and West Prussia to Poland. Later on, Germany succumbed to fascism, mainly for the reason that the forces of nationalism and militarism were temporarily discredited as a result of her defeat in the First World War.<sup>3</sup>

In 1933, Adolf Hitler became Chancellor of the Third Reich, with policies of racial purity and military expansion. In 1935, Hitler tore up the disarmament provisions of the Treaty of Versailles and announced the revival of conscription and the return to universal military training. Finally, in 1936, he flouted the peace settlement by sending troops into the Rhineland to occupy the

3. Ibid, p. 787.

<sup>2.</sup> Edward McNall Burus, Western Civilization, W.W. Norton & Co., New York, 1973, p. 776-787.

area of Germany, demilitarized by the Treaty of Versailles. Seeking 'Lebensraum'—living space—Hitler marches into Austria and Czechosłovakia.<sup>4</sup>

In 1939, Germany started World War II through invading Poland. Blitzkrig tactics conquer most of Europe, the Mediterranean and North Africa. Frustrated in his attempt to subjugate Britain, Hitler invaded Russia in 1941. By 1943 British, American and Soviet forces turned the conflict in and around Germany. By the winter of 1944-45 World War II was nearing its end. American and British forces drove to the Rhine from the West and Russian troops were approaching from the East and penetrated to the heart of the Germany.

The Yalta Agreement in February 1945 declared that the United States, Britain and USSR, the Big Three, had agreed upon plans for the unconditional surrender of Germany. The surrender of Germany on 8 May 1945 seemed to require another conference of the victorious powers and accordingly on July 17 Joseph Stalin, Winston Churchill and Harry S. Truman, met in Potsdam. The Potsdam declaration included the following decisions<sup>5</sup>:

- 1. East Prussia to be divided into two parts, the Northern part to go to the Soviet Union, and the Southern part to be assigned to Poland;
- 2. Poland to receive the former free city of Danzig ;
- 3. All German territory east of the Oder and Neisse rivers to be administered by Poland, pending a final settlement;
- 4. The military power of Germany to be totally destroyed;
- 5. Germany to be divided into four occupation zones to be governed, respectively, by the USSR, Great Britain, the United States and France.

5. Edward McNall Burus, op. cit. p. 821.

<sup>4.</sup> Newsweek, 26 February, 1990.

After the cold war broke out, the American, British and French zones were merged to form the Federal Republic of Germany, while the Soviet zone became the German Democratic Republic. But the allies retained military authority over Berlin as well as the right to base troops and conduct military manoeuvres in the Germanys.

Since the end of the World War II, no peace treaty has been signed between Germany and the four Allied powers that conquered the country. As a result, the U.S., Britain, France and the Soviet Union to this day retain remnants of the rights they exercised as occupying forces. This is why World War II's Big Four are entitled to serve as midwives to the unification of Germany.<sup>6</sup>

## 2.1. Unification Issue during Cold War

Both the East and West Germany followed their own approach toward unification of German nation under two different ideological vision since its fragmentation. In the early years, the leaders of the German Communist Party (KPD) recognized the theme of the German national unity immediately upon their arrival in the Soviet occupation zone in the spring of 1945. The KPD adopted the thesis of German road to 'socialism' in early 1946 at the time of merging in the KPD and the German Social Democratic Party (SPD) leading to the formation of the Socialist Unity Party (SED) in GDR. The goal of the SED was German national unity in the form of an 'antifascist democratic parliamentary republic'. The commitment to the goal of a unified socialist Germany remained a key component in the SED's programme till 1955 when West Germany entered into NATO.<sup>7</sup>

The goal of reunification was firmly embedded in the first East German constitution which, like its West German counterpart,

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<sup>6.</sup> Time, 26 February, 1990, p. 14.

Eberhard Schulz, "Unfinished Business: The German National Question and the Future of Europe", in *International Affairs*, Vol. 60, No. 3, Summer 1984, p. 390-92.

adopted pan-German terminology, referring to single German nation and a single German citizenship. The first West German government under Konrad Adenauer agreed to enter NATO on the basis of "German Treaty" of 1954, which assured that its allies would help in achieving reunification by peaceful means. Stalin in his famous note of March 1952 called for negotiations among the four occupying powers to a peace treaty with and unification of Germany, the withdrawal of occupation troops and a rearmed unified German state pledged to neutrality. Stalin's effort was to hinder Adenauer's likely prospect of a rearmed West German participation in a collective western defence system. Neither the Western allies nor Adenauer responded to Stalin's initiative to keep a unified neutral Germany.<sup>8</sup>

The West German entry into NATO in May 1955 led to a revision in Soviet policy on German question and adopted the 'two state theory', emphasizing that the issue could no longer be solved by a unified federal German state but rather by a pan-German confederation of two autonomous states. Soviet Union ostensibly granted the GDR full sovereignty in May 1954 and insisted that reunification had become a matter for the two German states to resolve between themselves.<sup>9</sup>

In 1957, the SED raised another issue of a German confederation in a document entitled 'The road of the German nation in ensuring peace and reuniting Germany'. This proposal suggested about the creation of an All-German Council to discuss gradual cooperation between the two states, their withdrawal from their respective alliances, and increased economic cooperation leading eventually to confederation based on a treaty founded in international law. But the West viewed the proposal as de facto Bolshevization of West German society due to a series of preconditions added in the

9. Ibid., p. 406,

Ronald Asmus, "The GDR and the German Nation: Sole Heir or Socialist Sibling?", International Affairs, Vol. 60, No. 3, Summer 1984, p. 406.

proposal by the Soviet Union, as well as isolating FRG from the Western Bloc.

The goal of German unification was an exercise in the SED's Party as well as state's policy and program me continued in the form of socialistic approach until 1970, when this East German concept is challenged by Willy Brandt's Ostpolitik. The reorientation of West German policy under Brandt, incorporated in the vision of 'Wandel durch Annaherung'<sup>10</sup> identified the inherent gaps in the SED's ideology to achieve cohesive national policy to stabilize the regime and to protect against potential ideological contamination. Brandt modified the official West German view of the German nation by declaring of 'two states in one German nation' in his first State of nation address in January 1970.<sup>11</sup>

In response to the challenge of Ostpolitik, the SED immediately reacted and on 19 January 1970 Ulbricht stated, "This is the historic reality : the German Democratic Repulic is a socialist German national state and the West German Federal Repuplic is a capitalist NATO state with limited national sovereignty.<sup>12</sup> Ulbricht and the SED, however, continued to defend their concept but Brandt was becoming acceptable to the East Germans and consequently the appeal of the SED to uphold its commitment became increasingly difficult. In this backdrop Ulbricht had to go for a forced retirement in May 1971 and his former protege Erich Honecker replaced him.

Against Brandt's concept on the existence of a single German nation despite two German states, Honecker put forward that the differences and contradictions in the socio-economic systems

12. Ibid., 408.

<sup>10.</sup> The phrase Wandel durch Annaherung implies change through rapprochement, was originally coined by Egon Bahr in the early 1960s. In this light West German's Social Democrats were motivated by a vision of creating the preconditions for social change in the GDR that would help to overcome the barrier.

<sup>11.</sup> Ronald Asmus, op. cit., p. 408.

prevailing in the FRG and the GDR lead to an inevitable process of 'delimitation'.

Sudden collapse of the socialist regimes in Eastern Europe and concommitant rise of the national feelings in East Germany initiated the process of democratization and unification parallely. The democratic movement in 1989 changed the Honecker Government and was replaced by Egon Krenz. In a short time Krenz was substituted by Hans Modrow who was considered less close to the old ruling class. Modrow arranged first free election to form the new government. During the preparatory phase of election new political parties were formed which reflected the party system of West Germany. After the election, Modrow was replaced by de Maiziere from the Christian Democrats.

From the very beginning, West Germany maintained that the German nation is still intact. But the national identity issue had exerted distinct effects on the foreign policies of both German states since their division, especially with regard to their relations with each other. The policy consequences are that the GDR tried to maximize official contacts to boost its legal status as a separate state, while the FRG tried to minimize such contacts and concentrate relations at the inter-personal and social levels. Though there were extreme factions on both sides, none of them so far did endanger a relatively fruitful relationship.<sup>13</sup>

The significant turning point was marked in October 1969 when the West German Chancellor, Willy Brandt, declared before the Bundestag, "A de jure recognition of the GDR by the West German federal government cannot be considered. If there are two states in Germany, they are not foreign to each other; their relations can only be of a special nature".<sup>14</sup> This statement laid the basis for a policy followed by successive West German governments. It was

14. Ibid., p. 11.

<sup>13.</sup> David Mueller, "Who Wants German Reunification?", in International Perspective, Canada, Vol. XVII, No. 2, 1988, p. 11.

formalized on 21 December 1972 when both countries signed the "Treaty regarding the Principles of Relations between the Federal Republic of Germany and the German Democratic Republic" which is termed as the "Basic Treaty". It granted de facto recognition to the GDR as an independent state and codified certain aspects of the 'unity of the nation' concept.

Confirmation of the official West German view of the 'one German nation' further reflected in the report of Chancellor Helmut Kohl presented before the Bundestag on 23 June 1983, where he expressed his personal conviction about the future of the unified Germany.<sup>15</sup> Throughout the post-war period, FRG statesmen have adhered to the concept of a single German nation and the FRG remains legally committed to an eventual reunification of Germany, a commitment anchored in its Basic Law or Constitution.<sup>16</sup>

With this background in view it is clear that the issue of unification was a long professed goal for both Germanys throughout the cold war period. Now it stands that the Germans did not have to make unity happen rather it happened automatically. It was the outcome of a fortuitous combination of factors like reform in the Soviet Union, upheaval in Eastern Europe, and most of all the willingness and determination of the East Germans. What was initiated as an assertion of the democratic spirit against a dictatorial regime soon turned into a national uprising against division of the country.<sup>17</sup>

- 16. According to the Preamble of the West German Basic Law or Constitution, "The entire German People are called upon to achieve in selfdetermination the unity and freedom of Germany", quoted from Ronald Asmus's "The GDR and the German nation: Sole heir or Socialist Sibling?" in *The International Affairs*, Vol. 60, No. 3, Summer 1984, p. 403.
- 17. Newsweek, 9 July, 1990, p. 23.

<sup>15.</sup> For the full text see Helmut Kohl's, Fur eine Politik der Erneucrung, (Bonn: Press and Information Office of the Federal Government, October, 1983).

# 3. Unification Process : Forces at Work

The Question of the German unification came to the forefront of the superpower agenda at the moment of the political crisis in the East Europe. Most widely discussed formula concerning German unification, known as "two-plus-four," proposed by the United States during an East-West disarmament conference in Ottawa (in February, 1990), was a deceptively simple formula. This formula is an informal agreement among the wartime allies that the two Germanys will first settle the internal issues of reunification, then join the four allies in negotiating the external issues of European security.

The Two-plus-four talks in Moscow in September 1990 will resolve two main obstacles to a final agreement on the issue of Poland's western border and united Germany's freedom to join NATO and the ending of allied rights in Germany into a final document. The final two-plus-four document will be presented to a summit meeting of the 35 member Conference on Security and Cooperation in Europe (CSCE) in November 1990 which is expected to give it an international approval<sup>18</sup>.

New East German government met with West German counterpart and discussed their economic, political and legal aspects of reunification. West German Chancellor Mr. Kohl presented his 10 point unity plan on 28 November 1989 which provided the basic outlines for the unification : the liquidation of the large monopoly enterprises (the Kombinate); the dismantling of the agricultural co-operatives and their privatisation; abolition of the GDR's Ostmark; the setting up of stock markets and the denationalisation of the credit and banking system.<sup>19</sup>

Now under the plan presented by Mr. Kohl the East German Parliament would have to re-establish the five landers, which were

<sup>18.</sup> The Bangladesh Observer, 20 July, 1990, p. 4.

<sup>19.</sup> Frederick F. Clairmonte, "German Finance Capital and Reunification: Uncompleted Annexation", *Economic and Political Weekly*, Vol. XXV, No. 10, March 10, 1990, p. 491.

abolished by the Communist Government in 1952. Any land that would then apply to Bonn for admission to the Bundesrepublik would be accepted automatically. Next steps would initiate to solve other political and military problems that remain before the two German states can end their post-war division.

Recently, East German Parliament has given its formal approval to the broad coalition government with the Christian Democrat leader, Mr. Lother De Maiziere, as Prime Minister, Eastern Europe's first elected non-communist government. Policies on German reunification have been outlined in the parliament including the issues like, social, economic and currency union with West Germany. From first of July 1990 German unification occurred in real sense with the economic integration between the two Germanys. The Parliament also affirmed the inviobility of Poland's post-war borders, which include former German lands. Now, the rest of the unification process will be little more than a formality, to be completed at a pace determined mostly by Germans, rather than outsiders.

Henry Kissinger posited "a step by step melding of the domestic structure of the two German'y leading eventually to a confederation of the two states with East Germany becoming essentially demilitarized". In the final stage Kissinger said that the East Germany might join a "loose federation with West Germany.<sup>20</sup> Confederation would bring partial unity and might last indefinitely. The catch phrase is "1815, not 1871" – 1815 being the date of the German confederation, a group of 39 states and republics, while 1871 recorded Bismarcks' unification of Germany.

Brief chronology of the steps toward German unification during the year 1990 are as follows :

Step I (March): First free election held in 18 March and a coalition government is formed in East Germany and the first

<sup>20.</sup> Henry Kissinger's view published in the Los Angeles Times Syndicate, cited in Newsweek, October 16, 1989.

meeting of the new Volkskammer or parliament legalized the unity with West Germany as quickly as possible.

Step 2 (April): A new round of Two-plus-four talks held between the two Germany and the four wartime victors in East Berlin and Washington. The regions, that would form part of united federal republic – Mecklenburg, Saxony, Berlin – Brandenburg, Thuringia, Saxony-Anhalt and German Pomerania.

Step 3 (May): Detailed talks between East and West German governments on the question of property ownership in the East and resolved issue on monetory union.

Step 4 (June-July): Formal declaration of monetory and social union entailing of currencies, health and social welfare systems, following the restructuring of East German tax systems.

Step 5 (September-October): Elections for Lander or regional governments in East Germany, setting up a legal structure for political unification on a federal basis. The possible conclusions of talks on conventional force levels in Europe.

Step 6 (October-November): Conclusion of the Two-plus-four talks and the opening of the 35 nations Conference on Cooperation and Security in Europe.

Step 7 (December): All German national elections.

Step 8 (January 1991): Declaration of unity accompanied by assurances on Polish frontiers followed by all-German elections.

The fragile coalition government of Prime Minister Maiziere appeared threatened as the left leaning Social Democrats criticised the government's willingness to agree to West Germany's terms for unity at the expense of East German citizens. Even dissension broke out in GDR's first democratic government on 4 May 1990, over the costs of unification with West Germany.

#### 3.1 Unification Process and Integrated European Community

The unification process of Germany raises several challenging issues to overcome the legacies of 40 years of a command economy and transforming the system and the peoples to building an efficient market economy. There are some technical problems such as how should the common Agricultural policy be applied to East Germany? How quickly the environmental regulations could be implemented? How market as well as production competition could be arranged in East Germany and how it could be reinforced in the Unified Germany?

When all these issues will be resolved, then East Germany unified with the West will become part of the European Community. As such it will have access to the integrated European market to develop its economy to its full potential. As preconditions to achieve the goal, it is necessary to ensure the freedom to trade competition, guaranteed rights for investment, freedom to set prices, to determine wages and relate them to performance and productivity. Autonomous commercial banks able to lend to viable businesses at market rates are indispensable, which are on the way to be implemented. These pre-conditions are nothing but the basic infrastructure of a market economy without which a system of competition could not function.

Before unification, all these terms and conditions will be realized, so that market opportunities are available to all its citizens and companies on equal terms. The European Community as a whole would participate in the task of democratic reconstruction. EEC member state aid will be provided to rebuild, modernize and gear up the East German economy. This cooperation has already begun with the Federal Government's submission to the EEC Commission of its plans to extend European Recovery Programme (ERP) investment aid to the GDR.

East German firms are going to be involved in mergers and cooperation agreements with West German and other European

companies. Recently proposals are made to establish links between leading companies such as Lufthansa and Interflug; Allianz and the DDR State Insurance Company; Daimler Benz and IFA Nutzkraftwagen; Siemens and Robotron; and Volkswagen and IFA Personenkraftwagen. But the EEC is apprehensive that anticompetitive structures may be established by agreements between large companies (Kombinate) of GDR and dominant West German firms which may dominate regionally as well as globally. The Commission of the European Community is concerned by these developments and encouraging to avoid mergers within German firms and suggesting to establish links between GDR's companies with Italian or French in the interest of the balanced competition.<sup>21</sup>

After so many years of the command economy GDR's technologies and method of production, design, management and marketing are ill-suited to the modern market environment. Recent changes and adjustments toward competitive market created negative reactions among the East Germans as they will be unable to withstand the forces of competition. It is observed that tens of thousands of East German workers put down their tools, closed classrooms and blocked borders to demand protection from the high unemployment that is expected to be the price of German unification. The protests were the latest by a work force worried about what would happen after 2 July 1990 when the Germanys are to merge their economies and social institutions. "We want to prevent the initiation of the monetary union from causing the social deterioration of our work force", Sigriel Jauernig, head of the textile workers union, told the news agency. After the protests the parliamentary secretary, Gunther Krause, discussed the issue in last week of May with the Union leaders of all labour groups. The Germanys have been negotiating on the draft of a state treaty under which East Germany's economy and social

<sup>21.</sup> Address by the Sir Leon Brittan, Vice President of the Commission of the European Communities on "Competition Policy in a Unified Germany-The European Dimension", Bonn, 5 April, 1990.

structure could be assimilated by the West in 6 weeks as mentioned in May, but it is yet to be realized.<sup>22</sup> Economists predict many inefficient East German factories will close down in the next year because they will not be able to compete in the free market, and that between 500,000 and 2 million East German workers will lose their jobs. However, both the West German Chancellor Helmut K ohl and the East German Prime Minister, Lothar de Maiziere agreed that a quick influx of Western investment will create new jobs and raise East Germans' living standard.

The leftist Social Democrats are pressing the prime Minister to push for more social guarantees for Germans who are heavily dedpendent on government subsidies. Joblessness has begun to rise. Government sources said the number of people who registered for unemployment rose from 38,313 in March to 64,948 in April 1990.<sup>23</sup>

Thousands of leather and textile workers in Leipzig, Dresden, Chemnitz, Erfurt, Cottbus and other industrial cities shut off their machines for an hour to call attention to their fear of Western imports. In context to this Mr. Kohl stressed that East German must restructure its economy before the two nations share the same West German currency. Accordingly necessary steps are on the way to change the system of State ownership so that economic union with West Germany is to be a success.

#### 4. Position of Unified Germany in Europe

With nearly 80 million people between the Rhine and the Oder, a unifed Germany will appear as the top most country in all respects among the Europeans. The Federal Republic is already Western Europe's leading economic power. Unification with East Germany will increass its population over 27%. Its combined military will number 1.8 million regulars and reservists—the most

<sup>22.</sup> International Herald Tribune, 11 May, 1990.

<sup>23,</sup> Ibid.

formidable force in Europe. With such a position "Germans want to lead", says a top Kohl adviser.<sup>24</sup>

The prospect of an investment boom in Eastern Europe, accompanied by the unification of the two Germanys into one powerful state has generated a feeling among Europeans that the 90s will be their decade. In the framework of "Europe 1992" economies are likely to grow rapidly, with Germany in the most lead.<sup>25</sup> The following tables show the position of United Germany as an emerging Super Power in comparison to other leading economic and military powers :

United Germany as an Emerging Super Power : Comparison of some Selected Indicators at Global Scale

| Economic<br>Indicators   | United<br>Germany | United<br>States | Japan   | USSR  |
|--|-------------------|------------------|---------|-------|
| 1. GNP Per Capita<br>(in US Dollar)                                      | 13,987            | 19,770           | 14,340  | 8,850 |
| 2. Exports<br>(in Billion \$)  | 354.1             | 321.6            | 264.9   | 110.6 |
| 3. Balance of Trade<br>(in Billion Dollars                               | ) 73.9            | -138             | 77.5    | 3.3   |
| <ol> <li>Total Gross<br/>Domestic Product<br/>(in Billion \$)</li> </ol> | 1,412.9           | 4,864            | 2,570.6 | 2,535 |
| 5. Registered Autos<br>per 1000 people                                   | 376               | 572              | 235     | 42    |
| 6. Olimpic Medals<br>(Summer 1988)                                       | 142               | 94               | 14      | 132   |
| 7. Strength of Armed<br>Force ( in thousand                              | ) 668.1           | 593              | 290     | 2,458 |

Source: 1988 Data, CIA Handbook of Economic Statistics and UN Monthly Bulletin of Statistics, Quoted from Newsweek, 26 Feb. 1990.

24. Newsweek, February 26, 1990, p. 7

25. The Guardian Weekly, March 25, 1990. p. 17.

Horst Schulmann, a former official in the West German Finance Ministry, who now heads a Washington think-tank opined that the Germany's rise to the status of economic super power is not necessarily bad news for any body, but it helps to create growth and development in Europe as well as serves the business interest of the USA.<sup>26</sup> But the political analysts remarked that United Germany's weight in the councils of Europe will make France a loser. Since the time of Degaulle, Paris has tried to bind Bonn in a special relationship giving France parity with Germany in Western Europe. To make the ties cemented, France has pressed for rapid European integration. But the reunification upsets the balance, making Germany powerful enough to erase French parity.<sup>27</sup>

Although West Germany has little more than a fourth the total output of the United States, its export shares 37% of everything it makes. American exports only 11%. And with 31% of the combined GDP of the European Economic Community (compared with West Germany's current 26.7%), it will be much less of an economic juggernaut than is generally assumed.<sup>28</sup> West Germany's 1989 trade surplus was \$80 billion, while U.S. had dificit of \$108 billion. As new markets open up in Eastern Europe, the united Germans are in a commanding position.

It is evident from the above facts and figures that with about 80 million people, a formidable army and one of the leading and fast growing export driven economy at the global scale, united Germany is emerging as a super power. Germany may not be a superpower in the traditional postwar sense. But the past history has demonstrated that super powers are not what they used to be. In a contemporary world economic strength is the yardstick of power, rather than military might. It is fact, that as long as the world

28. Newsweek, 9 July, 1990.

<sup>26.</sup> Newsweek, 26 Feb., 1990, p. 11.

<sup>27.</sup> Ibid.

| Item  | United<br>Germany | France | Britain | Italy |
|---|-------------------|--------|---------|-------|
| 1. Area ( in thousands<br>of sq. mile)                        | 138               | 210    | 94      | 117   |
| 2. Population (in<br>millions, 1988)                          | 78                | 56     | 57      | 57    |
| 3. Total Gross<br>Domestic Product                            | 1,412.9           | 762    | 755     | 754   |
| (in Billions \$,1988)<br>4. Total Exports<br>(in Billions \$) | 354               | 168    | 145     | 129   |
| 5. Strength of Armed<br>Forces* (in thousands)                | 10.11             | 442.5  | 311.2   | 396   |

Position of United Germany among other European Powers

Source : Quoted from the Time, 26, March 1990.

\*Data on Armed Forces taken from, Warsaw Treaty Organization and North Atlantic Treaty Organization : Correlation of Forces in Europe, (Novosti Press Agency, Moscow, 1989); Figures for USA includes share in NATO).

remains in a state of equilibrium, super power status will be defined more by commercial and monetary srtength than by missiles, tanks and aircraft carriers.<sup>29</sup> In both respects United Germany qualifies for super power.

## 5. German Unification and New Security Scenario in Europe

The changes now sweeping over Central and East Europe marked the end of a status quo that has existed in the region for four

<sup>29.</sup> Newsweek, 26 February, 1990. p. 11.

decades. Progress on the two critical issues of the German unity is the security context and the economy are proceeding apace.

As the Soviet threat to Western Europe diminishes and the Warsaw Pact becomes a virtual non-entity, the role of the North Atlantic Treaty Organization is likely to change and the alliance is emerging as a potential watchdog over a reunited Germany.<sup>30</sup> But the ultimate impact of the changes on NATO is less clear because of the following reasons :

(a) The two military alliances, NATO and the Warsaw Pact, will begin to wither away, or will create a new mission for themselves by becoming more political in nature;

(b) Within Germany, two strong political parties hold opposing views concerning United Germany in NATO. The left side of the West German political spectrum-including the opposition Social Democrats and existing Foreign Minister Genscher's Free Democrats seems to think that the NATO alliance will eventually wither away and that security will be ensured by a new Pan-European arrangement. According to one American expert on Germany, some SPD members are using their behind the scenes dialogue with Moscow to use the Soviets to push for German withdrawal from NATO's integrated military command, a historic Soviet goal. The SPD strategy is to paint the U.S. and Kohl's Christen Democrats as the obstacles to unification because of their insistence on a Unified Germany within NATO.<sup>31</sup> On the other hand Kohl and his Christian Democrats are committed to keeping Germany in NATO, which is likely to be the initial outcome of the reunification process. Political analyst reports that over the longer term, the addition of voters from the East may tilt a united Germany toward the left. If so, NATO's future will be more limited 32

32. Newsweek, 26 February, 1990, p. 11,

<sup>30.</sup> International Herald Tribune, 19 March, 1990.

<sup>31.</sup> The Washington Post, 11 March, 1990. p. 17

But a great deal depends on the state of European security. "If Gorbachev remains in power and Eastern Europe continues to move in the direction of democracy then NATO will play a less prominent role because the situation looks less threatening" says Yales Kennedy in an interview. But if they look more threatening in five years, the allies will want the capacity to go back to NATO as we understood it six months ago".<sup>33</sup>

The US officials argue that Germany's continued membership in NATO would infact protect the Soviet's long-term security interests for better than neutrality. Otherwise, a neutral Germany may decide to defend itself by acquiring nuclear weapons. NATO, the United states maintains, would serve as a kind of guarantor of German conduct which is supported even by the Warsaw members except Soviet Union to stand alone in opposition to Germany's membership in NATO.<sup>34</sup>

However, after the Summit meeting between Bush and Gorbachev in Washington on 3 June 1990, the Soviet Union agreed to allow a United Germany to be a member of the North Atlantic Treaty Organisation provided certain security "guarantees" are met. NATO Foreign Ministers Meeting at Scotland on June 8 accepted President Bush's nine—point plan aimed at easing Soviet anxiety on German unification. The nine points were presented to Mr. Gorbachev at the last summit meeting. They include assurances that NATO troops will not be deployed in East Germany, allowing Soviet troops to remain there for a time, pledges to consider limiting a United Germany's armed forces and acceleration of talks on short range nuclear weapons in Europe. The package was well received by Mr. Gorbachev.

At the NATO summit last July 1989, another question remained to be answered to what extent the United States will be involved in Europe. Already it is widely assumed that most American and

33. Ibid.

34. International Herald Tribune, 19 March, 1990.

Soviet troops eventually will be withdrawn from the centre of Europe. In this regard Kissinger complains in an interview that NATO "is on the way to losing its strategic doctrine." He said that the allies need a new "political concept for the future of Europe", to replace the withering military alliance.<sup>35</sup>

Now with the end of cold war, there is an increasing fragmentation of power and influence and that, nuclear parity not withstanding, the international system is moving from bipolarity to polycentrism.<sup>36</sup> Emergence of the unified Germany as a power as well as other power centres such as European and Asia - Pacific, pose an increasing challenge to both the United States and Soviet Union. "The old super powers, both of them bent under the costly weight of their military commitments and plagued to one degree or another by economic stagnation. The losers of World War II may emerge as economic and political winners of the cold war."<sup>37</sup> This refers particularly to the case of Germany and Japan.

The momentum is growing to speedy integration of the European Community as the best way to deal with the dramatic changes going on. Now growing conviction within the European leaders is that they must move on in the direction of a United States of Europe, not slide back to the pre war system. In support to this view, the latest posture came at a conference of Italy's Christian Democrats on "Europe without a Wall". Main focus of the discussion was centred on the everybody else can live with a unified big Germany. In this regard statement of the Dorothee Wilms, FRG's minister for inter German affairs is quite relevant, who gave unequivocal assurances of her country's will to embody its coming unity in a united Europe, to "Europeanize Germany"<sup>38</sup>.

<sup>35.</sup> International Herald Tribune, March 24 & 25, 1990. p. 6.

Phil Williams, "US-Soviet Relations: Beyond the Cold War," International Affairs, Vol. 65, No. 2, 1989. p. 285.

<sup>37.</sup> Newsweek, 26 February, 1990, p. 8.

Flora Lewis, "West European Integration is Picking up Speed", The International Herald Tribune, March 19, 1990, p. 8.

As history records, more than once, Germany's ambition to Germanized Europe has led to wars that killed millions. But, today's Germany, unlike that of the past, is peaceful and democratic, so there is no reason to assume the worst this time. But inevitably, as the two Germanys increase their economic and political contact, Germans will seek to regain the power to determine the fate of Europe. The only way to reduce the risk inherent in that situation is to wrap the German government even tighter into the community of free nations. As economic bonds replace military alliances, which indicate that the European Community will become more important than NATO.<sup>39</sup>

The decisive and dominant role of the superpower in shaping the international order in Europe in the aftermath of the Second World War have left a legacy of dependency in Europe. Satient feature of such dependency has been the failure of Western Europe to achieve greater control of its own security and relieving the US from sharing major burden of the defence of its allies.<sup>40</sup> In this context West Germany gained more recognition for its unmatched burden-bearing in non-financial areas, such as its unique density of military personnel and bases, the dual capabilities of its highways military exercises incurring costs regularly exceeding \$30 million per year and so on.<sup>41</sup>

In order to achieve self reliance in security, West Germany prepared its potential strategic base in three dimensions with long ranging implications which are as follows :

(a) First, as a member of the NATO, West Germany build its trained military cadre and established unique defence infrastructure for itself;

(b) Second, regionally, West Germany established the Franco-German security relationship, the self proclaimed hard core of West

<sup>39.</sup> The International Herald Tribune, November 15, 1989.

<sup>40.</sup> Ialn Gambles, "Prospects for West Europoean Security Co-operation", Adelphi Papers 244, IISS, London, Autumn 1989. p. 3,

<sup>41.</sup> Strategic Survey 1988--1989, IISS, London, 1989, p, 85.

European security co-operation, involving privileged relations among them as a function of their special geographical or political affinities;

(c) Third dimension, at superpower level, the German-American alliance covers a wide range of aspects—political, economic and military and both the states are linked to other bilateral and multilateral foreign policy issues such as East-West relations, the German unification issue, global and regional military balance, the political and economic dimensions of the postwar order in Europe and so on. The German-American alliance is based on the shared conviction that under no circumstances could the FRG be released from its integration in the West.<sup>42</sup>

NATO without Germany the most extreme danger is that it will seek security by building up its armed forces and even acquiring nuclear weapons. There is currently no indication that the German people would support such a build up. Both German states have signed the nonproliferation treaty. The United States created Atlantic and West European alliances to contain not only the Soviet Union but also the West Germany. Now with the wind of change in Europe, America's postwar strategy of double containment has eroded and recent diplomatic treatment with FRG seems to be equal partner basis and restores complimentarity to each other, leading to form a new European political order.<sup>43</sup>

It cannot be denied that the progress in European integration has gained its ground only when Franco-German Friendship Treaty of 1963 provided the crucial impulses over the Cold War period. This Treaty has multi-dimensional security policy that includes, joint manoeuvres, phases of joint general staff officers' training, agreement on consultation before the use of French nuclear weapons, establishment of a joint Franco-German brigade, creation of a Franco-German security council in the hope that it will strengthen European

Wolfram F. Hanrieder, "The German-American Alliance at Forty", *Aussen Politik*, vol. 40, No. 2, 1989, Interpress verlag Gmbh, Hamburg, p. 151.

<sup>43.</sup> Newsweek, Feb 26, 1990, p. 7.

cohesion and the effectiveness of overall European security. But this Franco-German consolidation was the result of the contradictions in East-West relations and to some extent aimed at reducing the superpower involvements in Europe. Though the impression was given that German friendship with France is directed against no one but, initiate enthusiasm among Europeans for cooperation and understandings to achieve a sovereign Europe.

In this regard it is pertinent to mention that the new Soviet foreign policy seems inseparably related to the East-West situation in Europe, in the light of common security based on interdependence, and establishing a global framework into which the Europeanization process could be fitted. Here the concept of 'New Thinking' and 'Perestroika' seem inseparably linked to the Declaration of the Helsnki Conference on Security and Cooperation in Europe (CSCE), participated by 35 European states including USA and Canada in 1975. In many respect, the ideas expressed by Gorbachev resemble those put forward by Willy Brandt in his concept of 'Europaische Friedensordnung', a European peace arrangement built on cooperation and interdependence rather than on military confrontation.<sup>44</sup> With this backdrop, Soviet Union claims a neutral unified Germany.

Issues of the Helsinki Conference and the slogans of 'collective security' and pan-European cooperation had been raised by Moscow for decades, but due to the Cold War and misturst between East and West it never got proper attention till 1985. There was speculation in the West about Soviet Europeanism as anti-Americanism as well as weakening of the existing loyalties of the European members to NATO.

German unification creates a new balance of power, one that changes the relationships between key players—the two superpowers. But a new balance does not guarantee stability. And NATO will

<sup>44.</sup> The development of the West German all European approach is analysed in Martin Saeter's, *The Federal Republic, Europe and the World* (Oslo; Universitets for laget, 1980, see Chapter III).

lay out a plan for strengthening the nebulous Conference on Security and Cooperation in Europe, which Moscow hopes to use as the vehicle for a new European security system.

As a united Germany races closer, non-German Europeans and the superpowers are starting to realize that they can have rational grounds for worrying about an even stronger Germany. The worry is partly a matter of sheer size and position in power, economic, technological and military as united Germany emerges as a superpower. Other than this, many of the Germany's neighbours dread reunification especially those who suffered Nazi Occupation and atrocities during World War II.

Until, now almost everybody has been tactful on German question. Both the Germans and non Germans are maintaining check and balance in expressing their opinion. Sensible western policy on Germany unavoidably begins with a clear commitment to unifications.45

Recent opinion poll by the Economist shows that the Poles are more nervous than any body else about a united Germany, as in past the country was invaded by Germany several times. Polish Prime Minister Mr. Mazowiecki called German reunification a pan-European problem and problems for the great powers'-the U.S., U.K., France and the USSR, which retain a legal say on moves toward German unity in the absence of a formal peace treaty ending World war II. Poland's foreign minister proposed in mid-February that Germany should remain in NATO, so that it cannot become an independent "superpower on the European stage". At the 1951 meeting the allies ruled out any possibility that Germany might regain the territories east of the Oder Neisse rivers that had been ceded to Poland. Kohl's 10 point reunification programme failed even to mention border issues. According to Polish Foreign Minister, Kohl's silence created an ambiguous situation' on an unambiguous issue.<sup>46</sup> Allies involved on the issue. Secretary of

<sup>45.</sup> The Economist, January 27, 1990, p. 15.
46. The Guardian weekly, February 25, 1990, p. 5.

State James Baker reaffirmed American support for the principles of the Helsinki Final Act "recognizing the inviobility of frontiers in Europe". French President Francois Mitterand declared in early December that "the Oder-Neisse line must remain inviolate". Mr. Helmut Kohl needs to end any remaining ambiguity about the Oder-Neisse line as Poland's western frontier. The West German government quickly recoiled, "The wheel of history will not be turned back". Foreign Minister Hans-Dietrich Genscher assured the United Nations.<sup>47</sup> "The inviobility of borders is the basis of peaceful relations in Europe". On the German issue, the British Prime Minister Mrs. Thatcher has finally brought herself to acknowledge that German unification has become inevitable. Guardian Weekly reported that<sup>48</sup> Mrs. Thatcher voiled her strongest hostility yet to the speedy reunification of Germany and she said that the two countries could regain only on terms that maintained stability in Europe and Protected the rights and interests of the four postwar powers.

## 6. Conclusion

German unification is inevitable in the backdrop of political changes in Europe. This democratic transformation relieved the conflict situation between East and West. Consequences of this change result in new concept of security in Europe. Divided Germany was a vital ingredient of the post-World War order and now, with reunification, the delicate power balance is being upset, that put the superpowers into a dilemma on the issue of future European security.

The development of German economic policy in central Europe should be organized in close association with the European Community which has already successfully mitigated historic

47. Ibid. 48. Ibid.

antagonisms. The European economic integration and the mechanisms developed within the system will prevent Germany to become too dominant and the process would act as a counter weight to dominance. Ultimately it is hoped that a single security system embracing the whole of Europe, involving the dissolution or amalgamation of the existing pacts, may be a reasonable long term goal.

Fear about the Germans may no more be justified, because the pattern of power composition backed by economic as well as military might changed overtime while the country was divided in a bi-polar world. There are fears and hopes in both Germanies. In the East people hope for better economic progress and at the same time afraid of social deprivation. On the other hand, people in FRG fear that they will have to pay a high price for unification and will lose some of their achievements. But irrespective of different political ideologies, fears and hopes of the peoples, all are in favour of unification. In course of time, both East and West will overcome all the bottlenecks toward unification as both the government along with major parties agreed on major issues like economic, the currency and social charters already taken up together even before the all German elections supposed to be held at the end of 1990.

Whether it is justified or not, the united Germany as a perceived source of threat would remain among the peoples of Europe and the Soviet Union. However, this perception do exist not because of the record of Wilhelmine and Nazi Germany but on the question of power balance in Europe.