global women—that is, women in all parts of the world as simultaneous existences, sharing so many ideas and interests across borders, although they differed among themselves, just as men did, about other aspects of life. At one level, this is a story of human rights. Like other rights, the advancement of women's rights was a globally shared objective, even if its implementation differed from region to region. But it is not a history with a known, happy ending, a teleological presentation of how things got better during the nearly seven decades after the Second World War. Human rights violations continue into the twenty-first century, and intolerance of diversity remains.

Nevertheless, there is little doubt that men, women, and children today are more aware of what goes on globally than their forebears were. The growth of the sense of interdependence, of humankind's shared destiny, is one of the remarkable aspects of contemporary history. This is a theme that is taken up in Chapter 5. On the basis of what is presented in the first four chapters, the concluding chapter considers how the consciousness of transnational linkages developed, in the middle of profound changes in the political, economic, environmental, and cultural affairs of the world. It is a story of an idea, an attitude, a mind trying to make sense of what goes on around individuals, in the process of which an awareness of interconnectedness grows. It may be noted, in this connection, that such awareness has not been limited to grown men and women but has embraced the younger generation as well. How youth, however one defines its age spread, contributes to the making of history is not a focus of sustained discussion in this volume, but it is an important subject of contemporary history, and Chapters 4 and 5 allude to ways in which young people worldwide have become part of, indeed have played significant roles in, the story of transnationalism.

To be sure, not all such transnational connections and ideas equate with peace or justice, and post-1945 history shows numerous instances of incomprehension toward unfamiliar people and objects, even of hostility against those who do not share one's faith. Nevertheless, the growth of the realization that men, women, children, the spaces they inhabit, and animals, birds, fish, and plants are all interdependent beings informs this entire volume—and the other volumes of the History of the World series.

·[ONE]·

States and the Changing Equations of Power

Wilfried Loth

Introduction

THE END of the Second World War brought with it the end of the prevailing European state system, which had held sway since the emergence of a modern global society and which was characterized by rivalry and balance between the major powers of Europe. The fault lines in this system had started to appear ever since the spread of industrialization, and in particular the advances in weapons technology, began increasingly to undermine the autonomy of the former great powers. At the same time, a contributory factor was the rapid advance of the United States to the forefront of the industrialized nations. Yet this system had essentially remained in place after the upheavals of the First World War, not least because the American public believed that it could once again afford to withdraw from involvement in European affairs, and because postrevolutionary Russia initially had great difficulty in asserting itself as a leading power broker on the international stage. Nazi Germany's attempt to regain sovereignty in the classic sense by extending its hegemony succeeded only in bringing about the swift collapse of the old European order: it precipitated the corrosive effect already unleashed by economic and technological progress and at the same time forced the non-European powers to enter into a substantial and long-term involvement in Europe. Ultimately, German hegemony in Europe also threatened the continent's security, a threat that was realized all too soon due to the revolutionary dynamism with which Adolf Hitler had imbued the new German regime. Yet German dominance could be overcome only through external intervention. Those European states that had fallen victim to German aggression were no longer in a position to restore the old system of equilibrium through their own efforts.[1]

European Losses

The rapid acceleration in the decline of the old Europe was first and foremost a result of the terrible losses resulting from a global conflict waged with

twentieth-century military technology. It is estimated that the Second World War was responsible for the death of 52 million people, of which 27 million alone were Soviet citizens; the Soviet Union bore the brunt of the war in Europe—though the precise figures are uncertain, the sheer magnitude of the losses is beyond dispute.[2] After the USSR, the next greatest body count was in Eastern and Southeastern Europe, with 7.5 million dead, or some 9 percent of the total population, including 4 million from the Jewish community alone. Germany (within the 1937 borders of the *Reich*) lost 5.6 million people, or 8 percent of its populace. The remaining areas of Europe, which were less badly affected by the war, accounted for another 4 million dead. All told, the losses incurred were five to six times greater than those suffered in the First World War. In addition, some 50 million people in continental Europe were made either temporarily or permanently homeless: these included combatants, POWs, victims of the Nazi "segregation policies" in Eastern Europe, Lorraine, and the South Tyrol (2.8 million); evacuees (6.2 million in Germany alone), refugees, and people driven from their homelands in areas of German ethnic settlement east of the Oder-Neisse Line and in Czechoslovakia at the end of the war (of whom 12 million made it to the four administrative zones of occupied Germany, while 2.5 million died en route), and finally refugees and deportees from the Baltic states and Poland, who were resettled in regions formerly belonging to the German Empire (2 million). There are no statistics that can quantify the personal connections and social structures that were irreparably lost in this great upheaval.

With the exception of the neutral states and Great Britain, almost all the major European cities were destroyed in the war. Damage was especially heavy in Eastern Europe, where both German and Soviet troops adopted a "scorched earth" policy during their withdrawal; in Italy, Yugoslavia, and Greece; in the Netherlands, where retreating German forces blew up embankments and dykes; in northern France, which saw bitter fighting after the Allied landings of June 1944; and finally in Germany itself, whose cities and industrial facilities became the target of massed bombing raids. In economic terms, far greater damage was caused by the destruction of Europe's transport infrastructure. By war's end, only 35 percent of the French railway network and merchant navy was serviceable, the German railway had to all intents and purposes been bombed to destruction, and the Belgian and Dutch canal systems lay in ruins. The shortage

of manpower, machines, and transport links also brought about a slump in agricultural production. By 1946–1947, the output of agricultural goods throughout the whole of Europe had reached only around 75 percent of the prewar figure. An estimated 100 million people were forced to subsist on daily rations of just 1,500 calories. Hunger, cold, and a lack of all of life's basic amenities characterized the everyday lives of Europe's citizens.

There are no reliable figures available on the state of total industrial output in Europe at the end of the war. In France in 1945, production amounted to around 35 percent of 1938 output (which itself was already some 20 percent below the 1929 figure, before the onset of the Great Depression). Neutral countries, and those less badly affected by the war, did somewhat better, whereas Germany, Austria, and Greece fared far worse. Even in late 1946, the industrial output of France and the Benelux countries stood at only 89 percent of prewar figures; Eastern, Southeastern, and Southern Europe managed just 60 percent; and Germany a paltry 40 percent. Between 1938 and 1946, the per capita share of GNP in Southern and Eastern Europe had fallen from US$120 to $90, whereas in France and the Benelux countries it had slumped from $290 to $260. By contrast, Great Britain, Switzerland, and the Scandinavian countries saw a modest rise from $420 to $580. The cost of the war and its aftermath had devastated public finances and unleashed inflationary tendencies. In Germany there was seven times more money in circulation than before the war, in France prices had risen fourfold, and in Greece and Hungary the currency collapsed. Belgium and Norway avoided the same fate only by devaluing their currencies. Not only the defeated nations, therefore, but also the victors had to pay dearly for the war.[3]

Moreover, the material and political losses suffered by European nations precipitated a liberation struggle by those peoples who had been colonized by European countries during the age of imperialism. In 1941, to stop India from throwing in its lot with the Axis powers, Great Britain had had to guarantee a postwar independence settlement. Britain duly withdrew from India in 1947 and Burma in 1948, while Ceylon (Sri Lanka) had already gained independence the year before. Plus, the Commonwealth countries of Canada, South Africa, Australia, and New Zealand, whose ties to the "motherland" had loosened considerably even during the First World War, now went entirely their own way. Likewise, while vying for influence over Syria and Lebanon with the Vichy regime in 1941,

the "Free French" committee under General Charles de Gaulle found itself obliged to promise these mandated regions independence, as well as having to agree to "reforms" in its other colonies. By 1944, homegrown liberation movements in Morocco and Tunisia were demanding independent status, and bloody clashes broke out in Algeria in 1945, while following the defeat of the Japanese occupation force in Indochina that same year, the Viet Minh movement unilaterally declared that the country was no longer under French rule. In the same way, Indonesian nationalists exploited the Japanese surrender there to proclaim the country's independence from its former Dutch colonial masters.

France and the Netherlands certainly tried to regain their colonial possessions by remodeling their administrations along the lines of the British Commonwealth. Equally, in Great Britain itself there was resistance, at least against the more radical independence movements. Yet these attempts to restore the old imperial order resulted only in protracted armed struggles in the colonies, which the colonial powers had little chance of winning—not least because the two principal victors of the Second World War (the United States even more so than the USSR) had firmly nailed their colors to the mast of freedom for the former colonies of Asia and Africa. Far from fulfilling their expectations of using this overseas potential as a way of reviving their economies, the European powers' renewed colonial posturing succeeded only in further weakening Europe—economically, militarily, and morally.

Shifts in the Balance of Power

European losses appeared all the more dramatic when set against the backcloth of the corresponding impetus that this same conflict gave to the United States, occasioning its breathtaking rise as both an economic and a global military power. Between 1938 and 1945, US industrial production soared as a result of the demand from combatant nations and the slump in European output to less than a third of its former capacity. By the end of the war, the United States was responsible for more than half of all the world's industrial output. Over this same period, the per capita share of GNP increased from US$550 to $1,260, four times the European average. Correspondingly, the terms of trade worsened for European economies; moreover, the liquidation of European overseas investment to

finance the war and the suspension of its provision of services (notably shipping) gave rise to a deficit in Europe's overall balance of trade that by 1947 had reached the staggering sum of $7.5 billion. That same year the United States recorded a trade surplus of $10 billion.

The United States' role as creditor and supplier of war materiel played a major part in furthering its ultimate aim of finding new markets for American goods and new spheres of American influence. At the founding of the International Monetary Fund (IMF) at the Bretton Woods Conference in the summer of 1944, future members had to sign on to the principle of free convertibility of their currencies. Simultaneously, the United States rose to become the world's foremost strategic military power, both at sea and in the air. Its military superiority was underpinned by its possession of the atomic bomb, first tested at Alamogordo in the US state of New Mexico on July 16, 1945, and first deployed on August 6 and 9, 1945, against the Japanese cities of Hiroshima and Nagasaki. At least initially, no other country could counter with anything comparable. All these developments saw the United States advance to a position of dominance that for the first time in history warranted the term *superpower*. This enabled it to exert more leverage than any other power in shaping the peacetime world.

In comparison, the European states' influence was further weakened by the substantial strategic gains that the Soviet Union also secured as one of the victorious powers. Certainly, from a Russian point of view, the war did not pan out nearly so positively as it did for the United States: the 27 million Soviet citizens who perished represented some 14 percent of the prewar population. Furthermore, the entire west of the country had been devastated: American estimates put the war damage at US$35.7 billion, but a Soviet audit published in 1947 put that figure at $128 billion. Farming, which in 1941 had just begun to recover from the effects of forced collectivization, was severely disrupted by the fighting on Russian soil and foraging by German forces. Industrial development was set back by years, and Soviet control over the country was seriously undermined by the German occupation and the liberation struggle. Thus, the Soviet Union at this stage was far from being a real superpower. Even so, Josef Stalin not only managed to regain most of the regions lost by the USSR during the struggle to establish the Bolshevik regime after the First World War, he also gained control over large tracts of Eastern and Southeastern Europe, areas that in the interwar

period had been a breeding ground for anti-Soviet groupings. Finally, the Red Army's advance to the Elbe-Werra Line made it the most formidable military force in Europe. All this gave the Soviet Union a strong voice in the settlement regarding what was to happen to Germany postwar.

The two principal strategic results of the war for Germany were firstly the loss of the eastern zones of settlement, which had been conquered as far back as the late Middle Ages, and secondly the demise of the "small German" (*kleindeutsch*) nation-state established by Chancellor Otto von Bismarck between 1866 and 1871. There was a large measure of disagreement among the victorious powers as to exactly *how* to prevent renewed German aggression. But they were united in their determination that the world had to be afforded a more enduring safeguard against the German threat than that implemented after the First World War. Consequently, the basic thrust of all their plans was to hinder the rebirth of an independent German nation-state along traditional lines. The unconditional German surrender, which President Franklin D. Roosevelt had set as one of his main war aims, gave the victorious powers a free hand in attaining this primary objective. The signature of the instrument of surrender on May 8 and 9, 1945, formally transferred absolute sovereignty over all former German territory and the German people to the Allied powers. De facto this spelled the end of the German Empire of 1871, even though the tensions that later arose among the Four Powers prevented it from being formally codified in international law.

The simple fact that both the United States and the USSR had wrested a large measure of executive authority over the Central European region in their capacity as occupying powers in Germany and Austria confirmed that the demise of the German nation-state also signaled the end of the old Europe. Inasmuch as it impacted on their own security, they were loath to relinquish this authority. The two European Allies also took a formal part in the occupation of Germany and Austria, but palpably played second fiddle to the United States and the Soviets. Great Britain, which in 1940–1941 had conducted a lone and desperate fight against German expansion, was now forced to watch as its parlous economic state annulled its former preeminence in diplomatic experience and consigned it to dependence on America as the leading power. The only strategy left for British foreign policy was to try to use this position to gain the greatest possible freedom for maneuver, by, on the one hand, engaging the United

States as a permanent counterweight to the USSR in European affairs, and, on the other hand, forming the smaller European states—insofar as they had not fallen under the Soviet sphere of influence—into a bloc to offset any heavy-handed American attempts to assert its dominance. But there was never any question of this balancing act allowing Britain to regain its autonomy as a major power. Rather, of necessity, British foreign policy could only contribute to stabilizing the new balance of power in Europe.

France was even less well equipped to regain its status as an independent major power, once tactical errors by its General Staff and a widespread collapse of morale had led to its capitulation in June 1940. The establishment of the French Resistance and Free French forces under de Gaulle at least spared it the ignominy of military occupation by British and American forces, as Roosevelt had originally envisaged. More importantly, the new national consensus that coalesced around these liberation forces finally allowed the country to reenter the international political arena as a serious, active player after the bitter internecine feuding of the 1930s. However, they could do little to bring about the liberation of France itself, while in economic terms as well, after years of plunder by the German occupiers, the country was obliged to turn to the United States for help. Thus, France was confronted with much the same geostrategic problems that faced Britain; the only difference was its far greater dependence on America and its even more precarious claim on an independent role in world affairs. It was only after Britain argued for a strengthening of the European component in the new order that France was belatedly granted occupying-power status in Germany and Austria. French representatives were not involved in the agreements concerning postwar Europe that emerged from the conferences at Yalta in the Crimea and at Potsdam in February and May 1945, respectively. The resultant gulf between France's formal and actual power certainly gave later French leaders greater wiggle room, but it could also on occasion lead to a counterproductive unilateralism.

The smaller states of Europe were so profoundly affected by the general loss of European influence that they found themselves excluded from any discussions on the future of Germany. Even where the settlement of other European questions was concerned, they were more spectators than active participants. Those states that had fallen into the Red Army's sphere of influence had to cleave closely to Soviet foreign policy. Two of them, Poland and Czechoslovakia, were

even forced to cede ethnically disputed regions to the USSR. Meanwhile, security and economic considerations persuaded the states of Western Europe and Italy to form an alliance with the Western powers. Their only room for maneuver within this new entity lay in their ability to use European integration to water down America's dominant role in this alliance, while at the same time countering French dominance within an integrated Europe through the inclusion of Great Britain. And even those states that, thanks to a favorable marginal location and/or clever foreign policy, managed to escape the incipient division of Europe into Eastern and Western blocs, still had to suffer further constraints on their autonomy. Their security now depended entirely on how the relationship between the two major victorious powers shaped up, yet they had no appreciable way of exerting any influence in this regard.

The upshot of all this was that Europe not only forfeited its traditional leading role in world affairs, but it also lost its ability to formulate independent policies. In place of the old European balance of power there now arose a polarization between the two principal victors of the Second World War. European states, clustered around the power vacuum that was postwar Germany, were inexorably drawn into the undertow of this polarization.

Remaining Room for Maneuver

The demise of the old Europe did not mean that the two former marginal powers, which from a European perspective now loomed large as world powers, simply carved Europe up between them. Just Europe's economic potential alone, which it had sustained despite widespread destruction, was too significant. Material losses were not so severe as a cursory glance at the ruins might at first have suggested. Thus, in the industrial Ruhr region of Germany, whose coalfields were producing only 25,000 tons at the end of the war as against 400,000 in the prewar period, only some 15 to 20 percent of machinery was beyond repair. Overall, the value of German industrial plant in 1946 was greater than it had been a decade before. Indeed, the destruction of factories often proved conducive to greater efficiency, because it allowed technological innovations to be adopted more readily than would have been possible under normal conditions. And despite the fact that the flood of refugees and displaced persons created problems of provision

and integration, they also provided a ready-made reserve army of often highly qualified labor that enabled wages to be kept low and investment to flourish.

Furthermore, the two major powers had a vested interest in a rapid stabilization of the old continent—the United States because it was fearful of slipping into a massive crisis of overproduction in the absence of strong European trading partners and vibrant consumer markets at the end of the war, and the Soviet Union because it feared instability lest it drive weakened states into an even greater economic dependence on the United States. In the immediate aftermath of the war, the United States therefore tried to allay the economic difficulties being experienced by European states by extending credit and supplying aid (though initially the United States greatly underestimated how much help was needed). For its part, the Soviet Union (contrary to the expectations of Western observers, and counter to what many commentators still maintain) attempted to mobilize the people of Europe—inasmuch as they were influenced by domestic communist parties—to renounce consumerism and bend all their efforts toward rapid reconstruction. Once the transport infrastructure was restored and once problems of political organization had been overcome in some measure, production would quickly get back on its feet. And European national economies did indeed experience a fairly steady upturn in the late 1940s—before the aid provided by the Marshall Plan could take effect, and largely irrespective of what political ideology was in force in the individual countries concerned.[4]

The only countries that came under the direct sway of an occupying power were those within the sphere of the Red Army. Other countries were at least able to limit their economic dependence, especially by pooling their resources and presenting a united policy front. They could also exploit the fact that it would not be in the interests of the Soviet leadership to drive them into the arms of the American allies and thereby further strengthen the US presence on the old continent. Moreover, they were well placed to take advantage of the fact that the United States was dependent upon cooperative partners who could offset the American public's abhorrence of costly political intervention (and yet who, in their inexperience, still remained receptive to European overtures).

Besides, the strategic thinking of the new leading powers was not necessarily geared toward confrontation and the creation of blocs within Europe. For sure, the two main victors arrived with opposing ideological systems: American

democracy with its hope that liberal-democratic values would take root in the liberated countries, and Stalin with his claim to be at the vanguard of a revolutionary movement that would one day achieve the historically inevitable conquest of the bourgeois-capitalist order. Their fundamentally different social systems entailed diametrically opposed foreign policy strategies—in the United States the expansion of the principle of free trade and a clarion call for the dissemination of liberal ideals, and in the USSR a screening-off of all market forces and liberal values. Neither the United States nor the Soviet Union had much experience in dealing with foreign powers, and in both an ideological mindset traditionally played a prominent role in settling international problems, making communication and compromise all the more difficult to achieve.

On the other hand, there were compelling reasons for maintaining the peaceful cooperation that had ensured victory for the anti-Hitler coalition, and hence for an amicable settlement of the peacetime order. Neither the US administration nor the Soviet leadership wanted a new war. The former dreaded the prospect because, aside from the cost in both human and economic terms, the American public had been persuaded only with extreme difficulty to enter the war that had just ended and now the prevailing clamor was for swift demobilization. The Soviets were equally keen to avoid conflict because their regime had escaped collapse only by a whisker and because it would take many years of strenuous reconstruction work even to restore prewar conditions. Also, the sheer cost and destructive potential of major wars, which grew exponentially with technological advances, made it advisable to avoid them—especially now that deployment of such a devastating weapon as the A-bomb became a very real possibility. But if war was out of the question as a way of shaping US-Soviet relations, it made absolute sense to reduce the potential for conflict. This in turn argued in favor of not allowing two mutually antagonistic blocs to arise in the first place.

For all the differences in their economic and political systems, the basic commercial interests of the two main powers were in large measure complementary: while the United States, following its industrial expansion to meet war demands, needed to find new markets in order to prevent an overproduction crisis, with its attendant high unemployment and recession, the USSR needed a large influx of manufactured goods to make good war damage and to meet its citizens' expectations of a higher standard of living through the import of more consumer prod-

ucts. Provided that the United States would first agree to loan the USSR sufficient capital, the Soviets could meet their import requirements from American production. The opening up of Soviet markets that this entailed responded to the Americans' desire for a global multilateral system of trade; meanwhile, to make good their balance-of-trade deficit with the United States, the Soviets could give American industry access to its huge untapped raw material resources. Little wonder, then, that it was the liberal business world that urged the US administration to maintain cooperation with its Soviet allies; in the Soviet Union, economic technocrats also gave signals in the same direction.

Above all, however, both the United States and the Soviet Union displayed a fair degree of flexibility in the choice of methods they employed, while the mutual threat they posed in pursuit of their divergent security interest never became really critical. Although the United States sought to give the new political and economic world order a liberal orientation, in the interests of its own economic expansion it was still perfectly able to do business with partners that did not meet its ideal political or commercial expectations. Nor did it have any particular strategic or economic interest in Eastern Europe, the primary focus of Soviet security policy. Before the Second World War, around 2 percent of American exports were to Eastern Europe, about 3.5 percent of its imports came from there, and 5.5 percent of its foreign subsidiaries were based there. Accordingly, President Roosevelt argued in favor of letting the Soviet Union impose its own sphere of influence on Eastern Europe and extending loans to help the country reconstruct its war-ravaged territories. The theory was that this would help overcome Stalin and the Moscow politburo's abiding mistrust of Western "imperialists" and so lay the foundations of lasting cooperation.

By contrast, Stalin and the entire ruling elite of the Soviet Union remained in thrall to Marxist-Leninist ideology. This maintained that the industrialized capitalist states were all condemned to destruction and that the final victory of socialism, which had achieved its first breakthrough in the Russian October Revolution of 1917, was inevitable. And so there was no question of any lasting cooperation with the imperialist powers and their leaders, only strictly temporary tactical alliances. Yet Stalin was enough of a realist to distinguish between "reactionary" and less reactionary, "aggressive" and less aggressive groups and representatives of capitalism. At the same time, he also had a keen understanding

of the true levers of power: he knew (or had learned through bitter experience) that virtually no European country was ripe for revolution, and he was well aware that the United States had emerged from the war far stronger than the war-torn Soviet Union. He also registered the American breakthrough in developing the atomic bomb as a major defeat that threatened to annul the victory his forces had just secured over Nazi Germany.

As a result, to consolidate his gains and forestall a renewed threat to the Soviet state by aggressive imperialists, Stalin sought an accommodation with the Western powers. He identified the basis for such an arrangement in the pragmatism of the British leadership and in the progressive stance of the Roosevelt administration. On this basis, the wartime alliance could be transformed into a peacetime confederation. The Commission on Matters regarding the Peace Agreements and the Postwar Order that Stalin set up in September 1943, issued a memorandum in November 1944 that recommended a clear demarcation of spheres of influence in Europe. In it, Finland, Sweden, Poland, Hungary, Czechoslovakia, Romania, the Balkan states, and Turkey were included in the "maximum Soviet sphere of influence." The Netherlands, Belgium, France, Spain, Portugal, and Greece were counted as being "unquestionably within the British sphere." In demarcating these spheres of influence, it was taken as meaning "that Britain should forge no especially close relations with the countries within our zone," nor should it maintain any military bases there. Conversely, the same rules pertained for the Soviet Union within the British zone. In a third, neutral zone, which encompassed Norway, Denmark, Germany, Austria, and Italy, it was envisaged that "both sides should cooperate on an equal footing, with regular mutual consultations."[5]

This insistence upon a Soviet security zone did not mean that Stalin wanted to introduce the Soviet system there immediately. In an extensive memorandum sent by the Soviet deputy commissar of foreign affairs Ivan Maisky to key members of the Soviet leadership on January 11, 1944, an orientation to "the broad principles of democracy in the spirit of the popular front" was recommended for *all* liberated countries, from France to Germany and Poland. The victorious powers should cooperate closely in the "democratization of administrations in postwar Europe."[6] Accordingly, even Communist Party leaders in Eastern Europe were advised that the socialist revolution and adoption of the Soviet system was not yet on the agenda: "This is not so straightforward a task as some people

Prime Minister Winston Churchill, President Franklin D. Roosevelt, and Marshal Josef Stalin at the Yalta Conference, February 1945. The "Big Three" agreed on the main lines of a common postwar order. (Library of Congress)

imagine."[7] For Germany and Austria, this meant a joint reorganization by the victorious powers. German communists were instructed to crack down on any attempts to undermine the unity of the anti-Hitler coalition and to work for "realization of the bourgeois-democratic revolution" of 1848.[8]

Accordingly, the leaders in Washington and Moscow undertook initiatives to ensure continuing cooperation between the Allies after the end of the war. Thus, a decision was taken at the Yalta Conference to divide Germany and Austria into zones of occupation and to place the capital cities of Berlin and Vienna, which both lay well inside the Soviet Zone, under joint administration by the Four Powers. At Potsdam, the "Big Three" (Stalin; Roosevelt's successor, Harry S. Truman; and the British prime minister, Winston Churchill, and then his

successor, Clement Attlee) agreed to administer the occupation zones under the overall command of an Allied control commission and to charge a joint commission of foreign ministers with the task of drafting a peace treaty. It was decided that a central German government should not be created immediately, but instead that "individual central administrative authorities" should be established to look after key areas, such as the economy, finance, and transport.

In parallel with this, with the establishment of the United Nations the Big Three created an organization that made the maintenance of peace contingent upon permanent agreement among the victorious powers, thereby underlining how vital their cooperation was. The UN Charter, which was signed on June 26, 1945, in San Francisco, drew a clear distinction between permanent members of the Security Council—which included France and the United Kingdom alongside the United States, the USSR, and China—and other member countries. Permanent Security Council members were accorded the right of veto over any Security Council resolutions. Meanwhile, the General Assembly of all member states had to make do with a merely advisory capacity on measures aimed at creating a "peaceful world order."

At the end of the war, then, the future of Germany, Europe, and the new world order remained unresolved in many respects. For instance, it had still not been decided whether the demise of the Third Reich should be followed by joint rule by the victorious powers, which would then gradually be transmuted into a controlled form of autonomy, or whether Germany should be divided into two states that would be integrated into opposing eastern and western blocs. Equally, it was still uncertain how rigid these power blocs should be and whether cooperation or confrontation would set the predominant tone in relations between them. Likewise, it was unclear how far the states within the Soviet sphere of influence would lose their autonomy and be forced to fall in line with the Stalinist model. And finally it remained open whether or to what extent the rest of Europe would become either a stabilizing factor between the United States and the USSR or the object and victim of their confrontation. Decisions in all these four areas were closely bound up with one another. In this matter, the United States' strategic and economic dominance saddled it with a particularly heavy responsibility; yet much also depended on Stalin's attitude—and, albeit to a much lesser degree, on how the Western European nations themselves behaved.

1. *Postwar Upheavals*

THE FACT that the opportunities for an amicable settlement of the postwar order were largely missed, and that instead Europe found itself divided by the incipient Cold War, was initially a result of some very specific failures. For a start, the communist leadership had no idea how to behave in order to make their offers of cooperation appear remotely plausible, while Western societies found it hard to adopt the kind of farsightedness necessary for meaningful cooperation. This resulted in a second phase characterized by mutually skewed perceptions, with both sides increasingly regarding the other as aggressive, despite this not being the case. The more this misperception spread, the more there obtruded the question of security, which arises in every situation of competition between opposing powers (this was phase three of the relationship). Both sides, then, took precautions against the attack they feared the other might instigate. In turn, these precautions were construed by each as proof of the other's aggressive intentions, thereby provoking further measures—a double vicious circle with no easy chance of escape.

The Sovietization of Eastern Europe

The process of dividing Europe began with the realization by the Soviet authorities in Moscow that it would be by no means as simple as they had assumed it would be to eradicate fascism and establish a Soviet-friendly outlook among people living in the countries on the western fringes of the USSR's sphere of influence. This prompted the communists to resort, in those places where the Red Army held sway, to tried-and-tested Leninist methods: agitation among the proletariat, manipulation behind the scenes, the threat of coercion, and ultimately suppression of free speech by the police and military authorities with no constitutional checks and balances. Of course, these methods were wholly incompatible with the principles of democracy and the rule of law. In practice, then,

"antifascist agitation" in the area controlled by the Red Army took on many aspects that were reminiscent of Marxist-Leninist revolution.

So, for a long time Stalin did not consider a simple seizure of power by Polish communists to be the most appropriate means of preventing Poland from taking an anti-Soviet course. Rather, up to the summer of 1944 he tried to identify potentially acquiescent and cooperative members of the Polish government in exile in London. Only when it became clear that none were to be found did he accede to pressure from Polish communists to take steps to ensure that a communist-dominated regime came to power. This was why he refused the help he could have given the noncommunist Warsaw Uprising of August 1944 against the Nazis; and when the Red Army occupied Poland in the winter of 1944–1945, resistance leaders who tried to negotiate any positions of influence for themselves were summarily arrested. It was only as a result of American pressure that at the end of June 1945 the Peasants' Party, as potentially the strongest political grouping in the country, was granted four cabinet posts in the communist-established administration, plus another one for the socialists. But when the majority of the Peasants' Party refused to join the communist- and socialist-dominated Democratic Front, the communists responded by postponing elections to a constituent assembly until January 1947, and then manipulated them to such an extent (unnecessarily, as it turned out) that the Democratic Front won 394 out of a possible 444 parliamentary seats. This left Poland's communists with a completely free hand. Admittedly, they began by adopting an "independent path to Socialism," which was designed to bring both the rural peasant masses and the Catholic Church on board in working toward a socialist state.

Yet Stalin did find the sort of cooperation he had sought in vain among the Polish government in exile among the equivalent Czechoslovakian body. State president Eduard Benes and a majority of the country's democratic forces concluded from the 1938 Munich Agreement and the shift in the continent's balance of power that they needed to win over the Soviet Union as a protector to safeguard their independence. Accordingly, at the Soviets' behest, Benes readily dropped the plan for a Polish-Czech federation, acceded to their wish to have the autonomous Carpatho-Ukraine region transferred to Soviet control, and represented the Soviet position in international affairs. So, following the country's liberation by Soviet and (to a much lesser extent) American forces, political

power was vested in a National Front made up of communists, social democrats, nationalist-socialists, the Catholic People's Party, and the Slovakian Democratic Party. Although the communists were in a strong position in this grouping, the policy of root-and-branch social reorganization (including the expulsion of the Sudeten Germans) was supported by a broad consensus among the coalition partners.

In Hungary, under the aegis of the Red Army, Stalin had put in place a coalition government of communists, socialists, and the Small Country Landowners' Party that instituted social reforms in gradual stages in the country, which hitherto had been governed in quasi-authoritarian fashion by a small ruling elite and had been closely allied with Germany. However, here there was no broad basis for a Soviet-friendly line; quite the contrary, in fact—in the October 1945 elections, the communists suffered a resounding defeat, with just 17 percent of the vote (as against 57 percent for the Small Country Landowners' Party and 17.4 percent for the Socialists). The leader of the Country Landowners, Ferenc Nagy, was accepted as prime minister by the Soviets but then came under increasing pressure from his communist colleagues in the cabinet. In January 1947, several prominent members of the Small Country Landowners' Party were accused of involvement in an attempted coup and were arrested, and by the end of that same year their most important minister was barred from the cabinet. This cleared the path for a communist monopoly on power.

In Romania, the Soviet leadership initially tried to deal with the group of conspirators, comprising opposition politicians and sympathetic generals, which had toppled the Hitler-friendly regime of Ion Antonescu in August 1944. Demands by Romanian communist leaders for a greater share of power were dismissed out of hand. But fearing general unrest among the rural populace, who were decidedly anti-Bolshevist in their outlook, in February 1945 the Soviet occupiers forced King Michael to put together a communist-controlled cabinet. Opposition to the new regime was considerable, and even began to grow, but had no further means of asserting itself. In August 1945, King Michael tried in vain to bring down the new government. In January 1946, American pressure brought cabinet appointments for two representatives of opposition parties, although they never secured any real influence there. And when voters served up a resounding defeat to the communists in the elections of November 1946, the results were

simply falsified. The following year brought the wholesale arrest of opposition leaders, erosion of their party funds by a currency reform, the expunging of independent elements from the Democratic Bloc, and finally the forced abdication of King Michael on December 30.

In September 1944 in Bulgaria, as Red Army troops closed in, a Patriotic Front comprising members of the Peasants' Party, communists, socialists, and officers belonging to the nonparty Zveno political and military organization, staged a coup against the ruling pro-Hitler authoritarian regime. Within the new ruling coalition, the Communist Party, here with rapidly growing mass support and protected by the presence of the Soviet army of occupation, soon came to occupy a dominant position. Encouraged by British forces' suppression of the communist partisan movement in neighboring Greece, in July 1945 acting prime minister Nikola Petkov attempted a showdown with the communists by suddenly quitting the Patriotic Front along with a substantial section of his Peasants' Party. Yet the move backfired when only a single list of approved candidates from the Front was allowed to contest the November 1945 elections, which consequently topped the poll with 88 percent of the electorate on a turnout of 85 percent. However, negotiations on taking two opposition politicians back into the government (in line with a pledge given by the Soviet authorities to the United States) foundered on the communists' refusal to grant the opposition any real influence. Following the conclusion of the peace accord on April 10, 1947, and the disbanding of the joint Allied Control Commission, whose presence had ensured the opposition at least some measure of protection, Petkov was arrested and sentenced to death, and his already crippled Peasants' Party was dissolved.

In Yugoslavia, the communist partisan movement under Josip Broz Tito had—largely through its own efforts alone—managed to assert itself against rival resistance groups and take the leading role in the struggle against the Axis powers. While Stalin urged cooperation with the bourgeois forces and the country's exiled king, Tito accorded the noncommunist elements only a subservient role in the People's Front. He pressed ahead with dispossession of the large landowners and industrialists on the Soviet model and instituted criminal proceedings against active members of former rival groupings, especially the Serbian nationalist Chetniks and the collaborationist Croatian Ustaše. Yet despite

toeing a largely communist line in such matters, Tito's regime soon came into conflict with Stalin, who regarded the revolutionary zeal of his Yugoslavian comrades as too rash in many regards.

Under quite different circumstances, Soviet influence in Finland was also strictly limited. On two separate occasions—in the Winter War of 1939–1940 and again during the Soviet Karelian Offensive in the summer of 1944—the Finnish army had fought the Red Army to a standstill. Throughout the entire course of the war, the United States signaled its active interest in maintaining democratic rule in Finland, while the pronouncedly Soviet-friendly foreign policy line adopted by the Paasikivi government, which took the helm at the end of hostilities, deprived the Kremlin of any pretext to attempt renewed intervention.

Western Europe and Germany

In the countries within the American and British forces' sphere of influence—and especially in France and Italy—the communists, acting on Stalin's instructions, mobilized all available forces to engage in reconstruction, which was to take place in conjunction with the traditional elites. So, in France, the communists helped the Free French leader General Charles de Gaulle to disarm the various militias of the French Resistance; they then refused to support their socialist coalition partners' demands for the nationalization of all major industries, a planned economy, and participation in government. In Italy, the Communist Party under the leadership of Palmiro Togliatti rejected the reform plans put forward by the socialists and the Action Party formed by former resistance members in favor of cooperation with the Liberals and above all with the Christian Democrats.

Yet the US leadership failed to acknowledge the communists' contribution to restoring stability in Western Europe, choosing to focus instead on their actions in Eastern Europe, which were regarded as a breach of the agreements reached at the Yalta Conference, in which Stalin had guaranteed all liberated countries "governments commensurate with the will of the people."[9] In line with this, the considerable gains made by communist parties in the first postwar elections held in various Western European countries were seen as a harbinger of their intention to seize power throughout the region, including in Germany.

A Yugoslavian soldier at a barricade in Trieste, May 1, 1946. The "Iron Curtain from Stettin in the Baltic to Trieste in the Adriatic," denounced by Winston Churchill in his speech in Fulton, Missouri, on March 5, 1946, was strengthened during the years of bloc building. (Time & Life Pictures/ Getty Images)

Economic hardship and communist agitation were considered to be a highly explosive mix. Most European countries stood "close to the edge of the abyss and could at any time be pushed over," warned the State Department's undersecretary for economic affairs, William Clayton, in a memorandum of March 5, 1947; in Greece and France in particular, it was easy to foresee an economic collapse resulting in a communist takeover.[10]

In the course of its attempts at "containment" of Soviet expansion (a concept promoted by the American diplomat George F. Kennan from the spring of 1946 onward), the administration of Harry S. Truman deliberately targeted its economic aid at countering communist influence, and pressed socialists and Christian Democrats to exclude communists from all governmental responsibility. However, those who were already in partnership with communists in government, and who relied on their support to enact their own reform plans, initially showed little inclination to accede to the Americans' demands. But they soon came under pressure from anticommunist forces within their own countries, whose influence increased with the growing confrontation between East and West. In France, for instance, de Gaulle's convening, after leaving office, of a broad coalition of political forces to form the Rally of the French People (Rassemblement du Peuple Français; RPF) posed a right-wing challenge to the Christian Democrats; in Italy, meanwhile, tradition-minded dignitaries and the Vatican were trying to engineer a split between the Christian Democrats and the communists. Consequently, the communists' position within governments grew progressively weaker, and their followers became increasingly discontent over the policy of compliance dictated by Moscow. By the spring of 1947, the frustration of the communist rank and file, on the one hand, and the pressure exerted by anticommunists, on the other, had reached such a pitch that all governing coalitions that included communists had fragmented, beginning in Belgium on March 11, then in France on May 5, and finally in Italy on May 13.

Germany, which the victorious powers initially intended to govern in concert, felt the force of the East–West confrontation even more profoundly. Whereas Roosevelt had basically agreed with the Soviet plan for German reparations (which involved the confiscation of industrial plant and the provision of goods from continuing production to the tune of US$20 billion, half of which was to go to the Soviet Union), Truman feared that reparations of this magnitude might

lead to the economic ruination of Europe. The only thing, therefore, that the Allies could agree on at Potsdam was that each of the victorious powers should for the present meet its reparations needs only through supplies from the zone that it controlled. In addition, the USSR was granted one-tenth of all dismantled industrial plant from the Western zones of occupation (the full extent of which, however, remained unspecified).

The effects of this division of the reparations spoils were all the more damaging because France, which was not represented at Potsdam, vetoed the establishment of joint control commissions in the four zones of occupations. In doing so, De Gaulle wanted to ensure that the Rhineland was hived off from any potential German Confederation, and that the industrial Ruhr region was brought under international control—both vital preconditions, as he saw it, for France's future security. But in reality, the sole effect of the absence of any suprazonal authorities was to make de-Nazification of German society in East and West a very haphazard affair. In the West, it was conducted less thoroughly, though in accordance with the necessary bases of the constitutional state, whereas in the Eastern zone it was often carried out brutally and quite arbitrarily. When, in the Soviet zone, the Social Democrats threatened to become the largest party, the occupying powers forced them to merge with the communists. The resulting new Socialist Unity Party (Sozialistische Einheitspartei Deutschlands; SED), which came into being at a congress held on April 21–22, 1946, remained restricted to the Soviet zone, thereby deepening the rift between East and West.

Moreover, this rigid Soviet pressure to merge German workers parties only served to heighten the Western powers' misgivings over Soviet intentions in Germany. The suspicion that Stalin was trying to bring the whole of the country within the Soviet sphere of influence checked their eagerness to draw up common regulations for all four occupation zones. Although plans for nationwide administrative bodies, such as the American offer of a Four-Power Security Council for the Demilitarization of Germany, or the British suggestion of a step-by-step creation of a provisional government, were seriously discussed right up to the foreign ministers' meeting in Moscow in March–April 1947, these all regularly foundered on intractable Soviet–American disagreements on the reparations question. In the spring of 1946, therefore, the British government began promoting the idea of state building inside the three Western occupation zones

without Soviet involvement. Barely a year later, the US administration also formally adopted this policy. Accordingly, on January 1, 1947, the US and British zones were merged to form the Bizone. By contrast, Stalin continued to insist on pan-German objectives, while at the same time the authorities within his occupation zone continued the process of eradicating National Socialism there in ways that flew in the face of all democratic principles.

Under these circumstances, plans for a European "Third Force" between the USSR and the United States scarcely made any headway. The re-creation of an Internationale of socialist parties from East and West, a potential reservoir of pro-unification forces, foundered on the fear of the Eastern Europeans and the British Labour Party alike that its room for maneuver would be severely restricted. Likewise, attempts to forge stronger relationships between Western and Eastern European states, such as the French plan for a Franco-Czech Alliance, never got beyond the first planning stage. And, as a result of British vacillation and French insistence on a separation of the Rhineland from German sovereign territory, initiatives for a Western European confederation under joint French and British leadership led only to the watered-down Dunkirk Pact of May 4, 1947, which apart from agreeing mutual support in the event of renewed German aggression, contained no substantial provisions for cooperation.

Efforts to weld Western Europe and the United States together into a bloc to oppose Soviet expansion also met with little success at first. Winston Churchill, now the British leader of the opposition, spoke publicly in March 1946 of an Iron Curtain that had descended between East and West, and of the necessity for transatlantic solidarity. In September 1946 he urged the French and Germans to create a "kind of United States of Europe" in the West. On both occasions his comments met with more rejection than assent in Europe.

The Marshall Plan as a Turning Point

The change toward a lasting division of Europe began with the attempt by the US administration in the spring of 1947 to intensify its stabilization policies for Western Europe, including the Western areas of Germany. From an American standpoint, this attempt was necessary, because the amount of aid thus far distributed to countries outside the Soviet sphere of influence had proven too small,

with the result that the European countries in question were threatening to slip back into protectionism. Yet it was also extraordinarily difficult: the US Congress showed itself unwilling to approve new credit for Europe, while the French government refused to approve the rapid reconstruction of West German industry that was essential for a lasting recovery of Europe's economy. The Truman administration overcame the reluctance of Congress by deliberately magnifying the Soviet threat. In the Truman Doctrine presented to Congress on March 12, 1947, as part of the request to furnish Greece and Turkey with more financial aid, the conflict between the Soviet Union and the United States was painted as a global struggle between a regime of "terror and repression" and "freedom"; the United States was now faced with the challenge of defending this freedom worldwide. In the meantime, Kennan (who by this stage was head of policy planning at the State Department) and US secretary of state George C. Marshall tried to overcome French resistance by bundling up the planned aid for various European countries into a multilateral Reconstruction Program, which, in opening the way for integration of the participating countries, offered France a new form of control over German resurgence. In order to sell this program—which since its presentation by the secretary of state on June 5, 1947, was known as the Marshall Plan—in Western European countries with their strong traditions of communist and socialist activism, in addition the Americans offered it to Eastern European countries, including the Soviet Union. Although it was not the main aim of the plan's instigators, this also had the advantage of holding out one further chance of reversing the division of Europe, which was already under way.

In both Western and Eastern Europe, the announcement of the Marshall Plan raised great hopes for the realization of the Third Force, and for some time Stalin vacillated between worrying that the West might form a concerted bloc if he rejected the plan, and fear that his sphere of influence in Eastern Europe might begin to loosen, or even dissolve completely, if he took part in it. He therefore set conditions for Soviet participation, in the hope that the Western European governments would rally to him. However, when they refused, he had effectively excluded himself from the program. On July 2, 1947, the Soviet foreign minister, Vyacheslav Molotov, formally rejected the alleged "plan for the subjugation of Europe" by American imperialism. The governments of Eastern Europe, which without exception had expressed an interest in taking part in the Marshall Plan, and which were all (except for Yugoslavia) still determined to take part even after the Soviet rebuff, were forced by the Kremlin to retract their acceptance. To forestall a possible Soviet intervention, Finland decided of its own accord not to participate.

To thwart the Americans' plans, during the summer of 1947 Stalin devised a two-pronged strategy that involved both mobilizing Western European opinion against the supposed subjugation, and bringing Eastern European regimes more firmly in line with the Soviet model and more firmly under Moscow's control. At the end of September, at a conference in Szklarska Poręba in Silesia, the leaders of the most significant communist parties were informed of this new direction in Soviet policy and obliged to cooperate in a Communist Information Bureau (Cominform). In a mirror image of the Truman Doctrine, the leader of the Soviet delegation, Andrei Zhdanov, defined the East–West conflict as a global life-and-death struggle between the "imperialist and antidemocratic camp" under the leadership of the United States and "anti-imperialist and antifascist forces" headed by the Soviet Union.

In Eastern European countries, the pressure from Moscow, combined with the ongoing crisis of reconstruction—exacerbated by the lack of any American financial aid—had the effect of eliminating any remaining freedom of maneuver for independent political forces. In Czechoslovakia, a dramatic trial of strength between the Communist Party and its democratic coalition partners ended, on February 29, 1948, in the establishment of a regime rigidly loyal to Moscow and the complete disempowerment of the noncommunists. In other Eastern European states as well, all remaining organized opposition groups were abolished, social democratic parties (following extensive purges) were merged with the communists, all labor organizations were brought under communist control, and all those suspected of having not shown unswerving loyalty to Stalin at all times were weeded out of the Communist Party elites. The restructuring of society was carried out along strictly Soviet lines, and in place of pragmatic alliances with groups that were at least partially amenable to reform, there now came police-state terror organized by a minority. Following the Soviet pattern, top priority was invariably given to the development of heavy industry, central planning methods were introduced, and the collectivization of all agriculturally

worthwhile land pressed ahead, in the face of widespread opposition. Economic output was increasingly geared to the needs of Soviet reconstruction, with ties to Western markets heavily reduced. This multifaceted indirect Soviet suzerainty over Eastern Europe turned it into a closed Soviet Bloc.

In Western Europe, the leaders of communist parties gave their supporters and fellow travelers free rein to vent the discontent that had been building up since the war's end. In France and Italy in the winter of 1947–1948, there developed massive strike movements that sometimes took on the flavor of a general insurrection. Far from hampering the United States in achieving its aims in Europe, though, these helped it: faced with the spectacle of these strikes and the accompanying communist ideological offensive, the overwhelming majority of Western Europeans, who up to this point had always tended to dismiss as groundless American fears about an expansion of Soviet influence in Western Europe, now themselves became convinced that the communist parties were indeed attempting to topple the existing order in Western Europe and that the Kremlin was trying to bring the whole of the continent under its control. There now seemed no possibility of taking communists back into constitutional government. And so it was that the communists found themselves consigned to the ghetto of the "counterculture," as the political pendulum swung noticeably to the right, and reconstruction under the Marshall Plan proceeded on the basis of a broad anticommunist consensus.

Restoring the Status Quo in Western Europe

Hence, from the winter of 1947–1948 on, the Cold War became an inescapable fact of domestic politics in Western European states. In France, the socialists saw themselves forced by circumstances into taking on the role of left-wing fringe group within a coalition headed by Christian Democrats and Conservatives; as time passed, this coalition moved further and further away from the reforming spirit of the immediate postwar administrations that had emerged from the resistance movement. In the Italian elections of April 1948, the Christian Democrats, with massive American support, beat a coalition of communists and left-wing socialists; the ghettoization of the communists henceforth ensured the Christian Democrats an uncontested grip on power. In the western regions of

Germany, the Social Democratic Party (SPD) found its backing much reduced as a result of the heavy concentration of its supporters in areas now within the Soviet Zone, while Christian socialists lost their former key position within the Christian Democratic Union (CDU). Overall, the new anticommunist consensus and a growing fear of the Soviet threat helped the traditional bourgeois ruling elites, discredited either by their collaboration with the National Socialists or by their defeat in the face of Nazi expansion, rehabilitate themselves and resume their positions of power. In Great Britain, the ruling Labour Party came under increasing pressure from the Conservatives and in the elections of 1951 lost the majority it had gained in 1945.

This trend toward restoring the old order was greatly strengthened by the American pressure for rapid reconstruction and integration of European economies. Although in principle it was by no means hostile to social-democratic ideas of reform, the Truman administration nevertheless thought that it could ill afford any further experiments, given the desperate situation in Western Europe. Accordingly, it organized reconstruction under the Marshall Plan along the lines of its own successful economic-liberal template. The rebuilding of western Germany's heavy industry was no longer held back on security grounds, with the result that German business soon began to assume its leading role on the continent once more. In the fall of 1947, under massive American pressure, nationalization of the Ruhr industrial heartland—the linchpin of reforming programs sponsored by everyone from the German Christian Democrats to the French Socialists—was postponed until the establishment of an elected West German government, and so de facto killed off. In the preparations for West German currency reform, the American occupation authorities worked closely with traditional liberal powers; by favoring existing asset holders and yet not at the same time instituting a compensation scheme, the architects of West Germany's new financial structure clearly paved the way for a market economy that left the prevailing state of property ownership fundamentally unaltered. American Marshall Plan funds had to be petitioned afresh from Congress every year, and their disbursement was under the ultimate control of the American Economic Cooperation Administration (ECA); these two factors made it difficult for participating countries to undertake any long-term economic planning, because the Americans could use their position to influence certain aspects of a country's

national investment policy in favor of their own conceptions of a liberal economic order.

Admittedly, the Western Europeans largely had themselves to blame for the fact that they did not manage to assert their autonomy to any great extent in the enactment of the Marshall Plan: given that it had no interest in a long-term structural dependence of European countries on the United States, but instead wanted to regain robust, independent trading partners, in the summer of 1947 the Truman administration expressly left the initiative for formulating the details of the aid package to the participating countries themselves. Only after the Europeans found themselves unable to agree on an integrated reconstruction program and even the first step toward integration of the member countries, in the form of a European Customs Union, had fallen through, did the Truman administration begin to impose its concept of an optimal reconstruction program. The French government made repeated attempts to achieve unity among the Marshall Plan countries in the interests both of European self-determination and (insofar as this was still possible) of mediation in the East–West conflict, but the British Labour government balked at committing the country to such close ties to the continent. And without British involvement, most continental Europeans, especially the Left and the Benelux countries, did not want to proceed with European integration. As a result, despite a considerable surge in support for the unification movement in 1947–1949, the policy of European union never got beyond the planning stage. The founding of the Council of Europe in 1949—which, in the eyes of continental Europeans, after exhaustive negotiations was a first step toward the creation of a federal Europe—really only signaled a further delay in concrete moves toward real integration: the British resisted all attempts to grant the Council responsibility for communal initiatives, and in so doing condemned it to irrelevance.

Western Bloc Building

While European unification stagnated and the concept of the Third Force also continued, de facto, to languish, the creation of blocs in Western Europe proceeded apace. Deeply unsettled by the prospect of Soviet encroachment into Western Europe, as early as December 1947 the British foreign secretary, Ernest

Bevin, urged his American counterpart, Marshall, to create "some Western democratic system comprising the Americans, ourselves, France, Italy, etc. and of course the Dominions," which would guarantee the Europeans in particular military protection by the United States.[11] In advance, he offered the Americans a collective defensive pact between Great Britain, France, Belgium, the Netherlands, and Luxembourg: the Treaty of Brussels signed on March 17, 1948. After the violent end to Czechoslovak democracy in February 1948, which made the specter of military aggression very real for many Western Europeans, this policy gained mass support in Western Europe. Equally, in the United States, where the government had initially been lukewarm about a military pact because it did not believe Europe was under military threat, there now arose a new willingness to support the Brussels Pact with its own commitment. On June 11, 1948, the US Senate voted in favor of a declaration that for the first time in American history committed the United States to a defensive alliance in peacetime.

The process of Western bloc building was accelerated by Stalin's frankly desperate attempts to prevent at the last moment the establishment of a West German state—a logical outcome of the integration of all three Western occupation zones into the Western European reconstruction program. After representatives from the United States and the Brussels Pact nations had reached an agreement in London at the beginning of June 1948 on the basic form the new West German state should take, Stalin took the implementation of currency reform in the Western sectors of Berlin as a pretext to sever all road and rail links between Berlin and the Western occupation zones (as of June 24). This appeared to him the only possible way to prevent the London declarations from being put into practice and to revive negotiations about a settlement that would take in the whole of Germany.

In fact, the US State Department now seriously entertained a plan for the withdrawal of troops by all sides from the four occupied zones, in the hope of thereby avoiding what threatened to become a debacle for American policy on Germany. The British and French military governors in Germany also argued in the same vein. But when, from the end of August onward, it became clear that it would be perfectly feasible to supply the populace of West Berlin by an airlift to the British and American sectors, including for the coming winter, Marshall and Truman not only resolved to stick it out—they also quite deliberately spun out

negotiations over lifting the blockade. Because it provided such stark proof of the aggressiveness and cynical brutality of the Soviets, it was an excellent means of countering any remaining resistance to the idea of Western bloc building—be this in the form of the West Germans' hesitation in formally establishing a state that would manifestly deepen the rift with fellow Germans in the Soviet zone, or French misgivings about the rise of a strong new Germany on their eastern borders, or, at home, congressional resistance to a costly and enduring American military commitment to Europe. On April 4, 1949, representatives from the United States, Canada, Great Britain, France, the Benelux countries, Italy, Norway, Denmark, Iceland, and Portugal signed the North Atlantic Treaty in Washington, DC, and on May 8 the Parliamentary Council of representatives from the West German *Länder* (states) approved the Basic Law for the Federal Republic of Germany.

When Stalin realized that his land blockade of West Berlin could not prevent the founding of the Federal Republic, his only choice was to reopen the road, rail, and canal links. The blockade was lifted on May 12, 1949. Even so, he still hoped for a groundswell of popular resistance to the establishment of a West German state. He repeatedly rebuffed requests by the SED leadership to follow the West German example and form a government for the Eastern Zone; instead, the German comrades were instructed to form a National Front to fight for the "economic and political unification" of Germany.[12] Only after elections for the first federal German parliament had taken place on August 14 and all hopes had vanished that the Allied Council of Foreign Ministers would reconvene did Stalin finally agree, in September, to implement a constitution for a German Democratic Republic, which a "German People's Congress" had already adopted (with dubious legitimacy) on May 30, and which for the time being would have force only within the area covered by the Soviet occupation zone. This state was formally founded on October 7, 1949, although the elections provided for in the constitution were put back for a year. When they finally did take place, on October 15, 1950, they were conducted on the principle of a single list of candidates, with no real choice for voters. So, right from its inception the second German state lacked democratic legitimacy.

By the end of 1949, the defunct system of a balance of power in Europe had thus been replaced by two opposing blocs dominated by the two principal

victors of the Second World War, which split Europe into an Eastern and a Western hemisphere. The power vacuum left behind after the collapse of the Third Reich was now filled, with the spheres of influence of the superpowers clearly demarcated and realization of their fundamental interests secured. It remained unclear whether and for how long the state of confrontation that had given rise to this division would persist, what dimensions the American and Soviet involvement in Europe would assume, and hence how lasting this split would turn out to be.

The Chinese Revolution

Unlike the downfall of the German Third Reich in Europe, the collapse of the Japanese Empire in East and Southeast Asia did not lead to a partition of the region under the auspices of the Cold War. The prime reason for this was that the liberation of the East Asian region did not come about through a coalition of Western and Soviet armed forces, but was basically carried out by US forces alone. The Soviet Union did not enter the war against Japan until right at the end, on August 7, 1945. Even though the Russian offensive against Japanese troops in Manchuria played a significant part in the Japanese High Command's decision to offer its surrender on August 10, Stalin failed to achieve anything beyond a nominal Soviet involvement in the occupation of Japan. Officially, the occupying force comprised eleven nations, but in reality 90 percent of the troops were from the United States, and their commanding officer, General Douglas MacArthur, as Supreme Allied Commander, wielded practically unlimited power.

Yet the fact that East Asia was still sucked into the undertow of the East-West conflict can be ascribed to the attraction of Leninist political models for populations in the region whose traditional modes of existence had been challenged by their encounter with Western modernity. This resulted in the growth of communist-nationalist movements that became as much of a problem for the USSR as they were for the United States.

Nowhere was this more dramatically evident than in China. Following the withdrawal of Japanese troops, who had controlled the east of the Chinese Empire from Manchuria to Canton and whom the warring parties on the Chinese

side had found it impossible to dislodge through their own efforts, the Chinese civil war between the Guomindang (GMD) National Party under General Chiang Kai-shek and the communists under the new leadership of Mao Zedong broke out with renewed force. US liberation forces in the country tried to persuade the two sides to reach an accord, but the Guomindang, who had pushed forward from their power base in the southwestern province of Sichuan to disarm the great majority of the Japanese troops and take over the regions they had once occupied, were adamant in their refusal to share power with the communists. For their part, the communists, who operated from a few strongholds in the North, would agree to renounce the armed struggle only if in return they were ensured a role in a coalition government.

Nor could Stalin prevail upon the communists to fall in line with the clearly dominant administration of the Guomindang. Even though the Soviet dictator allowed communist guerrillas to establish a foothold in the rural areas of Manchuria overrun by the Red Army, he still denied the communists any substantial military or economic aid, preferring instead to form an alliance with the Chiang Kai-shek government on August 14, 1945. This agreement ensured his control over Outer Mongolia and confirmed Russian rights to use of the railroads and harbors in Manchuria. After first dismantling and transporting large sections of the industrial infrastructure set up by the Japanese in this region, as agreed upon with the US government, Soviet troops withdrew for good from Manchuria in the spring of 1946.

Truman, on the other hand, decided to support the Chiang Kai-shek government with large amounts of money and arms; he rejected any intervention by US forces in the Chinese civil war. Instead, General George C. Marshall was dispatched on December 15, 1945, as the American special envoy to China, with instructions to persuade both parties to enter into a coalition. Marshall could do little more than arrange a temporary ceasefire in January 1946. In July 1946 Chiang Kai-shek decided to launch a renewed attack on the communist strongholds in the North. With armed forces totaling 4.3 million men at his disposal, he reckoned on quickly overwhelming the numerically inferior and far less well equipped communist army of 1.2 million and finally stamping his authority—already ensured internationally—on the whole of his native country.

The two superpowers were not moved to change their positions by this resumption of hostilities. American observers were not convinced that Chiang Kai-shek's forces would be able to secure victory over the communist guerrillas; they also realized that the corrupt GMD regime was deeply unpopular and was fast losing support. Consequently, it seemed prudent to provide nothing other than economic assistance, even though its effect became more than questionable. Conversely, Stalin did not believe that the communists would prevail any time soon; he was also concerned that the Chinese civil war might drag him involuntarily into a confrontation with the United States. At first, then, he withheld any support and once more urged restraint on his Chinese comrades. The outcome of the civil war was therefore largely decided by the warring parties within the country.

Contrary to Chiang Kai-shek's expectations, the decisive action in this conflict took place in the political rather than the military arena. Rural China's populace had experienced the GMD's commanders as ruthless extorters of conscripts and levies. By contrast, the communists, in the areas they controlled, instituted an "agricultural revolution" by dispossessing rural landlords and redistributing 43 percent of land under cultivation to 60 percent of the peasantry. At the same time the GMD government also increasingly alienated city dwellers through its repressive measures against workers, its handing over of factories seized by the Japanese to greedy party functionaries, and its reactionary policies that caused galloping inflation and soon drove state employees and others on fixed incomes into penury while favorites of the regime raked in millions. By the end of 1947, then, most of the Guomindang's legitimacy had evaporated.

Over time the growing support of the populace began to make up for what the communists lacked in military firepower and supplies. From the beginning of 1948 onward, entire units of the nationalist army defected to the communist People's Liberation Army (PLA). After the communists had gained control first over rural areas in the North and then over large swaths of Central China, at the beginning of November 1948 a decisive battle was fought out at Xuzhou (the most important railroad hub in Central China). In this long engagement, which lasted until early January 1949, a key factor that turned the tables in favor of the communists was guerrilla leader Deng Xiaoping's mobilization of two million peasants from the four neighboring districts to provide logistical support for the

Communist forces parade a banner of their leaders from a truck after the fall of Shanghai, May 1949. After crossing the Yangzi River in April, Mao Zedong brought the whole of the south and west of China under his control. By the end of December, the last significant city in nationalist hands, Chengdu, had also surrendered. (Popperfoto/Getty Images)

PLA. Thereafter, all the major cities of the central region that Chiang Kai-shek's troops had garrisoned fell into communist hands with little in the way of resistance. These victories began at Tianjin and ended with the capture of Beijing on January 31, 1949.

In response to the communists' success in Central China, Chiang Kai-shek entered into ceasefire negotiations, but these proved inconclusive. In April 1949, in defiance of Stalin's strong advice against it, Mao Zedong led his troops across the Yangzi River and in a lightning campaign brought the whole of the south and west of the country under his control. The GMD forces occupying Shanghai were forced to surrender as early as May. On October 1, 1949, Mao duly proclaimed the foundation of the People's Republic of China in Beijing. Two weeks later the PLA overran Guangzhou, and by the end of December the last significant city in nationalist hands, Chengdu in Sichuan, had also surrendered. In the

meantime, Chiang Kai-shek had withdrawn to the island of Taiwan (Formosa). Around half a million of his troops also decamped there.

The US government regarded the Chinese communist victory as a "bitter political defeat," in the words of a National Security Council memorandum distributed in December 1949.[13] Yet Washington perceived no threat to American security resulting from it, if only because the new regime would for the foreseeable future have its work cut out dealing with the massive social and economic problems that had bedeviled China's imperial rulers. Truman could not bring himself to recognize the communist regime in Beijing, but he also ruled out any military action to restore Chiang Kai-shek. In a speech before the National Press Club on January 12, 1950, Secretary of State Dean Acheson announced that the US defense perimeter in Asia extended from Japan to the Philippines. This clearly indicated that neither the nationalists on Taiwan nor any other regime on the East Asian mainland could now count on American military support.

Stalin was persuaded by his advisers to pledge the victorious Mao Zedong economic aid and military assistance in the event of a US attack. However, in concrete terms the formal friendship treaty between the Soviet Union and the PRC that was concluded on February 14, 1950, stated only that the territorial concessions made by Chiang Kai-shek to the USSR in 1945 would not be rescinded. In Stalin's view, the new regime in China was far from being communist, and Mao was not a reliable ally. Indeed, eleven of the twenty-four members of the new Chinese administration were not members of the Communist Party. To forcibly transform coalition-led China into a full-blown communist country, Mao required several further campaigns, most of them conducted with bloody terror. In the course of the Great Leap Forward program instituted in 1958, for instance, 15 to 46 million Chinese starved to death, and during the Great Proletarian Cultural Revolution of 1966 onward, fanatical Red Guards systematically liquidated the country's educational and administrative elite.

The Korean War

The process of turning China into a socialist country was accelerated by the Korean War. After Japan's forty-year hegemony over the Korean Peninsula was ended

by defeat in August 1945, the Japanese governor lost no time in installing a Korean administrator, the left-leaning and extremely popular Yuh Woon-Hyung, in his place. From representative groups that had formed throughout the country, Yuh assembled the Committee for Preparation of Korean Independence, and the People's Republic of Korea was duly proclaimed on September 6, 1945. One of the first acts of the broadly based coalition government was to put in place a program for expropriating the landed aristocracy, nationalizing major industrial concerns, and bringing in limited social reforms. While this was happening, Soviet troops moved into northern Korea from Manchuria, while US forces landed in the south. Stalin had raised no objections when, after the dropping of the atomic bombs on Hiroshima and Nagasaki, and in contravention of agreements reached at the Yalta Conference, Truman had demanded US involvement in the occupation of Korea and proposed that the border between the occupation zones be drawn at the 38th Parallel.

While the Soviets allowed the government of the People's Republic free rein, the Americans installed a military government that relied heavily on former collaborators with the Japanese occupation regime and often forcefully rode roughshod over decisions of the People's Committees. An attempt to create a new administration for the whole of Korea was defeated by extremists from both left and right. Accordingly, in September 1947 the US government decided to entrust organization of the upcoming elections to the United Nations. But the interim Committee of the People's Republic in the northern zone, under the leadership of the communist Kim Il Sung, refused entry to the UN representatives. As a result, the elections were held only in the southern zone (in May 1948), and led to the founding of the Republic of Korea, whose jurisdiction extended solely over the American occupation zone. Because supporters of the People's Republic and moderate groups had boycotted the poll for fear that it would split the country, the conservative Syngman Rhee, a long-term exile in America, was free to secure the presidency. The North responded by holding its own elections on August 25, 1948, from which Kim Il Sung emerged as president of the Democratic People's Republic of Korea. Soviet troops withdrew by the end of 1948. The American army of occupation followed suit in the South in June 1949.

Yet neither Syngman Rhee and his constituency of property owners and former collaborators nor Kim Il Sung and the liberation movement were prepared

to let the division of the country stand. Both sides rearmed and tried to get their protecting powers to support them in a "war of liberation." Rhee's pleas fell on deaf ears in Washington, but Kim Il Sung, after lengthy persuasion, finally got Stalin to listen. In mid-June 1950, the Soviet dictator gave his assent to an attack on the South by North Korean forces. Evidently Kim had convinced Stalin that war was inevitable in any case, that Syngman Rhee's regime would quickly collapse, and that the Americans would not return to rescue him.

North Korean troops crossed the 38th Parallel on June 25, 1950. As foreseen by Kim, they advanced south rapidly; by the end of July they had overrun the whole peninsula except for a narrow strip of land in the southeast around the city of Busan. However, Truman and his advisers, who by now had come to view the attack as part of a wider Soviet strategy of expansion through client states, were determined to resist. Driven not least by the weight of domestic public opinion, which still blamed the administration for letting China fall into communist hands too easily, they ordered General Douglas MacArthur, the US proconsul in Japan, to urgently deploy naval and air power to help the South Korean regime. Because the Kremlin was boycotting the UN Security Council at the time (in protest at China's seat still being occupied by the Chiang Kai-shek government), the Americans succeeded in securing a mandate from the United Nations to defend South Korea. A total of sixteen nations, including Australia, Canada, and Great Britain, took part in the military operation under MacArthur's overall command. Even so, half of the UN force was supplied by the Americans; South Korea's own troops made up another 40 percent.

MacArthur's counteroffensive began on September 15 with a seaborne landing at Inchon (the port near the capital, Seoul). Within a fortnight Seoul was recaptured, and the UN force capitalized on this success to drive the North Korean army back across the 38th Parallel. Stalin, who was still determined to avoid at all costs a direct confrontation with the United States, had already resigned himself to an American victory. "So what?" he told the Politburo in Moscow. "Let the United States of America be our neighbors in the Far East. They will come there but we shall not fight them now. We are not ready to fight."[14]

Kim Il Sung's regime was rescued by Mao Zedong. As MacArthur's forces advanced along a broad front toward the Chinese border, Mao overruled his

prime minister, Zhou Enlai, and on October 13 decided to heed Stalin's call for Chinese involvement in the conflict. Mao feared that MacArthur's troops would not halt at the Yalu River. But above all he was worried that an American victory in Korea might embolden Chinese Nationalist forces to take up arms against his regime again. On November 25, then, just after the UN forces had reached the Yalu, China launched a major offensive. MacArthur's troops were driven back south once more. On December 31, Chinese and North Korean forces recrossed the 38th Parallel, and shortly afterward Seoul was in communist hands again.

MacArthur now called for an invasion of the mainland by Chinese Nationalist troops and advocated nuclear strikes against China. With imminent defeat staring him in the face, Truman came close to acceding to these demands. He decided against this course of action only after the front stabilized once more. The war thus remained confined to Korea. Following a new American offensive, which retook Seoul in March 1951, and a failed Chinese spring offensive, the conflict descended into a static war of attrition. In early April, when MacArthur tried to lobby Congress in favor of taking the war to China, Truman dismissed him for insubordination. The Truman administration was afraid that the USSR would use an expansion of US involvement in East Asia as an opportunity for further encroachment into Europe and the Persian Gulf. It took the view that a war against China was "the wrong war, at the wrong place, at the wrong time, and with the wrong enemy."[15]

But even this "limited war," as it was called thereafter in Washington, claimed many lives. Estimates of Korean dead, both soldiers and civilians, are put at some 1.3 million in the South plus 1.4 million in the North, or around 10 percent of the total population. In addition, around a million Chinese soldiers and fifty-four thousand Americans were killed. Cities and industrial installations on the peninsula were largely destroyed. Accordingly, in June 1951 the North Korean and Chinese leadership called for ceasefire negotiations to begin. These dragged on for a long time with no definite outcome, not least because Stalin advised his allies not to settle too hastily. He had a vested interest in keeping US forces tied down in Korea. Only after his death in March 1953, with his successors seeking "an acceptable path toward the soonest possible conclusion of the war in Korea,"[16] could an armistice agreement be signed at Panmunjom near the demarcation line.

The ceasefire line in part ran south of the 38th Parallel, and in part north of it. Korea was now permanently divided, with a brutal regime in the North that became increasingly Stalinist but still sought to tread a fine line between its two powerful socialist neighbors, and a South that was entirely dependent on US aid. Under the protection of American troops, Syngman Rhee continued to rule in authoritarian fashion until April 26, 1960, when the army refused to suppress a protest by students and university teachers and forced him to step down. South Korea then entered a brief phase of democracy, before a military regime under General Park Chung Hee embarked upon an extensive modernization program.

Democratizing Japan

American involvement in Japan went on longer than originally envisaged, as a result of the Korean War. The American occupation authorities began by instituting a democratization program that involved demilitarizing the country, bringing war criminals to justice, introducing an extensive land reform, and establishing a parliamentary system. In October 1946 they had the Japanese parliament enact a constitution that had been drafted by US officials and that, among other provisions, reduced the role of the emperor to a figurehead, a "symbol of the State and the unity of the people," and established a bicameral legislature. Civil and human rights were guaranteed by the constitution, and women were placed on an equal legal footing with men. Furthermore, in Article 9 of the Constitution the Japanese people agreed to "renounce war as a sovereign right of the nation and the threat or use of force as means of settling international disputes."

It was this clause above all that proved the most contentious among the Japanese populace. Yet the first postwar election, held on April 25, 1947, returned a socialist-led government that overwhelmingly backed the demilitarization plan. Shortly thereafter, definite moves became apparent in Washington to turn Japan both economically and militarily into a buffer state to contain communist expansion in the region. Accordingly, efforts to break up the cartels formed by Japan's major industrial conglomerates (*zaibatsu*) abated, the right to strike was curtailed in light of increasing union militancy, and a purge of ultranationalists was supplanted by a purge of left-leaning forces. After the outbreak of the Korean

War, Japan was granted the right to maintain a seventy-five-thousand-strong National Police Reserve, which included tanks, combat aircraft, and naval units.

The Pentagon now dropped its objection to a formal peace treaty with Japan, albeit on the condition that American strategic bases be allowed to remain on Japanese soil. In fact, under the terms of the Treaty of San Francisco, signed on September 8, 1951, the United States retained full jurisdiction over the island of Okinawa, which, along with 117 American military bases, played a vital role in the creation of a US defensive shield in the Pacific region. In a security pact concluded at the same time, Japan agreed to the stationing of US troops on Japanese sovereign territory. Mindful of public opinion, Prime Minister Yoshida Shigeru, a conservative, resisted American pressure to have the Japanese obligation to rearm written into this treaty; in response, the United States made no formal commitment to defend Japan against foreign aggression.

Nevertheless, in secret Yoshida had been obliged to promise the US negotiators that he would establish a domestic force of fifty thousand troops. However, it was March 1954 before a bill providing for the creation of a Self-Defense Force could command a majority in the Japanese parliament. This prompted calls within Japan for the government to revise the unequal security treaty of 1951. Difficult negotiations finally resulted in the revised security pact of January 21, 1960. This still accorded the United States the right to station its forces in Japan and to expand existing airbases. In return, though, the United States now pledged Japan military assistance and committed both sides to mutual consultation on defense questions. In addition Japan was granted the right to rescind the treaty unilaterally. Yet despite these concessions, the new pact was vehemently opposed by the socialists, communists, and labor unions. It was ratified against the backdrop of mass demonstrations and a general strike. The Japanese conservatives, now unified in the Liberal Democratic Party, won the ensuing November 1960 elections with a clear majority. The Left was consigned by these events to long-term opposition, a position it has occupied virtually uninterrupted ever since.

The United States also exerted pressure on Japan to reach an accommodation with other former enemies. A peace treaty was agreed to with the Chinese Nationalist regime on Taiwan as early as 1952. To ensure that the 1951 security pact was ratified by the US Congress, Yoshida expressly refused to recognize the

People's Republic of China. Deals with countries like Burma (1954), the Philippines (1956), Indonesia (1958), and South Vietnam (1959) took far longer to conclude, due to the settlement of war reparations claims. The most difficult negotiations of all were with South Korea; the legacy of bitterness left by the Japanese occupation of Korea meant that diplomatic relations between the two countries were not established until 1965, and even then amid furious protests by the Korean opposition. An agreement on the formal cessation of hostilities was signed with the Soviet Union in October 1956. Japan had demanded the return of former territory now under Russian control but in the end had to settle for a joint declaration promising the handover of Shikotan and the Habomais in the southern Kuril Islands chain to Japan.

Decolonization in Southeast Asia

The first adversary faced by the communist-nationalist liberation movement in Indochina was France, the former colonial power. When the Japanese occupiers of this region surrendered on August 14, 1945, mass demonstrations were held in the cities in favor of national independence, and local committees of the League for the Independence of Vietnam (Viet Nam Doc Lap Dong Minh Hoi, or Viet Minh for short) assumed control. On September 2, their leader, the communist Ho Chi Minh, proclaimed the Democratic Republic of Vietnam in Hanoi. However, international recognition of the new state was not forthcoming. Instead, Charles de Gaulle dispatched troops to the south of the country, which had temporarily been occupied by the British. By February 1946 de Gaulle's force was able to reestablish French military and political authority. Meanwhile, in order to be rid of the Chinese troops occupying the North, Ho Chi Minh was prepared to reach a compromise with the French: in a treaty of March 6, 1946, French troops were granted free access to the North. In return, France undertook to withdraw from Vietnam within five years. It was agreed that a plebiscite would be held on unification of the country; it was then envisaged that Vietnam would constitute a free state within the framework of an Indochinese federation, which in turn would form part of the Union Française—the entity created to replace the old French colonial system, a French equivalent of the British Commonwealth. This arrangement meant that France was de facto foreseeing a situation

where the Viet Minh extended their authority over the south of the country as well, albeit with the proviso that the country as a whole would remain within the French sphere of influence.

However, this compromise did not last long. Thierry d'Argenlieu, head of the French civil administration in the South, was under no circumstances prepared to hand control of the country over to the Viet Minh. Instead, on July 1, 1946, he established in Saigon the autonomous government of Cochinchina, which in the long term was expected to rule over the North also. Because no one in Paris dared to countermand d'Argenlieu, negotiations on how to implement the compromise of March 6 soon reached an impasse. Parallel with this development, on both sides the advocates of military confrontation were gaining the upper hand. In response to attacks by the Viet Minh on French garrisons, on November 23 French forces bombarded Viet Minh positions in the port of Haiphong, killing some six thousand Vietnamese in the process. General Vo Nguyen Giap, commander in chief of a Viet Minh army that had in the interim grown to one hundred thousand men, responded on December 19 with an attack on French settlements in Hanoi.

For a long time the war was at a stalemate. Although France was able to bring most of the cities under its control, the countryside and jungle remained firmly in the hands of the elusive guerrilla army. Even the installation of the former Annamese emperor, Bao Dai, as ruler of the State of Vietnam within the French Union, failed to win hearts and minds: a large section of the Vietnamese people regarded Bao Dai as so corrupt that he actually became a liability to the former colonial power. Following Mao Zedong's victory in China, the Viet Minh also began to get weapons and logistical support from China, a fact that the French used to persuade the Americans to provide material help for their crusade against the advance of communism. The fighting came to an end only after the fall of the key French military bastion at Dien Bien Phu, 300 kilometers west of Hanoi on the border with Laos, on May 7, 1954. This devastating loss finally convinced Paris that the war was unwinnable.

However, because Stalin was concerned to keep Mao in check, and because Mao himself wanted to avoid any new confrontation with the United States, the French defeat did not amount to victory for the Viet Minh. Instead, an embittered Ho Chi Minh was forced to accept the provisional division of Vietnam

along the 17th Parallel that was settled at the peace conference in Geneva, attended by delegates from the two Vietnams, alongside representatives of France, Great Britain, the United States, the Soviet Union, and China. In the armistice agreement of July 21, 1954, it was agreed that all French troops should withdraw south of this demarcation line. Two years later, free elections were planned for both parts of the country.

These elections never came about. In June 1954 the Catholic leader Ngo Dinh Diem became prime minister of the State of Vietnam and with American backing forced French troops to withdraw from the whole of the country. He then deposed Bao Dai, appointed himself head of state, and in May 1956 refused to participate in the joint elections, on the grounds that his administration had not signed the Geneva peace accords. This move effectively postponed the reunification of Vietnam indefinitely. As Ho Chi Minh consolidated his grip on power in the North, often using brutal methods to recast the country into a socialist state, Diem's corrupt and authoritarian rule in the South acted as an effective recruiting sergeant for opposition guerrilla units. In September 1960 the Vietnamese Workers' Party voted to widen the military campaign for reunification. Thus, the war in Indochina entered a second phase, which would go down in history as the Vietnam War.

Island Southeast Asia also witnessed a clash between an independence movement, which proclaimed an autonomous republic after the Japanese surrender on August 17, 1945, and a former colonial power, which after the temporary occupation by British forces resumed control over its old domain. But before Dutch troops arrived in the region in March 1946, the government of the Republic of Indonesia under Sukarno had taken over Java, Sumatra, and Madura. After repulsing the first offensives by the Dutch, however, the Republican administration was forced to reach an accommodation with the colonialists in the Linggadjati Agreement of November 15, 1946. The Netherlands agreed to recognize Republican authority over the region so long as the Republic became a constituent state of the United States of Indonesia and formed the Netherlands-Indonesian Union (with the mother country and other former Dutch colonies). This compromise did not last long, either. In July 1947, in response to alleged treaty violations by the Indonesian government, the Dutch launched a bloody police action, occupying most of the cities on Java and a large part of Sumatra.

The Indonesian government was saved only by the intervention of the United Nations. On January 17, 1948, a UN arbitration commission brokered a new settlement, the Renville Agreement, which saw Republican control reduced still further to Central Java and the highlands of Sumatra. The important rice-growing area in West Java, along with the plantations and oil resources on Sumatra, all remained in Dutch hands. Nevertheless, the Netherlands government still pressed for this rump republic to be incorporated within an Indonesian federation. Faced with Sukarno's implacable opposition, the Dutch resumed hostilities in December 1948. Following an assault on the Republican seat of government in Yogyakarta, Sukarno, his deputy Mohammad Hatta, and almost the entire administration were taken into custody.

A decisive factor in the outcome of this conflict was the fact that, unlike in Vietnam, communists did not play a prominent role in the Indonesian independence movement. After the suppression of a revolt at Maidun in East Java in September 1948, in which Indonesian communists were involved, their position had grown even weaker. This helped sway US public opinion in favor of the Indonesian nationalists, and the administration joined the Arab League and Indian subcontinent countries in calling for recognition of Indonesian independence. In the fall of 1949, a threat by Washington to the Netherlands to suspend aid under the Marshall Plan brought about a change of heart in The Hague. On November 2, 1949, the Dutch duly waived all territorial claims in Southeast Asia, with the exception of West Papua (Irian Jaya Barat). Sukarno was able to assert his authority there only in 1963, after mobilizing Indonesian forces for an armed intervention.

On the neighboring Philippines, the United States was itself the colonial power. However, it had already guaranteed the territory independence for July 1, 1946, according to a plan for step-by-step liberation, which it had begun to implement from the mid-1930s onward (albeit while retaining certain economic and military privileges). The United States therefore found itself on the side of the government when a peasants' revolt against the politically dominant major landowners broke out there shortly after independence had been declared. The Huk movement, which grew out of the People's Anti-Japanese Army, was partially supported by the communists but by no means controlled by them. Even so, America's allies on the Philippines chose to regard it as a communist threat.

US support for the regime of President Manuel Roxas was correspondingly robust. Although the Huk gained a strong following in some parts of the country, they were forced to give up military operations in May 1954. This gave the United States a free hand to strengthen its economic influence and its key military bases on the Philippines right up to the late 1980s.

On the Malay Archipelago, it was the British who returned as the colonial power after the Japanese surrender and found themselves faced with demands for independence. The liberation movement was led by the communists, but was confined to the Chinese part of the population. In suppressing the rebellion that broke out in 1948, the British high commissioner could therefore draw on loyal support from indigenous Malay army and police units. After more than half a million Chinese peasants were relocated from guerrilla-controlled regions to "new villages," the rebels were able to operate only in a restricted area along the Thai border. The British invested a great deal in the economic development of the country and withdrew peacefully in 1955 once the rival ethnic groups of Malays, Indians, and nationalist Chinese had agreed to form an electoral coalition. In doing so, the former colonial power ensured that the Federation of Malaya, which gained its independence on August 1, 1957, remained closely tied to Great Britain.

Overall, communism was successful in places where it could help poor peasants improve their wretched conditions, and where its activities were not opposed by an alliance of a local elite with the former colonial power. The Cold War drew the United States deeper into these conflicts than its anticolonial philosophy would otherwise have allowed, causing it to grow into the foremost military and economic sovereign power in the Pacific region. Yet this region never attained anything like the political cohesion of the Atlantic alliance. Countless problems associated with the internal composition of nation-states, plus the continuing antagonism between Japan and its former colonies, meant that when the United States called for a military alliance against "communist aggressors" in the spring of 1954, the only countries to rally to the cause—alongside the Commonwealth countries of Great Britain, Australia, and New Zealand—were the Philippines, Thailand, and Pakistan. As a result, the Southeast Asia Treaty Organization (SEATO), officially established on September 8, 1954, had little political significance.

The Partition of India

The process of decolonization was not restricted to those regions that had once been part of Japan's empire. In the Near and Middle East, South Asia, and Africa as well, the great European powers of Great Britain and France found themselves obliged to wind up their former empires. In Latin America also, there were growing attempts in many quarters to end the region's economic dependence on the United States. As in East and Southeast Asia, detachment from colonial hegemony was inextricably bound up with moves toward modernization and ambitious efforts to forge modern nation-states. Thus, even where these developments were not directly caught up in the East–West standoff, they were still characterized by conflict. And because the former colonial powers and the nationalist modernizers alike displayed varying degrees of shrewdness in their dealings, the outcomes were also very divergent. Many problems therefore arise in trying to reduce the process to some facile formula like the emergence of the Third World or the proliferation of nonaligned nations.

By the end of the war, the transition of India from subjugation under the British Raj into an independent nation had become an urgent and incontrovertible necessity. The arrest of sixty thousand supporters and leaders of the Congress Party for demanding immediate independence in 1942 had achieved nothing except bloody unrest in northern India. There was widespread concern as to how more than two million Indian soldiers, who had been mobilized for service in the British Indian Army, were to be kept under control. But the overriding problem was that Indian manufacturing industry, which had been developed to aid the war effort and was now turning out goods at a far lower cost, was beginning to make inroads into Great Britain's export earnings on global markets, while Britain's reliance on this mass production to prosecute the war had made India into a major creditor of the mother country. British debts to India amounted to one-fifth of the country's gross national product.

The chief problem with independence was that it was completely unclear to which bodies the administration of the various provinces and the plethora of local authorities should be handed over. The Congress Party under the leadership of Jawaharlal Nehru seemed the obvious partner for creating a centralized Indian state that would unify all of the country's diverse racial groups, castes, and

religious communities. However, its authority was challenged by the Muslim League led by Muhammad Ali Jinnah, who called for the creation of a separate state for India's Islamic population—a "Land of the Pure," or in his native Urdu, Pakistan. It is conceivable that Jinnah's demand was designed only to ensure equal treatment of Muslim and Hindu states within a loose Indian confederation. But because this notion was wholly incompatible with the Congress Party's plans for a unitary state, in practice independence could be achieved only at the cost of partition.

In March 1947 the British Labour government sent Lord Louis Mountbatten to India as viceroy, with a mandate to bring about the country's independence by August of the following year. After several failed attempts to win Jinnah round to the idea of a single state, Mountbatten opted for a partition along ethnic-religious lines. This meant that Jinnah could secure neither the whole of the province of the Punjab in the northeast nor the southeast province of Bengal in its entirety for Pakistan, but only those districts that had a Muslim majority. The fertile eastern districts of the Punjab and the teeming metropolis of Calcutta (Kolkata) remained within India. In an attempt to forestall upheaval and anarchy, Mountbatten took immediate steps to institute this plan. Agreement was finally reached on June 3, 1947, and on August 15, India and Pakistan were declared independent republics.

Yet bloody clashes between Hindus and Muslims could not be avoided. As early as August 1946 in Calcutta, the Bengali prime minister, Shaheed Suhrawardy, had incited Muslims to purge the city of Hindu workers, through expulsions and murder, in the hope that it would thereby be co-opted into the Muslim state. At the point when independence was proclaimed, however, the charismatic leader (*mahatma*) of the independence movement, Mohandas Gandhi, forced Suhrawardy to spend time with him in a poor quarter of Calcutta and to beg forgiveness for the bloodbath. This action, plus a hunger strike by Gandhi lasting several days, succeeded in largely quelling the unrest in West Bengal. But violence exploded in the Punjab all the more savagely. Hundreds of thousands of Hindus and Sikhs fled to Delhi, where they threatened to take revenge on the city's Muslims. Gandhi rushed to the west to try to stem the tide of violence in Delhi as well. When the interior minister of the Indian government refused to release to the Pakistanis the share of treasury funds proportionate to their

population that was owing to them, Gandhi began a new hunger strike. On January 30, 1948, the Mahatma was shot dead by a young Hindu extremist, who claimed his action was justified retribution for Gandhi's supposed high treason.

The exact number of those killed during Partition will never be known, but is estimated at somewhere between 250,000 and 1 million. No fewer than 17 million Indians fled in one direction or the other across the border. Hundreds of thousands of civil servants and railway employees were exchanged, as the manpower and plant belonging to administrative departments were punctiliously divided up. In Kashmir, which as an independent princely state was free to decide which of the two successor countries of the British Raj it would join, armed conflict broke out. When Pakistani irregulars attempted to annex the overwhelmingly Muslim state for Pakistan, the Hindu maharaja asked the Indian government for military assistance and formally declared the state an integral part of the Indian republic. It was only in January 1948 that the United Nations was able to broker a ceasefire. Since then, two-thirds of the territory has been under Indian control.

India under Nehru's stewardship persistently refused to hold the plebiscite in Kashmir that was promised under the UN agreement. In all other respects, though, it did manage to establish a remarkably stable parliamentary system based on a delicate balance of power between individual states and central government. The first nationwide elections, held between October 1951 and February 1952, secured a clear majority for the Congress Party, an outcome repeated time and again until the 1990s. This gave Nehru a mandate to set India on a course of socialist modernization, which yielded some impressive results in the development of heavy industry but made little headway against either the caste system or the country's entrenched power structures. Even so, hundreds of independent princely states were incorporated with virtually no violence into the central state, while the numerous language conflicts were defused by some clever redrawing of state boundaries.

In stark contrast, the successors to Jinnah (who died in September 1948) experienced enormous difficulties in trying to forge a unified state from the two former Muslim-majority regions of India, which lay a thousand miles (1,600 kilometers) apart. The Pakistani leadership comprised both the ruling elite in the Punjab and supporters of the Muslim League who had fled there from south-

ern India; the unrepresented remaining western provinces and Bengal in the far east had no option but to fall in line with this clique's authoritarian directives. Only in 1956 did the constitution of a presidential Islamic Republic of Pakistan come into force. Even then elections were still postponed, not least because the ruling elite feared a Bengali majority. During his term as president (1958 to 1969), General Mohammad Ayub Khan achieved a degree of stability coupled with economic growth. But when in the spring of 1971 the West Pakistani minority tried to block the formation of an elected national assembly, the East Bengalis resolved to secede from the unitary state. The West Pakistan Army took steps to quell the secession but was forced to surrender to Indian troops, who came to the aid of the East Bengalis. On December 16, 1971, the newly independent state of Bangladesh was recognized by Pakistan.

Conflict over Palestine

In the Near and Middle East, the principal European powers found themselves facing awakening Arab nationalism, fueled by the rise of a modern middle class. The nationalist movement opposed both dependence upon the imperialist powers and the traditional elites on whom the Europeans relied to maintain order in the region. Consequently, once formal independence was granted, the European powers were largely unable to sustain any economic and military influence; not infrequently, they were ousted by internal revolts and unrest.

The growth of Arab nationalism was greatly accelerated by the conflict over Palestine, resulting from Great Britain's Balfour Declaration of November 1917, which had promised to support "the establishment in Palestine of a national home for the Jewish people." While the British government attempted to transform its League of Nations–mandated rule over the territory into a binational state for Arabs and Jews, at the end of the Second World War Jewish settlers demanded the immediate formation of their own state. From October 1945 onward, extremists reinforced these demands with a series of attacks against British targets and assassinations in Palestine. In September 1947 the British authorities announced their impending withdrawal from the mandated territory by the following summer. As in the case of India, they hoped to use the prospect of independence to bring about a resolution between the opposing parties.

But under the influence of an effective Zionist lobby, which argued for the urgent need to offer a new homeland to Jewish refugees still remaining in Europe after the Nazi genocide, on November 29, 1947, two-thirds of the UN General Assembly voted in favor of a partition plan that involved the formation of two states in Palestine. The two were to form an economic union, while Jerusalem would be placed within an international zone under UN trusteeship. That same day, fighting broke out between Jewish military units and Palestinian Arab militias, both determined to either prevent the other side from forming its own state or at least expand the boundaries of its own territory.

By the time the last British troops departed on May 14, 1948, without having formally handed the territory over to anybody, Jewish forces were already in a strong position. David Ben-Gurion, chairman of the Jewish National Council, immediately proclaimed the independent state of Israel. This was recognized straight away not only by the United States but also by the USSR, which saw the creation of a Jewish state as a good opportunity to counter the influence of its rival, Great Britain, in the Near East. Soviet arms shipments and military training helped the Jewish fighters establish a modern army and stave off the armed threat facing the fledgling state.

The Palestinian Arabs did receive some support from Arab states. However, their leaders were less concerned with expelling the Jews than they were with limiting the territorial ambitions of their neighbors. As a result, the Israeli army was able to press home its advantage and make extensive territorial gains beyond the areas originally envisaged in the UN Partition Plan. Around one million Arabs were forced out or fled, and over 350 Arab villages destroyed. The first six months of 1949 saw a succession of Arab states sue for peace, beginning with Egypt (February 24), soon followed by Lebanon (March 23), Jordan (April 3), and finally Syria (July 20). The West Bank was left under Jordanian control, and the Gaza Strip was placed under Egyptian jurisdiction. But on four-fifths of the Palestinian territory there now arose a Jewish state, which deliberately refused to integrate those Arabs who had remained. For the most part, displaced Arabs were resettled in temporary camps in neighboring states, often in appallingly squalid conditions. These camps became the breeding ground for the Palestine Liberation Organization (PLO), which in the 1960s would spark a new round of conflict over the future of Palestine.

Arab Self-Determination

Defeat by Israel prompted Arab nationalists to rise up against their traditional rulers. In Syria, which had gained independence following the departure of the last French and British troops on April 14, 1946, a military coup in March 1949 swept away the regime of the old urban elite, which was widely blamed for the debacle in Palestine. Further coups and countercoups followed, from which the Baath Socialist Party (Party of Rebirth) emerged as the country's strongest political grouping. In Jordan, also independent since early 1946, King Abdullah found it difficult to integrate East and West Jordanians and a large influx of Palestinian refugees. In July 1951 Abdullah was assassinated in Jerusalem by a Muslim extremist. His grandson Hussein, who ascended the throne in May 1953 while still a minor, had great difficulty fending off Syrian and Iraqi territorial designs on his country.

In Egypt, discontent with the collaborationist regime erupted in the first months of 1952. The country had been nominally independent since 1922, but in reality the British (in conjunction with the French) still controlled the strategic Suez Canal and maintained an extensive complex of military bases within the so-called Canal Zone. In January 1952, after British troops opened fire on the barracks of a rebellious Egyptian police unit, killing fifty policemen, rioting broke out in Cairo. Farouk gradually lost control of his country. On the night of July 23, 1952, a group of "free officers" under Gamal Abdel Nasser and Anwar Sadat seized power. Farouk was driven into exile, and a respected general, Muhammad Naguib, was installed as prime minister. Two years later Nasser had consolidated his power sufficiently to assume the role of prime minister himself. After a failed assassination attempt, the radical Muslim Brotherhood organization was banned and elections to a constituent assembly were postponed indefinitely.

Negotiations with the British authorities led to an agreement in October 1954 in which the British government undertook to withdraw its forces within twenty months. However, if the Arab states or Turkey were subject to an attack by any country other than Israel (a clear allusion to the Soviet Union), then the British retained the right, up to 1961, to return to their former bases. Through this accord, Nasser hoped to have secured British and American support for his modernization plans. But when in September 1955, fearing an attack by Israel, he

signed an agreement on arms shipments with the USSR, the Western powers' reaction was instant and hostile: London and Washington immediately stopped financing construction of the Aswan High Dam, Nasser's flagship civil engineering project, which was intended both to secure Egypt's electricity supplies and to rationalize its agricultural production. In July 1956, Secretary of State John Foster Dulles publicly announced that the United States was withdrawing from the dam project for good.

Nasser countered by announcing that he intended to nationalize the Suez Canal. The revenue from ship transit fees would offset the lost British and American subvention for the Aswan High Dam project. Shareholders in the Canal Company were compensated, and on September 15, 1956, the canal began operating once more, this time under Egyptian management. Under the auspices of the United Nations, where Britain had lodged a formal complaint against the nationalization, a resolution was prepared calling for joint regulation of canal operations by the Egyptians and a conglomerate of the principal user states.

Yet the British and French government had no intention of letting this perceived humiliation stand. As far as they were concerned, Nasser's attempt to style himself as the leader of Arab nationalism threatened Britain's role in the Middle East and undermined France's position in Algeria. And so French prime minister Guy Mollet and his British counterpart, Anthony Eden, agreed to ask the Israelis to spearhead an attack on the Palestinian guerrillas and their Egyptian backers. British and French troops would then intervene in this conflict, ostensibly to separate the warring parties, but in reality in order to retake the Suez Canal Zone and depose Nasser. The Israel Defense Forces (IDF) duly launched their offensive against Egyptian positions on October 29, 1956. Britain and France, as agreed, presented their ultimatums and on October 31 started bombing cities in the Canal Zone.

But just when the two European powers were on the point of taking control of Egypt, US president Dwight D. Eisenhower brought the operation to a grinding halt. For Eisenhower, this attempt at unilateral action by Europe's colonial powers on the eve of the US presidential election was not just extremely insensitive. He was also concerned that the Soviet Union might exploit this situation to parade its credentials as the advocate of oppressed peoples everywhere. Moscow, which was just about to crush the Hungarian Uprising, threatened all parties

involved in the conflict that it would deploy its "devastating weapons of mass destruction" unless a ceasefire was agreed upon forthwith. At the instigation of the United States, the UN Security Council therefore passed a resolution on November 6 calling for an immediate ceasefire and the withdrawal of all offensive forces. Eden was the first to comply, leaving Mollet and Ben-Gurion no choice but to follow suit.

This defeat saw Great Britain and France relinquish forever any meaningful role in the Near East. Nasser rose to become the leader of a pan-Arab movement whose influence was felt all across the region and that reached its high-water mark in the formal union of Egypt and Syria on January 2, 1958, in the so-called United Arab Republic. On July 14, 1958, Nasserite sympathizers in the Iraqi military deposed Faisal II, king of Iraq, and established a Baathist regime, which forced the British to withdraw. The Soviet Union, presenting itself as the protector of the nascent Arab states, supplied Egypt, Syria, and Iraq with extensive military hardware and economic aid. In November 1958, Moscow also pledged the bulk of the funds needed to complete the Aswan High Dam. The United States countered by assuming the role of the USSR's main adversary in this region as well, determined at all costs to keep Jordan and Lebanon in the anti-Egyptian camp.

Above all, however, the United States rose to become the protecting power of Israel, which had emerged from the Suez Crisis militarily strengthened but diplomatically totally isolated. Positions in the Gaza Strip from which Palestinian militants had carried out border raids against Israel were destroyed, the Egyptian sea blockade of the Gulf of Aqaba was lifted, and UN peacekeepers were installed in both locations. Yet the grudging respect for Israel's military strength among her Arab neighbors, earned by the IDF's rapid gains in October 1956, could not in itself guarantee peace in the long term. As a result, Israeli democracy became increasingly dependent on US military and economic support.

Support for Israel and for anti-Nasser groups in Lebanon and Jordan went hand in hand with an alliance with conservative-feudal forces in the major oil-producing countries in the region. After a nationalist coalition in Iran had nationalized the Anglo-Iranian Oil Company in 1951 and began to make moves to depose the shah, in August 1953 the CIA helped organize a coup d'état, which overthrew prime minister Mohammad Mosaddegh and rescued the Pahlavi dynasty. The shah collaborated with mainly American companies in exploiting his

country's oil wealth; the British now had to make do with a much smaller share. Saud, king of Saudi Arabia, after an initial flirtation with Arab nationalism, also soon found himself reliant upon the United States in quelling revolutionary movements. His brother Faisal, who took over the reins of power in 1958, became the main political and ideological adversary of pan-Arabism. For many years all the profits accruing from oil production in Saudi Arabia were split evenly between the Saudi government and the United States.

Oil also played a part in Algeria, which had been a French colony since the early 1830s. But an even more significant factor here was the large number of French settlers (*pieds-noirs*) who had established themselves as landowners, thereby largely eradicating the country's traditional tribal culture. By the early 1950s, more than eight hundred thousand of Algeria's inhabitants, or around 11 percent of the population, were French. In constitutional terms, the country, which was divided into three *departments*, was an integral part of the French motherland. After their enforced withdrawal from Indochina, the French extricated themselves relatively easily from their protectorates in Tunisia and Morocco after an outbreak of bloody unrest in 1956. By contrast, in Algeria, where a radical faction of the nationalist movement, the Front de Libération Nationale (FLN), under Ahmed Ben Bella embarked on a terror campaign from November 1954 onward, the colonial power responded with unchecked violence. Shocked, the same government of Guy Mollet that had readily granted Tunisia and Morocco independence curtailed an attempt to meet Algerian Muslims' concerns through a program of social reform and equal citizens' rights in the face of furious protests by the *pieds-noirs*. The war escalated into a full-blown French troop deployment against an increasingly strong and daring guerrilla movement, with atrocities committed by both sides.

A solution to the Algerian conflict became a realistic prospect only after de Gaulle was returned to power in France in May 1958; both the terrified settlers and the impotent advocates for granting Algeria its independence hailed him as a savior. After repeated failed attempts at ending the fighting by offering concessions to the Liberation Front, in January 1961 the founder of the Fifth Republic organized a referendum, which gave him a clear mandate to begin pulling French forces out of Algeria. Against the backdrop of a failed coup by rebel generals and attacks on prominent supporters of independence (de Gaulle himself was the

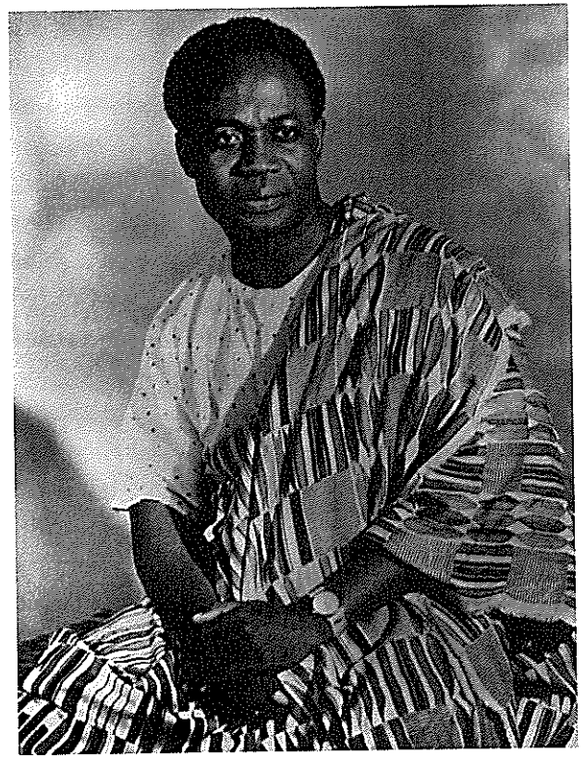
target of two assassination attempts), the negotiations finally led to the signing of an independence agreement at Evian on March 18, 1962. France secured oil concessions, the right to conduct nuclear tests in the Algerian Sahara, and continuing use of the naval base at Mers-el-Kébir; however, hundreds of thousands of French Algerian settlers fled the country for fear of reprisals.

Disaster in Sub-Saharan Africa

Compared with Southeast Asia and the Arab countries, the mainsprings of modern nationalism—export-driven agriculture, trade networks, and industrial growth—were still largely undeveloped in sub-Saharan Africa at the end of the Second World War. The governments in London and Paris therefore believed that the way forward lay in "development through partnership." By this, they meant modernization through exploitation of the continent's abundant raw material resources, which would at the same time help foster economic recovery in the exhausted mother countries. An integral part of this modernization would be the creation of new African elites, to whom responsibility and power would gradually devolve. But in what ultimate measure this would occur remained unclear; most of those charged with implementing this program envisaged it as a long-term process of thirty years or more.

However, this concept bore only modest fruit in countries dominated by rural societies and where European interests were limited to trade: notably in certain regions of West Africa. For example, in the Gold Coast, long held up as a model colony, the British introduced a legislative assembly as early as 1946; on January 1, 1951, they put a constitution in place that held out the prospect of limited joint governance by an elected assembly. The election winner, Kwame Nkrumah, achieved internal autonomy with a purely African cabinet in 1954, and after being reelected in 1956 won full independence. The new state of Ghana came into being on March 1, 1957; separatist movements advocating different state boundaries had to concede defeat in the face of Nkrumah's overwhelming majority in the former British colony.

The French government reacted in similar fashion to the rise in their colony of Côte d'Ivoire (Ivory Coast) of the *Rassemblement Démocratique Africain* (RDA; African Democratic Assembly) under Félix Houphouët-Boigny, a prosperous



In Ghana, Kwame Nkrumah achieved internal autonomy with a purely African cabinet in 1954 and, after being reelected in 1956, won full independence for his country. The new state was one of the rare cases where the British concept of "development through partnership" bore fruit. (© Bettmann/CORBIS)

cocoa farmer. Suppressed at first, the RDA was given free rein to campaign by the French from July 1950 onward in return for agreeing that the Ivory Coast would join a commonwealth of former colonies within the planned French Union. In January 1956, Houphouët-Boigny became a minister in the Mollet cabinet. With his assistance, the French National Assembly passed a framework law for overseas territories on July 23, 1956, which put in place national assemblies based on universal suffrage in all of France's African territories and announced increasing governmental responsibility for the executive councils elected to serve

in these assemblies. Accordingly, Côte d'Ivoire became an autonomous republic within the French Community on December 4, 1958, with Houphouët-Boigny as prime minister.

But in the neighboring territory of Guinea, the concept of mutually beneficial evolution ran aground. Guinea was rich in resources, such as bauxite, gold, and diamonds, that the French were still keen to exploit. So here the French were far less prepared to make concessions, which in turn made opposition to their rule, by a working-class independence movement, all the more militant. In a French Union referendum, the movement's leader, Ahmed Sékou Touré, pushed for a No vote, which was duly delivered, and Guinea, alone among France's African colonies, achieved full independence without becoming part of the French Community, on October 2, 1958. This clean break spelled the end of all financial and other support from the mother country. The former colonial masters even took the telephones with them when they left.

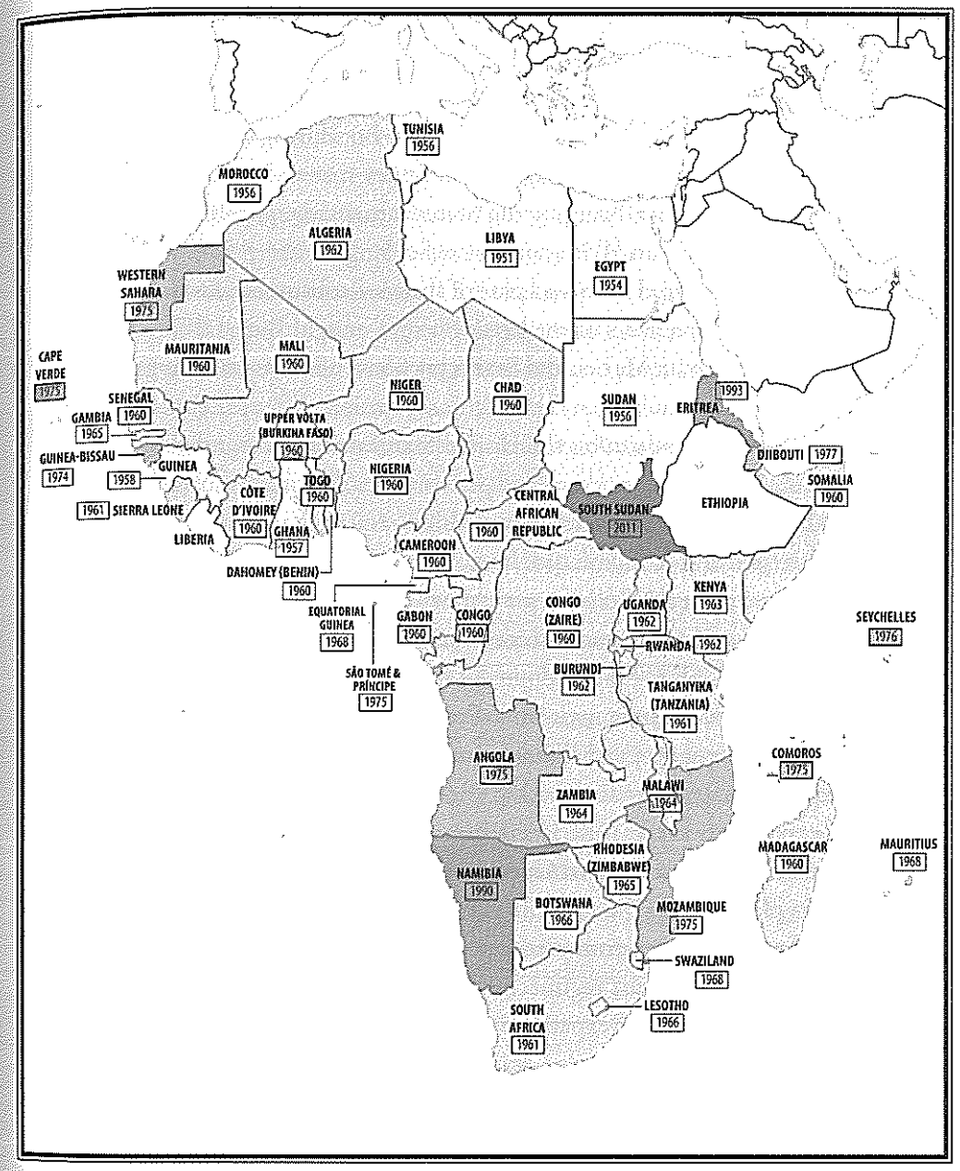
What had been designed as a deterrent sanction had precisely the opposite effect, as all other executive councils now clamored for full independence. De Gaulle, who was preoccupied with the Algeria question, granted it without any regard for individual countries' level of development or the territorial configuration of the frequently fragmented colonial possessions, which took no account of economic links or ethnic differences. By September 1960, fourteen French colonial territories in Africa were transformed into formally independent states. Even Houphouët-Boigny, fearful of being sidelined by more radical forces, jumped on the full-independence bandwagon. Admittedly these countries remained heavily dependent on France in economic terms; the only difference was that French firms now had to compete with other Western countries' representatives in the exploitation of raw material resources.

In eastern and southern Africa, the stronger presence of white settlers had the effect of driving the strategy of "development through partnership" into the realms of the absurd. British settlers in Kenya, Uganda, Tanganyika, and Rhodesia put up such stubborn resistance to London's attempts to grant equal voting rights to the majority black population that the nationalist movements in these colonies, inspired by France's capitulation, also began to press for full independence. The first to achieve his goal was Julius Nyerere in Tanganyika in May 1961. In October 1962 it was Uganda's turn, with Milton Obote as prime minister,

followed by Kenya (Jomo Kenyatta, December 1963), Nyasaland, henceforth known as Malawi, under Hastings Banda in May 1964, and finally Northern Rhodesia, as the Republic of Zambia, under Kenneth Kaunda in October 1964. In November 1965, Southern Rhodesia, which in 1923 had become a self-governing British crown colony run by white settlers, proclaimed its Unilateral Declaration of Independence (UDI), thereby cementing white supremacy and thwarting any chance of independence under black majority rule. Negotiations with the British government over democratization and the lifting of sanctions went on until 1980.

Yet although Britain took more seriously than France did its responsibilities for the development of the peoples it had colonized, such considerations did not figure at all for the smaller European powers. Portugal responded to liberation movements in its colonies of Angola, Mozambique, and Guinea-Bissau with military crackdowns; only after the dictatorship in Portugal was toppled in the 1974 Carnation Revolution did disengagement from the colonies become a reality. Belgium, which had combined its development of mining and the industrial sector in the Congo with a strict ban on any political activity, reacted to an outbreak of serious unrest in the capital, Leopoldville, in January 1959 by announcing the earliest possible transition to independence. This was duly granted on June 30, 1960. After Europeans left the country in droves and the administrative infrastructure collapsed, armed conflict broke out over the secession of the provinces of Katanga and Kasai, along with violent power struggles among the central government leadership. The fighting finally came to an end with the establishment of a repressive military dictatorship by General Joseph Mobutu in November 1965. In 1962, Belgium also granted Rwanda and Burundi their independence, without having first addressed the long-standing problem of deep animosity between the Hutu and Tutsi people in these territories.

Therefore, the price that had to be paid for swift decolonization was a vicious circle of economic stagnation and renewed repression. Only very rarely did self-supporting economic development get under way in the newly developed states. A far more common situation was an unholy alliance between a regional plutocracy and European concerns who continued to exercise a stranglehold over the country's commerce, mining, and manufacturing industries. With progress largely bypassing the indigenous population, then, sub-Saharan Africa degenerated into a Fourth World, lacking any long-term positive economic prospects.



The rise of independent states in Africa, 1945–2012.

US Intervention in Latin America

Compared to Africa, the nations of Central and South America were well advanced on the road of postcolonial development. But during the first half of the twentieth century, the neighboring United States rose to become the region's principal foreign investor, bringing the States into a strategic alliance with domestic economic elites in those countries. So long as the people who found themselves disadvantaged in this scheme of things—subsistence farmers, factory workers, and other members of the lower classes—sought their salvation in corporatist regimes—say, in Mexico and Brazil, but above all in Peronist Argentina—the United States saw no reason for direct intervention. After Mexico and Brazil nationalized the oil companies, the United States merely responded by boycotting exports. And when a workers' and peasants' revolutionary movement seized power in Bolivia in 1952, the Eisenhower administration even supported the new regime with food and economic aid. Its gamble that this would strengthen moderate elements within the Bolivian government paid off.

But as soon as Latin American revolutionaries made common cause with communists, the United States adopted a hard line against them. This first occurred in Guatemala in June 1952, when President Jacobo Árbenz Guzmán, with the support of the country's small but increasingly influential Communist Party, began expropriating and redistributing uncultivated farmland. The main victim of these expropriations was the United Fruit Company, a powerful American concern that had long controlled Guatemala's whole economy through its extensive banana plantations. The condemnation by its owners of the land reforms as a Soviet bid to seize power prompted Eisenhower to order the CIA to destabilize and bring down the Árbenz regime. And so, in June 1954 the CIA launched an "invasion" by hundreds of expatriate guerrillas from neighboring Honduras; CIA aircraft bombed Guatemala City and other urban centers. The majority of army officers promptly defected from the Árbenz government; the president was forced to flee, and the new military junta that took his place drove the peasants off their newly acquired land.

The US reaction was the same when Fidel Castro came to power in Cuba in early 1959, after a bitterly fought guerrilla campaign that had lasted more than two years, and immediately instituted a land reform that threatened American

sugar plantations on the island. Castro was no communist, but in the struggle to control the revolutionary regime, he came increasingly to rely on the support of the Communist Party, the only mass-membership political organization on Cuba. In February 1960 he concluded a trade agreement with the Soviet Union that was intended to break the American stranglehold over the sugar export market. In Eisenhower's eyes, this was enough to brand him as the ringleader of a revolutionary movement that threatened to engulf the whole of Latin America. The president therefore detailed the CIA to prepare an invasion on the Guatemalan model. When Castro went on to nationalize the most important US concerns on the island, Congress restricted sugar imports and placed a partial embargo on all trade with Cuba. In February 1962 this was extended to cover all imports.

The invasion plan was executed by Eisenhower's successor, John F. Kennedy, in April 1961. Unlike in Guatemala, however, the fourteen hundred Cuban exiles, armed and trained by the CIA, failed in their mission. Castro had completely reorganized the Cuban army and also took the precaution of jailing one hundred thousand political opponents. As a result, there was no popular uprising against Castro, and the hapless invaders were forced to surrender after three days. Far from toppling Castro, the Bay of Pigs fiasco only succeeded in strengthening his position. Encouraged by the example of the Cuban revolution, revolutionary activists now began guerrilla campaigns in several Latin American countries. In time these were all put down by police and military units that had been trained in counterinsurgency techniques by American security experts and that were also funded in part through US military aid programs. Even so, the threat remained, and the United States fell into disrepute for filling the vacuum left by the demise of European imperialism with its own brand of superpower hegemony.

2. *A Global Cold War*

THE superpowers' interpretation of decolonization within the broader picture of the Cold War lent further impetus to the formation of blocs in Europe. The institutions that were created in 1949 were initially only of a provisional nature. Neither the Truman administration nor the American public regarded the North Atlantic Treaty as laying the foundation for a lasting American military presence in Europe; rather, they fully expected US troops to come home immediately after the specified term of occupation was over in Germany and Austria. The constitution of the Federal Republic of Germany was quite expressly conceived as a Basic Law, which was designed to impart "a new sense of order" to affairs of state in West Germany "during a transitional period."[17] Likewise, the GDR was, in Stalin's eyes, just a first—and by no means voluntary—step on the path toward a "peace-loving, democratic Germany."[18] In the telegram of congratulation he sent to the leaders of the new state, there was no mention of socialism in Germany.

Naturally, over time these provisional arrangements began to take on an air of permanence. But just as the division of Europe threatened to become a lasting reality, resistance against the idea made itself felt in many quarters. A vehement debate arose over the formation of blocs within Europe, whose outcome became clear only in the mid-1950s.

NATO and the European Defence Community

On the American side, it was the successful testing of the first Soviet atom bomb on August 29, 1949, that triggered a change of attitude. Up to that point the Truman administration had banked on America's monopoly in nuclear weapons lasting for many years and so took the view that it could afford to scale down the nation's conventional arsenal. Strategic planning for the eventuality of a Soviet attack on Western Europe (which was considered highly unlikely) envisaged the

withdrawal of US troops to the Atlantic coast, followed by a massive air offensive against the invading forces. But now there could be no fallback on nuclear superiority, while the communist victory in China also suggested that containment through economic means alone, as was being practiced in the Marshall Plan, was not enough. A memorandum (NSC-68) issued by the National Security Council on April 7, 1950—primarily the work of Secretary of State Dean Acheson and his director of policy planning, Paul Nitze—therefore urged that the communist "design for world domination" be checked by building up US military superiority. To this end, the memo argued, an effective organization for Western defense needed to be created, plus defense spending increased by a factor of four to five times the current level.[19]

Logic dictated that the creation of an effective defense organization for the West necessarily entailed deploying German troops. After all, the Federal Republic was in the most exposed position, right on the front line of the West's defenses. It was therefore inconceivable to leave it defenseless or to ignore the contribution it could make to its own security. But because rearming Germany raised the specter of a revival of aggressive German nationalism, at first there was a considerable reluctance to address this aspect of the program to upgrade Europe's defensive capability. Proponents of rearming the Federal Republic were able to go over to the offensive only after the North Korean attack on South Korea suddenly made far more plausible the scenario of East German communists launching an offensive against West Germany. On August 29, 1950, Federal Chancellor Konrad Adenauer offered to make "a contribution in the form of a German contingent in the event of an international Western European army being created."[20] Two weeks later, Acheson called on the British and the French governments not only to increase their defense budgets, but also to throw their weight behind the raising of around ten divisions of German troops. Only if these conditions were met would the US government be prepared to strengthen its own military contingent in Europe and assume overall command of the Joints Chiefs of Staff of the North Atlantic Treaty Organization (NATO).

The French government responded to this blackmail by putting forward its own suggestion of a European Defence Community. If the deployment of German troops was inevitable, then at least this force should be under the control of a joint West European High Command rather than the Federal German

government. Therefore, as prime minister René Pleven explained on October 24, 1950, France proposed the creation of a European army, answerable to a European defense minister, and comprising various national contingents "on the basis of the smallest practicable unit."[21] This meant that there would be no German General Staff; instead, existing European armed forces would be involved in the new organization only as far as was necessary for the defense of Europe. The defense of European interests in overseas territories was to remain the preserve of individual countries.

Of course, such discrimination against the Germans within a Western defense community was wholly untenable within Germany, and Adenauer rejected the plan out of hand. On the contrary, he wanted to use the need for German troops as leverage to try to break the shackles of the occupation statute that the victorious Western powers had imposed on the young West German state. Likewise, the governments in Washington and London also considered the French suggestion a complete nonstarter—politically unviable and utterly absurd in military terms. Faced with the danger of US troops being withdrawn from Germany to bolster the war effort in Korea, the French government therefore agreed in principle on December 6 to the deployment of German troops within the context of NATO; at this stage, the precise form the German contribution would take was still undecided. In return, on December 18–19, at a meeting in Brussels, the ministerial council of the North Atlantic Treaty voted to create an integrated NATO force. General Dwight D. Eisenhower, the legendary supreme commander of the Allied Expeditionary Force in the Second World War, was named its first commander in chief.

Long, drawn-out negotiations finally brought agreement over the exact form of the West German contribution to NATO. In mid-1951, Acheson reached the conclusion that the idea could not be sold in France unless it was presented in terms of an integrated European solution. In return, though, the French foreign minister, Robert Schuman, would have to accept that the Germans must be accorded the same rights within the European army as all other member states. The European Defence Community (EDC) Treaty, which was signed in Paris on May 27, 1952, by representatives from France, the Federal Republic of Germany, Italy, Belgium, the Netherlands, and Luxembourg, made all resolutions

contingent upon a unanimous vote by the ministerial council. The troops were to be integrated at division level, and the Federal Republic was to have its own Ministry of Defense. For the time being, at least, the Federal Republic was not made a full member of NATO, though the Federal Republic government was granted the right to call joint sessions of the EDC ministerial council and the NATO council. The Convention on Relations between the Three Powers and the Federal Republic, concluded in Bonn on May 26, 1952, also anticipated the ending of the occupation statute. At the same time, however, the Western powers retained all rights relating to "Germany as a whole" and banned Germany from manufacturing strategic arms for the foreseeable future.

The Korean War and the readiness of the Europeans to reach compromises in the interest of their own security helped steer the ambitious rearmament program embodied in the NSC-68 memorandum through Congress. It approved not only the increase in US troop numbers in Europe (from two to six divisions), plus new military aid for America's European allies, but also the development of the hydrogen bomb (subsequently tested successfully for the first time in November 1952) and the expansion of the US Army from 1.5 to 3.5 million men. From $13 billion in 1950, the US defense budget increased to over $50 billion by 1953, while the share of defense spending as a proportion of GNP rose from 5 to 13 percent. The United States thus became the overwhelmingly dominant military power within the Western alliance.

Soviet Offers

Stalin reacted to the West's move to rearm, and to the militarization of West Germany, by instituting his own rearmament program. Certainly, as long as US troops were engaged in Korea, he considered an attack by the West on Soviet positions in Europe unlikely, but he seriously entertained the possibility of such an attack in the period thereafter. Accordingly, at a planning meeting in Moscow in the second week in January 1951, Communist Party leaders and defense ministers from the Eastern European peoples' democracies were enrolled into a coordinated rearmament program, which was designed to bring their combined troop strength up to three million men by the end of 1953. Plans to develop a

Soviet hydrogen bomb were also fast-tracked; the first successful test of this weapon took place in August 1953, just ten months after the detonation of the American device.

At the same time, Stalin renewed his efforts to restart negotiations on a peace treaty with West Germany, which would at least dispel the danger of its potential military might being added to the West's arsenal. In November 1950, the Soviet government called for a new conference of the Allied Council of Foreign Ministers to be convened; in February 1951 the Kremlin began work on a draft treaty for presentation at this meeting. But Acheson refused point-blank to discuss the German question until the decision to deploy West German troops had been implemented. In response Moscow decided to go public with the basic provisions contained in the Soviet peace plan, in the hope that this would spur "public opinion to exert strong pressure on both the parliaments and governments,"[22] both in West Germany and elsewhere in the Western alliance, thereby persuading the politicians to agree to a German peace treaty after all. So, on March 10, 1952, the Kremlin published all its memoranda on this subject to Western governments. These held out to the Germans the prospect of an end to the occupation and the withdrawal of all occupying forces, albeit in return for West Germany agreeing not to enter into an alliance that clearly had hostile intent toward one of the victorious powers.[23]

However, the Soviet attempt to mobilize West German and international opinion in favor of a neutral Germany failed miserably. In their reply, the Western powers called for free elections throughout the whole of Germany with no precondition of neutrality. Stalin's reaction was to include the GDR in his rearmament program; SED general secretary Walter Ulbricht was given the green light to "proceed at full speed toward socialism." After Stalin's death on March 5, 1953, his successors tried to revive the idea of a peace treaty. Lavrentiy Beria went farther than Stalin in emphasizing that a unified Germany "would take the form of a bourgeois-democratic republic,"[24] and he instructed the SED leadership to halt their drive toward socialism. This sparked a flurry of discussion and intrigue within the SED Politburo, which culminated on June 24, 1953, in a recommendation to depose Ulbricht.

Hopes that an agreement might indeed be reached on a peace treaty with Germany were boosted by the fact that Winston Churchill, reelected as British

prime minister in 1951, now believed the time was ripe for an accord with the Soviet Union. In a speech in the House of Commons on May 11, 1953, he called for an urgent summit, at which the Soviets should be given cast-iron assurance that neither Germany nor the Western powers would attack them. As he explained to his colleague Pierson Dixon, one sure signal of the West's good faith would be to create a "reunified and neutralized Germany."[25]

The June 17 Uprising

However, moves to reach an understanding on the German question, which ran counter to the general trend toward bloc building, were thwarted by two events. First, the glaring contrast between the announcement of a "new" direction in the GDR, geared toward reunification, and the leadership's insistence on raising the work norms in the country led, on June 16, to a street protest by construction workers in East Berlin, which expanded into a nationwide revolt the next day. Beria declared a state of emergency and sent in Soviet tanks to confront the protesters. The crushing of the uprising against the SED regime cost fifty-one lives—enough to inflame public opinion throughout the West and put advocates of a neutral Germany on the back foot. By mid-July, Adenauer met with no opposition among his Western allies when he suggested that, the next time a Four-Power Conference was held, there should be an a priori insistence on free elections throughout Germany and unrestricted freedom of action for any pan-German administration. There was no longer any talk of Churchill's guarantees to the Soviets.

On June 26, Beria was arrested; he was executed six months later. Yet his rivals in the Presidium of the Supreme Soviet, who wanted to preempt their own fall from grace, pursued fundamentally Beria's course on the German question and with regard to détente with the West; yet they were much more naive in their grasp of political realities in Germany than their deposed comrade, and acted far less flexibly and consistently than he had. At the beginning of July, Foreign Minister Vyacheslav Molotov resolved to stop Ulbricht from being toppled. On July 18, Ulbricht's opponents lost their majority in the SED Politburo, and eight days later the Central Committee voted for their expulsion. The party line in the GDR swung once more toward the "implementation of socialism."

When on August 15 the Soviet leadership put forward the suggestion—already mooted under Beria—of allowing a provisional all-German government to organize elections to a constituent National Assembly, there was no further mention of Beria's plan for a simultaneous withdrawal of the occupation forces. Instead it was envisaged that the administrations of the two divided states should remain in office until a new constitution for the whole of Germany had been passed. This sounded like a hedge against the eventuality that the elections might not turn out as the Soviets wished and took most of the shine off the proposal. But when the Council of Foreign Ministers of the Four Powers met in Berlin on January 25, 1954, after much diplomatic wrangling Molotov appeared more flexible, floating the idea that only small contingents of troops responsible for "control duties" would remain stationed in Germany until the peace treaty came into force.

However, this concession was not enough to mobilize significant support for the idea of a neutral Germany. Churchill's demand that the Soviets be offered security guarantees now seemed hopelessly out of step with current thinking. Rather, the representatives of the Western powers at the Berlin conference demanded that a commission for overseeing the elections be allowed to adjudicate on a majority basis and that any future pan-German government should have the right to form alliances with other states "for peaceful purposes." The intention behind this was to preserve the European Defence Community after reunification and to incorporate the GDR into its realm of jurisdiction. No one was surprised that Molotov rejected this proposal. Indeed, Western negotiating tactics were aimed precisely at ensuring that this conference would fail, thus paving the way for final ratification of the EDC Treaty.

Conversely, Molotov's proposal for a European treaty on collective security found little resonance among his Western counterparts. As long as reunification had not yet taken place, it provided that the two existing German states should both be signatories. By contrast, the United States was accorded only observer status, along with China as the final permanent member of the UN Security Council. This remained unacceptable to Western governments even when Molotov conceded that the creation of such a security pact need not entail the dissolution of NATO. The Berlin Conference ended on February 18, 1954, with no progress whatever achieved on the German question. At the end of March the

Kremlin followed up with a memorandum in which it conceded that the United States could participate on an equal footing in a European collective security system, and also proposed that the Soviet Union might become part of NATO. But these belated suggestions failed to deflect the Western powers from their determination to integrate the Federal Republic into a Western alliance.

The Failure of the EDC

Ultimately the Soviet leadership scored just one success with all their offers and initiatives: the collapse of the European Defence Community project. In particular, the notion of a European treaty on collective security raised such great hopes in France for a rapprochement between East and West—a potential way out of the invidious position of having to both sacrifice its own sovereignty and accept German rearmament—that the American government's insistence at the same time that the EDC treaty be ratified became counterproductive. As such, no parliamentary majority could be found to approve the treaty. A rapid succession of administrations in Paris kept putting off ratification and urging their allies to make further concessions that would increase the chances of the National Assembly passing the legislation; however, these pleas fell on deaf ears.

On August 30, 1954, French prime minister Pierre Mendès France finally put the treaty to the vote, without risking his own future by lobbying for a positive outcome. As expected, the treaty was resoundingly rejected. By a majority of 319 to 264, the delegates declined even to enter into discussion of the EDC pact. Adenauer and his American allies were outraged at this humiliating snub, while Moscow believed that it was finally close to the long-awaited breakthrough.

Yet the Soviets' euphoria was short-lived. Faced with the danger of a complete collapse of the Western security system, all the Western allies suddenly found themselves prepared to make concessions that they had previously avoided. Mendès France accepted without demur the Federal Republic's immediate entry into NATO. Churchill's successor, Anthony Eden, voted in favor of including West Germany and Italy in the Treaty of Brussels (the modified treaty led to the formation of the Western European Union). US secretary of state John Foster Dulles announced that he was in a position to increase the American military presence in Europe. Adenauer stressed his country's renunciation of all atomic,

biological, and chemical weapons production, and also signed the Saar Statute, which recognized the Saarland's continuing economic ties to France until such time as a peace treaty was concluded. On October 23, 1954, the Western foreign ministers signed the Paris Agreements, which set out the terms for resolution of all these issues.

The Kremlin redoubled its diplomatic efforts to block Western integration of the Federal Republic, once again sending out signals that it was prepared to make concessions in all the contentious matters concerning the mechanism for a peace treaty and in the establishment of a collective security system. This charm offensive was at its most effective in March 1955, when the Soviets agreed not to make their withdrawal of their troops from Austria contingent any longer upon signature of a peace treaty with Germany. With the Austrian government making its own unilateral offer of a state of armed neutrality, it proved possible to conclude an Austrian State Treaty in no time, which was duly signed on May 15, 1955, in Vienna. Soviet troops began withdrawing from the east of the country, and the Soviet media was only too keen to emphasize that the same thing could also happen in Germany. At the beginning of June, Adenauer was invited to Moscow to inaugurate diplomatic relations, which, as the invitation expressly stated, would help "restore the unity of a German democratic state."[26]

Yet none of this made any real inroads with the majority of people in favor of an integration of the Federal Republic with the West. A general strike in protest at the Paris Agreements, called by the pro-unification, anti-bloc Paulskirche movement, never came to anything. On February 27 the Bundestag ratified the Paris Agreements by a clear majority. Exactly a month later the upper chamber of the French National Assembly also ratified them. The Agreements entered into force on May 5, 1955. Four days later, delegates from the Federal Republic government took part in a meeting of the NATO ministerial council. In November 1955 the first volunteers moved into the barracks of the newly formed Bundeswehr (federal army). Two more years would elapse before a large influx of conscripts doing compulsory military service swelled the ranks.

After all attempts to prevent the Federal Republic from being incorporated into NATO had proved fruitless, Nikita Khrushchev, the new strongman in the Soviet Presidium, steered the Kremlin's European policies increasingly toward stabilizing the SED's rule in the German Democratic Republic. When the lead-

ers of the Eastern Bloc met in Warsaw on May 14, 1955, to conclude a Treaty of Friendship, Cooperation and Mutual Assistance, the prime minister of the GDR was also present, and the country, albeit initially only with observer status, was incorporated into the Warsaw Pact organization. Following a series of futile soundings during the July 1955 summit in Geneva, Khrushchev announced at a rally in East Berlin that "the German question cannot be solved at the cost of the interests of the German Democratic Republic" and that it was out of the question to "set aside all its many social and political achievements."[27] Two months later, on September 20, 1955, the USSR signed a treaty with the GDR on mutual relations, which proclaimed the GDR "free to decide on matters of its own internal and foreign policy," subject to the provisions of the Four-Power Agreements governing "Germany as a whole." At the start of 1956 the National People's Army (Nationale Volksarmee; NVA) was formed from units of the Barracked People's Police. Its integration into the military organization of the Warsaw Pact under Soviet overall command, decided by the committee of signatory nations on January 28, 1956, concluded the formation of a military bloc in the East.

The Spirit of Geneva

Despite the fears voiced by advocates of neutrality in both the East and the West, the completion of the bloc-building process did not result in a sudden increase in tension. Rather—given that expansion of its own sphere of influence was not on the immediate agenda of either the Western alliance or Moscow—it lent impetus to efforts to reach an accommodation on the basis of the existing status quo. A series of test explosions of H-bombs in the spring of 1954, which brought home vividly to both sides the very real danger of humankind annihilating itself, served to sharpen this pragmatic approach. Ten years after the end of the Second World War, a sense of relief on either side that its own camp had been consolidated and concern to avoid a nuclear conflict combined to create a new dialogue that transcended the frontiers of the two blocs.

This first became apparent at the Geneva Summit of July 18–23, 1955, which the Western powers agreed to hold following the signing of the Austrian State Treaty. At this meeting the Soviets put forward a disarmament plan that would entail transferring inspection of nuclear arms production, with no right of veto,

to a UN agency and would impose identical upper limits on conventional arms stocks on both sides. Eisenhower, who had replaced Truman in the White House in January 1953, was not yet ready to sign on to such an ambitious plan, which ran counter to his concept of nuclear deterrence as a way of offsetting a shortfall in conventional capability. However, as a first practical step he did suggest an open-skies policy on reconnaissance overflights and a free exchange of information on military installations. Both sides agreed to continue dialogue on disarmament measures. As Khrushchev remarked, Geneva demonstrated "that there was no prewar situation in existence at that time and that our enemies were afraid of us in the same way as we were of them."[28]

The Kremlin's offer to establish diplomatic relations with the Federal Republic of Germany also helped further the goal of an understanding on the basis of the status quo. For Adenauer, this was an ambivalent offer: on the one hand, he must have been interested in opening up a direct line to Moscow, but on the other, it risked undermining his claim to speak on behalf of the Germans in the GDR as well. But the Soviet leadership's pledge to release the last ten thousand German prisoners of war who had been sentenced to hard labor in gulags, made during his visit to Moscow on September 9–13, 1955, forced his hand. Thereafter West German diplomacy sought to limit the damage caused by the Soviet Union's recognition of two German states, threatening any other states that recognized the GDR with "serious consequences," including as a last sanction the severing of diplomatic ties. Furthermore, the Federal Republic refused to maintain diplomatic relations with those Eastern Bloc countries that had already recognized the GDR. Although this so-called Hallstein Doctrine (named for Adenauer's secretary of state for foreign affairs) helped isolate the GDR internationally, it also proved a stumbling block to all attempts at healing the division of Germany.

In the context of a mutual nuclear threat, the "policy of liberation" toward Eastern Europe, which Dulles had raised during the US presidential election campaign as a counterpart to Adenauer's reunification concept, turned out to be nothing but rhetoric. When an uprising broke out in Hungary on October 23, 1956, against the country's Stalinist regime, Dulles was at pains to stress that the United States did not look upon Moscow's satellites as "potential military allies."[29] Nonetheless, the new reformist Communist prime minister, Imre Nagy, announced that Hungary would institute multiparty democracy and leave the Warsaw Pact.

Men remove a pile of smoking rubble from a street during the 1956 anticommunist uprising in Hungary. Impelled both by fear for his position and by real concern that the Eastern Bloc might begin to unravel, Nikita Khrushchev let Soviet troops crush the uprising against the country's Stalinist regime. (© Hilton-Deutsch Collection/CORBIS)

On October 31, impelled both by fear for his own position and real concern that the Eastern Bloc might begin to unravel, Khrushchev ordered Soviet troops into Hungary to crush the uprising. On November 4 they began their assault on Budapest; by November 10 they had managed to put down bitter resistance throughout the country. The Eisenhower administration confined itself to submitting resolutions protesting the Soviet action to the UN General Assembly.

In this way, the system of nuclear "mutually assured destruction" conspired to keep communist functionaries in power in Eastern Bloc countries and to cement the Soviet Union's dominance over its allies. No sooner had it been created than the Warsaw Pact proved itself an instrument for safeguarding this hegemony, not just against external threats, but much more so against liberation movements within its own camp. But at the very least, from the time the Hungarian Uprising was crushed, in the West the Soviet model lost much of the appeal that it had once held for the labor movement and for intellectual critics of the capitalist system. The brutal measures enacted to ensure the continuance of communist rule stood in glaring contrast to the West's success in fostering economic recovery and stabilizing popular democracies throughout Western Europe.

European Unification

The failure of the European Defence Community did not spell an end to efforts to unify Europe. These had begun long before the Cold War and were not solely aimed at strengthening the West in its conflict with the Soviet Bloc. The prime mover behind the European unification movement, which had its origins in democratic resistance (including exiled parliamentarians) during the Second World War, was ensuring peace on the continent. Another major concern was to create a larger economic region that would allow European countries to compete with the economic superpower of the United States. Together these two factors led to the conviction that only lasting cooperation and economic integration among Europeans (and the prosperity that flowed from this) would create a firmer bedrock for democracy in Europe than had been achieved after the First World War. This was especially true of Germany: only integration of the Germans into a strong European community could ensure that Germany would no longer pose a threat to its neighbors. And finally, a unified Europe might also help stave off the risk of a one-sided dependence upon either of the two main victorious powers, the United States and the USSR.

The European unification movement was a continent-wide movement. The first agreement on forming a confederation in the postwar world was signed on January 15, 1942, between the Greek and Yugoslavian governments in exile. One week later came a similar accord between the exiled governments of Poland and

Czechoslovakia. On September 5, 1944, the governments of Belgium, the Netherlands, and Luxembourg agreed to establish a customs union (Benelux), which would come into force on January 1, 1948. Once Stalin had forbidden Eastern European governments from taking part in the Marshall Plan, planning and discussion on questions of unification could be realized only in Western Europe. The decisive first step was taken by the French government when, in July 1948, it put forward the idea of a European Parliamentary Assembly, which would form "the core of a European federal organization."[30] If the establishment of a West German state was inevitable, then it should at least be brought within the control of a European community.

Yet because, right from the outset, most continental Europeans were keen to include the British within this European community, but the British were reluctant to accede to the jurisdiction of any supranational authority, the French initiative led only, in the first instance, to the creation of the Council of Europe. But the French foreign minister, Robert Schuman, was not prepared to let the matter rest there. In signaling his willingness (in the Declaration of May 9, 1950) to create the European Coal and Steel Community, which would bring these key industries of the time under a single regulating authority, he effectively forced the British there and then to decide for or against participation in a supranational Europe. As widely anticipated, the British voted against. Accordingly, the only signatories to the treaty establishing the European Coal and Steel Community (ECSC) were France, the Federal Republic of Germany, Italy, Belgium, the Netherlands, and Luxembourg. The treaty's entry into force on July 23, 1952, marked the beginning of the supranational Inner Six. A High Authority of the ECSC, which was installed in Luxembourg under the presidency of Jean Monnet, henceforth saw to it that the reconstruction and modernization of European heavy industry neither led to a new German dominance nor disadvantaged the employees who were engaged in it.

Avid supporters of the idea of an integrated Europe tried to salvage the treaty on the European Defence Community by supplementing it with a European Political Community. For the Italian prime minister, Alcide de Gasperi, the establishment of a supranational authority with the power to rule on matters of foreign policy and defense was a necessary prerequisite for the foundation of a European army; the plan also found favor with many people in France as a way

of permanently dispelling any danger of Germany going it alone. In September 1952 the parliamentary assembly of the ECSC was tasked with producing a draft treaty for the creation of a Political Community. However, the project became bogged down in negotiations over the form the new government commission should take: the Netherlands would agree to participate in a Political Community only on the condition that the Inner Six formed a common market at the same time. Yet the French were opposed to this idea, because they thought their economy was not yet sufficiently competitive.

The rejection of the EDC by the French Assembly on August 30, 1954, also cut the ground from under the feet of the European Political Community (EPC), a full draft of which had been prepared in the interim. In the search for alternatives that would carry on the European project beyond the ECSC, Jean Monnet's next move was to propose that a European Atomic Energy Community be established. This would be a vital step if France and the other European nations were to keep abreast of the technological change, while also being more achievable than any economic or political union. National atomic authorities had not had a chance to develop yet, meaning that there were no existing lobbies to form a common front against the formation of another supranational authority. But the Dutch foreign minister, Johan Willem Beyen, once more raised the question of a common market, which was especially important in regard to his country's exports to Germany. Restricting integration to just a few areas of commercial activity like coal and steel or the nuclear industry seemed to him to be economically counterproductive.

Hence, real progress in achieving unity among the Inner Six could be made only by agreeing to a bilateral approach: the creation of an Atomic Energy Community and an Economic Community. The first step toward a compromise came when the Inner Six's foreign ministers passed a resolution at a conference in Messina, Sicily, in early June 1955, to appoint an expert commission to examine both proposals. Its chairman, Paul-Henri Spaak, showed great deftness of touch in putting forward a viable plan, and thereafter Adenauer and his French colleague Mollet ensured that the plan made it over several tricky negotiating hurdles. Both had to push the concept through in the face of domestic political opposition: Mollet against a majority in the French parliament, who were skeptical in particular about the idea of economic union, and Adenauer against certain

sectors of the business community and his own administration. For instance, his own finance minister, Ludwig Erhard, considered a customs union with just six members to be "economic nonsense."[31]

Political interests in forging a stronger integration therefore played a more important role than pure economic considerations in achieving a breakthrough in the negotiations. The eventual outcome was the Rome Treaties of March 25, 1957. They embodied the creation of the European Economic Community (EEC), albeit in three stages over a period of twelve years (or fifteen at the outside), and the formation of the European Atomic Energy Community (EURATOM), which had no commercial or regulatory interest in the military domain. These were framework treaties, each of which laid down the bases for creating common institutions—for example, a Customs Union, a Common Agricultural Policy, and an agreement on ownership of fissile material—but they made the devolution of further political responsibilities to community level contingent on unanimous agreement by the individual participating governments. In the background, working to ensure that the treaties were ratified, was the Action Committee for the United States of Europe, in which Monnet, following the expiration of his term as president of the High Authority, gathered together important parliamentarians from all the member nations. Both treaties came into force on January 1, 1958. An independent commission of nine members, which was to manage the day-to-day business of the economic community, set to work in Brussels, at first on a provisional basis.

The readiness of France and the Federal Republic of Germany to compromise on the basis of the Rome Treaties also helped dispel a potential problem arising from the reaction of the people of the Saar region to the Paris Agreements of 1954. Contrary to the expectations of the governments in Paris and Bonn, in a referendum held on October 23, 1955, voters in the Saar region overwhelmingly rejected the idea of it becoming a joint European territory. As things stood, the only solution was to incorporate it with the Federal Republic. Yet this threatened to deprive France of the Saarland's rich coal stocks, which all French governments and the French people had taken as settled since the end of the war. In the context of the negotiations on the economic community, Adenauer agreed that coal in the Saarland's seams could continue to be mined from French territory and also promised German aid in financing the canalization of the Moselle

River, essential for the transportation of French iron ore and steel. The result was the formal accession of the Saarland to the Federal Republic on January 1, 1957. Transfer from a French to a German economic region, with the Deutschmark rather than the franc as legal tender, took place, after a transitional period, on July 6, 1959.

Great Britain did not join either the EEC or EURATOM. Instead it pushed the idea of a free trade zone involving all the member states of the Organization for European Economic Co-operation (OEEC), which had been set up to administer the Marshall Plan. By gradually abolishing the tariffs on manufactured goods between the member states, while maintaining various trade barriers with third-party states, this arrangement was designed to prevent British industry from being excluded from a liberalized Common Market among the Inner Six. However, discussions on the formation of such a zone foundered at the end of 1958 when the French demanded special protectionist provisions for the Common Market. The British government responded by assembling other OEEC members, who for various reasons also rejected membership of the EEC, into a "smaller" Free Trade Area—the European Free Trade Association (EFTA), founded on May 3, 1960. Aside from Britain, its members were Denmark, Sweden, Norway, Austria, Switzerland, and Portugal. Finland joined as an associate member in 1961.

De Gaulle and Political Europe

De Gaulle's accession to power in May 1958 shifted the balance between the Atomic Energy Community and the Economic Community. For the president of the French Fifth Republic, the maintenance of absolute independence from the American nuclear industry was more important than the research and development synergy any joint nuclear program might bring. But this meant that precisely the country that had been the main driving force behind the creation of an Atomic Energy Community now dropped out of the picture. As a result, no common market for nuclear reactors came into being, nor was it even possible to integrate the various nuclear research programs. On the other hand, the Economic Community became a reality faster than originally agreed. De Gaulle drove the modernization of France ahead full-speed and knew how to exploit

the instruments of the Economic Community to this end. The favorable economic conditions in Western Europe when he took office helped him immeasurably, and the boom was lent further impetus by the progressive dismantling of economic barriers between countries. So, although negotiations on the creation of an Economic Community did not go entirely without a hitch, the upshot was that the Customs Union of the Inner Six was completed on July 1, 1968, eighteen months before the deadline stipulated in the treaty.

De Gaulle also lobbied for a political union among the Inner Six. The primary purpose of this would be to carve out autonomy after all for Europe in defense matters, thereby overcoming its foreign policy dependence on the United States. Because the USSR had, since the late 1950s, developed long-range bombers that could deliver a nuclear payload on American soil, he no longer placed any credence in the American guarantee to deploy nuclear weapons if Western Europe should be invaded by the Soviets. Thus, de Gaulle reasoned, Europe should develop its own nuclear capability. He was prepared to use the French A-bomb in the defense of Europe; but in the long term, he envisaged a scenario in which other European nations would have their own nuclear weapons, perhaps even under a joint command structure. Following the first successful testing of the French atom bomb in February 1960, on September 5 of that year he put forward to his EEC colleagues the idea of a standing committee of European heads of state, with the power to formulate common foreign and defense policies.

Adenauer was extremely interested in de Gaulle's proposal. The German chancellor was also looking for some reassurance in the event that the American guarantee was no longer valid, and he also wanted to forestall any agreement between France and the Soviet Union at the Federal Republic's expense. In contrast, Belgium and the Netherlands could see no merit in the plan: they feared French dominance in place of American protection, and in order to prevent this they wanted to bring great Britain into the Common Market. De Gaulle also showed an inclination to subordinate existing European institutions to the new ministerial committee, whose votes, at least for the time being, had to be unanimous. This threatened, then, to impose a loss of supranational organization after all, a retrograde step that many found unacceptable.

Negotiations on political union therefore turned out to be commensurately difficult. A French proposal of October 19, 1961, drafted by Christian Fouchet, a

confederate of de Gaulle, (the so-called "Fouchet plan") floated the idea of revising the treaty on the European Union after three years, with the aim of unifying foreign and security policy and centralizing the existing institutions. Yet the Netherlands, Belgium, and Italy insisted that after three years, the rights of the European Parliament should be strengthened and that a system of majority voting should be introduced in the ministerial committee. When de Gaulle rejected their suggestions, in April 1962, they promptly quit the negotiating table. The French president then tried a new tack, putting forward the idea of a dual union between France and the Federal Republic. Adenauer hesitated at first but then, during a visit to Paris on January 21–22, 1963, surprised everyone by signing the Franco-German Friendship and Cooperation Treaty (Élysée Treaty). This committed both signatories to working closely together in formulating foreign and defense policy. In addition, summits were to be held at least twice a year, while the foreign and defense ministers were to meet every three months, and lower-ranking officials even more frequently. Another provision was the creation of a Franco-German Youth Office, to help put understanding between the two peoples on a long-term firm footing. The two governments agreed to "consult one another over all important questions of foreign policy before any decisions are reached" and in the defense realm to "pool ideas in order to arrive at a mutually acceptable approach."[32]

However, this went too far for most German politicians, both in the government and in the opposition. Incited to revolt by Jean Monnet, who feared that Europe was turning its back on the United States and that European institutions were being weakened, when the treaty came to be ratified in the German parliament, they added a preamble that effectively prevented it from being fully enforced. In this preamble the delegates stated their determination to uphold the close ties with the United States and to work toward as swift an integration as possible of Great Britain into the Economic Community. De Gaulle rightly interpreted this as a slap in the face. In July 1964 he made one last effort to get Adenauer's successor, Ludwig Erhard, to sign on to a common foreign and defense policy; when this failed, he viewed with extreme skepticism all German and Italian initiatives on resuming negotiations about political union.

In the absence of any realistic prospect of an independent Europe, in the years that followed de Gaulle concentrated on giving those he perceived as

Konrad Adenauer and Charles de Gaulle at a Franco-German military parade in Reims, July 8, 1962. By inviting the German chancellor to a prestigious state visit in France, the French president promoted the idea of a dual union between France and the Federal Republic. Adenauer gave in and signed the Franco-German Friendship and Cooperation Treaty of January 22, 1963. (© Bettmann/CORBIS)

America's allies clear object lessons in his understanding of independence. Thus, in the spring of 1965, when the EEC Commission, with Walter Hallstein as president, tried to use France's interest in communal finance arrangements for the Common Agricultural Policy (CAP) as a lever to strengthen the rights of the European Parliament and hence also the Commission, the French president responded with his notorious "empty chair" policy: on June 30, 1965, his foreign minister broke off all negotiations on the funding of the CAP. He then proceeded to boycott all Community activities for the next seven months, paralyzing the Commission. His price for the return of French representatives was that the plan to go over to qualified majority voting in the Council, which was due to come into force on January 1, 1966, be dropped.

But de Gaulle had overplayed his hand. His EEC partners knew full well that France needed the Economic Community just as much as they did. And

while this affair did effectively defer any increase in power for the European Parliament, it also delayed a definitive settlement on the question of CAP financing. At the end of January, de Gaulle gave up his boycott, even though his fellow EEC members had not acceded to the French demand that unanimity voting should be mandatory in the Council where vital national interests were at stake. Only on the question of the role of the Commission could de Gaulle, after more than six months' more wrangling, score a nominal victory: so that the merging of the executive functions of the three communities (and with it the development of a common energy policy) would be delayed no further, at the end of April 1967 the Federal Republic chancellor, Kurt Georg Kiesinger, agreed to restrict Hallstein's term in office as president of the joint commission of the ECSC, the EEC, and EURATOM to six months and to immediately name his successor. Hallstein was not prepared to go along with this, however, and so when the three executives were merged on July 1, 1967, Hallstein stepped down and the Belgian Jean Rey took his place.

On March 7, 1966, de Gaulle announced France's withdrawal from NATO's military organization, without having managed to advance his plan for a European alternative to Atlantic integration. France remained a member of the Atlantic Pact but withdrew its troops from NATO command and asked the Allies to quit their bases on French soil. France's NATO partners acceded to this demand, moving the organization's headquarters from Paris to Brussels. Though this allowed de Gaulle to secure the independence of the French nuclear *Force de Frappe*, it made political union among the Inner Six an even more distant prospect: France's European partners once again felt snubbed by de Gaulle's unilateral behavior and so sought an even closer understanding with the United States. At the end of 1967, the remaining NATO members officially adopted the policy of "flexible response."

British Accession to the EEC

The stakes in the discussions over the future development of the European Communities were raised in the summer of 1961, when Harold Macmillan's government set about reviewing Britain's original decision not to participate in European integration. Trade with the countries of the dynamic European Community

of Six gradually became more important for the British economy than its traditional ties to the Commonwealth. At the same time, Britain was keen to avoid the threat of French or German political dominance on the continent. Accordingly, on August 9, 1961, the British government lodged a formal request to join the EEC. The Irish and Danish governments immediately followed suit, Ireland because of its close commercial ties with Great Britain, and Denmark because it had a keen interest in free access to the German market. In April 1962, Norway also asked to join, fearful that it would find itself economically isolated if the bids by the other three were successful.

By and large, these applications were warmly received by the Inner Six. Great Britain and the other applicants were welcomed with regard to both the Community's economic development and its future political strength, and their accession was viewed by the smaller member states as promising to create a counterbalance against either French or German preeminence. Yet de Gaulle and other advocates of a politically integrated Europe were concerned that any expansion of the Community before this had been achieved might risk a collapse of the whole edifice. In particular, de Gaulle believed that the goal of an independent Europe was seriously threatened by the transatlantic slant in British politics.

Under these circumstances it was to prove counterproductive for Macmillan, with an eye to appeasing the conservative establishment, to insist upon special provisions with respect to Britain's Commonwealth links and to prevaricate over the question of a joint European nuclear deterrent. Negotiations on British accession ground to a halt in August 1962. When no progress had been made after several months, de Gaulle unilaterally guillotined the discussions at a press conference on January 14, 1963. His veto brought bitter recriminations from continental supporters of British accession, but it could not be rescinded. The other countries' bids to join were also thrown out.

Four years later, though, the question of Britain joining was back on the table. The Labour prime minister, Harold Wilson, submitted a new request to join on May 11, 1967; once more the governments of Ireland, Denmark, and Norway also put in their own submissions. In view of the continuing decline of the British economy, joining the EEC was a more pressing matter for Wilson than it had been for his Conservative predecessor. From the outset he was at pains to stress

that he was ready to waive any special provisions, and declared himself in favor of a politically integrated Europe. This secured him not only the unanimous support of the smaller member states, but also the support of Italy and Germany. Unlike in 1961, this time the Commission also threw its weight behind the accession bids. Another unilateral intervention by de Gaulle on November 27, 1967, served to delay the start of negotiations but ultimately could not entirely prevent them.

As long as de Gaulle opposed the start of accession negotiations, the governments of the Benelux states and Italy blocked every move to strengthen the European Communities that also benefited France: not only a new attempt to forge a Political Union, but also the development of a common energy policy and a technology policy that would help Europe make up some of the ground lost to the Americans, plus plans for monetary union, which had become all the more pressing in the face of West Germany's growing economic dominance. When EEC members began entertaining the possibility of political cooperation with Great Britain without French participation, de Gaulle finally gave in: on February 4, 1969, he informed the British ambassador, Christopher Soames, that he was ready to begin talks on reconstituting the Communities as a larger economic association.

Because Wilson preferred accession to the existing Communities to some nebulous new formulation, though, this proposal only led to a further souring of Anglo-French relations. But under de Gaulle's successor, Georges Pompidou, France finally gave the green light to commence negotiations over British accession. These duly began in July 1970, five weeks after the Conservative Edward Heath had succeeded Harold Wilson as prime minister. Heath was able to extract some concessions from Pompidou on the question of the importation of dairy goods from New Zealand and sugar from the Caribbean, which were of vital importance for producers in those countries, but he had to accept that Great Britain, in line with EEC regulations, would have to contribute a disproportionate amount to the financing of these importations. The negotiations came to an end in June 1971, and the accession treaty was signed, in conjunction with those of the other three countries, on January 22, 1972, in Brussels.

Because accession inevitably impinged upon certain vested commercial interests, objections were raised in all the candidate countries against joining on the

terms that had been negotiated. So vehement was the opposition in Britain that Wilson was even prompted to call for further talks. However, on July 13, 1972, the House of Commons ratified accession, albeit by only a slim majority. By contrast, a referendum had to be called in Denmark, resulting in 63 percent in favor. In Norway the outcome was 54 percent against. And so, when the treaties on the first enlargement of the EEC entered into force on January 1, 1973, Norway was no longer present.

Consolidating the Communities

France's acquiescence in the matter of accession also paved the way for the development of Community projects that supporters of enlargement had up to that point been vetoing for tactical reasons. At the Hague Summit, the heads of state and government agreed on a final package for financing the Common Agricultural Policy from community contributions, combined with an extension of the European Parliament's powers to set budgets. In addition they also agreed for the following year, in close collaboration with the Commission, to draft a phased plan for the creation of a full economic and monetary union. Lastly, they tasked the foreign ministers with working out a proposal for "progress in the realm of political union."[33]

French reservations meant that the institutionalization of collaboration on foreign and defense policies did not go as far as German chancellor Willy Brandt deemed necessary. In line with a report prepared by an expert commission under the chairmanship of the Belgian diplomat Étienne Davignon, October 1970 saw the founding of the European Political Cooperation (EPC) system, an informal intergovernmental consultation mechanism enabling foreign ministers to meet regularly to search for a common approach to major international policy questions. The administrative basis of the foreign ministers' meetings was restricted to a Committee of the Political Directors of the foreign ministries concerned. Nevertheless, it did not take long for the governments of the Communities to develop a common policy on both the Middle East and South Africa. In the preparation and execution of the Conference on Security and Cooperation in Europe (CSCE), held in 1973–1975, they spoke with one voice and consequently were largely successful in pushing through their agenda. The Final Act of the

CSCE was signed on behalf of the European Communities by Aldo Moro, then president of the European Council.

Where monetary union was concerned, the plan of an expert commission chaired by the Luxembourg prime minister, Pierre Werner, which also reported back in October 1970, envisioned a package of measures aimed at convergence of the economic, budgetary, and monetary policies of the national governments, combined with a step-by-step development of communal institutions. This would pave the way for the introduction of a common currency within a decade. The plan was adopted by the member states' governments, with some modifications, in March 1971. However, its implementation was immediately compromised by wild fluctuations on the currency markets; thereafter, French concerns over loss of sovereignty and German fears of inflation meant that hardly any unanimous regulations on reaching agreed-upon targets were ever put in place.

Even so, in April 1972 the six European Community states, together with Great Britain, Ireland, and the Scandinavian countries, agreed to establish the European Exchange Rate Mechanism—the so-called currency snake. This provided for purchasing weak currencies and selling strong currencies in order to limit fluctuations between them, thereby creating a haven of currency stability in a sea of raging worldwide speculation. Yet even this interim step proved too ambitious: Great Britain was forced to leave the snake even before it joined the European Community, in May 1973 the Federal Republic suspended its support for weak currencies, and following the onset of the global crisis that resulted from a fourfold increase in the price of crude oil in 1973–1974, France also found itself obliged to withdraw from the snake. At this stage, a common currency seemed only a distant mirage.

In the light of the difficulties experienced in realizing both political and monetary union, Willy Brandt (as in the matter of a common currency, following the advice of Jean Monnet) argued strongly in favor of institutionalizing summits. His first success on this front was to persuade Pompidou to hold another summit following the conclusion of the negotiations on enlargement—the Paris Summit of October 1972. One year later he also secured the French president's agreement to hold regular meetings of the heads of state and government. The plan was for them to meet three times a year to resolve problems on the way to achieving European Union. But because the smaller member states feared

that such a European Council might disempower the Commission and lead to a loss of supranationality, no agreement to implement this body could be reached at the Copenhagen Summit in December 1973. It was only at the Second Paris Summit in December 1974 that it was finally decided to establish the European Council. However, to try to assuage any lingering concerns about the role of the Commission, its president was now included in discussions between the heads of state and government. At the same time, it was agreed to lay the groundwork for direct elections to the European Parliament from 1978 onward.

Following the establishment of the European Council, Jean Monnet dissolved his Action Committee for the United States of Europe. He regarded it as redundant, given that crisis management and further development of the European Communities was now the responsibility of the heads of state and government: "Our committee, which had helped create and breathe life into this mechanism, now seemed to me to be less essential and less able to see through a task that, in the wake of all the treaties had now been expressly entrusted to the organs of the Communities, individual governments and the new institutions."[34] And in truth, after many disagreements and compromises, the project for European union had now, in its basic configuration and working method, taken on a form that would prove extremely durable.

The Berlin Crisis

For financial reasons, the plans that both the Western powers and the Eastern Bloc drew up at the start of the 1950s for a huge increase in conventional arms could not be realized in full. Both the American and the Soviet leadership therefore came to rely increasingly upon their nuclear deterrents: the threat to deploy atomic weapons was designed both to compensate for a shortfall in conventional arms and to enable a reduction in the costly conventional arsenal. Yet the transition to a system of nuclear deterrence also invoked the specter of total annihilation. As a result, the leaders of the two nuclear-capable superpowers found themselves obliged to engage in a constant dialogue. This was an arduous process, hampered on both sides by ideological misconceptions and lack of experience in dealing with nuclear stalemate, and it led on many occasions to a ratcheting up of tension in East–West relations.

The rapid expansion of the United States' nuclear arsenal began even under the Eisenhower administration. In 1955 the United States had a fleet of 1,309 long-range bombers that could reach Soviet territory, 698 tactical nuclear weapons for deployment in Europe, and a total of 3,008 warheads. The doctrine of massive retaliation dictated that any potential Soviet conventional offensive would be met with an extensive nuclear counterstrike against targets within the Soviet Union. As compensation for the planned scaling down of American troop numbers in Europe in 1956, the European allies asked for their own forces to be equipped with miniaturized tactical battlefield nuclear weapons. In 1957 Washington agreed to this request in principle, albeit with the proviso that the nuclear warheads would remain under American control; the Allies would only be supplied with American launch vehicles.

In an effort to counter this move, the Soviets under Khrushchev likewise began to shift from conventional to nuclear arms: from a high point of 5.7 million men in 1955, built up by Stalin in the final years of his life, by 1959 the Red Army had shrunk to around 3.6 million, while at the same time an arsenal of intermediate-range missiles that could hit targets in Europe was assembled. However, the buildup of the Soviet nuclear medium-range arsenal was a slow process, and even slower was the construction of long-range bombers and intercontinental ballistic missiles that could reach American territory. Therefore, Moscow was predisposed to view the expansion of NATO's tactical arsenal as a new advance in the arms race that it could scarcely match; moreover, it appeared all the more dangerous in that it gave the Western powers and the Federal Republic new options. Accordingly, Khrushchev gave his backing to a proposal by the Polish foreign minister, Adam Rapacki, that the two German states and Poland should become a nuclear weapons-free zone.

Because Rapacki's suggestion gained a good deal of support in the West as well, in March 1958 Khrushchev managed to persuade the Western powers to call a new summit to discuss creating a zone in Central Europe in which arms proliferation would be limited and subject to inspection. However, he miscalculated badly in his attempts to stir up public opinion in the West for this proposal and to introduce the question of a peace treaty with the two German states into the summit agenda. The Western governments were able to portray this as a sign that Khrushchev was not really serious about disarmament, giving them an

excuse to drag their feet over calling the meeting. Instead, at the end of March, Adenauer got a majority of the Bundestag to vote in favor of making the Bundeswehr nuclear-capable, while on April 8, the defense ministers of the Federal Republic, France, and Italy concluded a treaty on joint production of nuclear arms.

The failure of the Rapacki Plan was all the more galling for Khrushchev because he was being pressured at the same time by Ulbricht to do something about the continuing presence of the Western allies in West Berlin, who were thwarting his attempts to secure an economic victory in the struggle between the ideological systems in the two Germanies. Every month, some ten thousand or more citizens of the GDR used the border between the sectors in Berlin as an escape route to the West. In particular, well-educated, professional people were leaving the country in droves; in the long term this threatened not only the ability of the Workers' and Peasants' State to compete with its neighbor, but also its very survival. Khrushchev responded to these developments by issuing the Berlin Ultimatum of November 27, 1958: in a memorandum to the three Western powers and the governments of the two German states, he called for Berlin to be transformed into a free city without Western troops, and for an understanding to be reached with the GDR about access to the city. In the event that regulations to this effect could not be agreed upon within six months, he announced, the USSR would conclude a separate peace treaty with the GDR.

In making this threat, Khrushchev's main aim was to force the Western powers to recognize the GDR. In turn, he hoped, recognition would make the Workers' and Peasants' State a more attractive place and stem the flow of refugees. In addition, a peace treaty would free the two Germanies from their existing military alliances. Thus, a nuclear weapons-free zone could be achieved in central Europe after all and, freed from the constraints of military confrontation, socialism could demonstrate that it offered the better model for society.

Under the pressure of Khrushchev's ultimatum, the Western powers did indeed begin to move toward recognition of the GDR. Yet the effect of this brutal Soviet threat was to put advocates of a disengagement of the world powers from Germany even further on the back foot. A meeting of the Council of Foreign Ministers held by the four victorious powers in Geneva from May 11, 1959, onward to discuss the German question and the status of Berlin quickly ground to

a halt. And a summit that Khrushchev had arranged with Eisenhower while on a state visit to the United States in late September 1959 was over before it had begun: because it had become clear in the meantime that the West would make no concessions on the German question, Khrushchev took the discovery of Western spy-plane flights over the Soviet Union as a pretext to demand an apology from Eisenhower before the talks opened in Paris on May 16, 1960. When this was not forthcoming, he immediately left the French capital in a flurry of furious imprecations.

Another attempt to reach an agreement, this time with Eisenhower's successor, John F. Kennedy, foundered on the young president's determination to not let himself be intimidated. When Khrushchev and Kennedy met on June 5–6 in Vienna, the president announced without more ado that he would not "give up" Berlin under any circumstances. Khrushchev responded by reviving the long-since lapsed ultimatum, and Kennedy prepared himself and public opinion for the possibility of armed confrontation over freedom of access to Berlin. Nonetheless, in order to not completely close off any last remaining avenues of understanding, when he made his public announcement stressing his readiness to fight, Kennedy also clearly spelled out his essential non-negotiable conditions: free access to Berlin, the right of the Western powers to maintain a military and diplomatic presence there, and freedom of movement into the Western sectors.

This gave Khrushchev the opportunity to enact a measure to stem the growing flood of refugees from the GDR that was totally at variance with the objective of neutralizing West Berlin or even incorporating it into the GDR—namely, to seal off the border between the sectors by building a wall straight across the city. Ulbricht had repeatedly demanded just such a solution but had been rebuffed by Khrushchev, who thought that it ran too great a risk of sparking a war. But after Kennedy had failed to include the rights of the Allies to travel freely throughout the whole of Berlin in his list of "essentials" that he was prepared to go to war over, Khrushchev thought that a provisional cordoning off of the sector border might be a viable option. On August 1, 1961, Ulbricht got the go-ahead to build the Wall, which was put up during the night of August 13.

Kennedy's reaction was one of relief, and he signaled his readiness to discuss recognition of the GDR, so long as the freedom of West Berlin was guaranteed. In turn this enabled Khrushchev to rescind the ultimatum once more and re-

nounce his intention of signing a separate peace treaty with the GDR by year's end, much to Ulbricht's disappointment. However, informal preliminary talks on regulating matters relating to the two Germanies and Berlin came to nothing, as Adenauer and de Gaulle once again took their stand against any form of concession.

The Cuban Missile Crisis

In this tense situation, an urgent request by Fidel Castro for aid to help him resist another American invasion tempted Khrushchev into an all-or-nothing gamble that brought the world to the brink of a third world war. The Soviet Union had no further means of strengthening Cuba's conventional arsenal or even of sending troops to fight off an invasion. And so Khrushchev hit upon the idea of supplanting conventional arms with nuclear arms in this theater as well. Stationing Soviet intermediate-range missiles on Cuba was also designed to lessen the danger of an American first strike. In the interim, US nuclear arms superiority had increased hugely: the United States now possessed seventeen times as many long-range bombers and ICBMs as the Soviet Union, giving it the capability of largely or completely wiping out the Soviet nuclear arsenal in a single massive surprise attack. Soviet intermediate-range missiles on Cuba, which could hit American cities, could not redress this situation in military terms. But their visible presence there alone might dissuade US leaders from entertaining the possibility of a preemptive strike. So, at the end of May 1962, Khrushchev steered through the Presidium of the Soviet Central Committee a resolution to station the missiles; from July onward, eighty missiles and forty warheads would be shipped to Cuba.

But what Khrushchev had failed to take into consideration was the domestic political pressure that Kennedy found himself under. Since the Bay of Pigs debacle, he had been criticized for doing too little to help liberate Cuba. Therefore, when the first rumors began to circulate about the stationing of missiles on Cuba at the beginning of September, he immediately declared publicly that he would not tolerate the presence of any offensive missiles on the island. When the news was confirmed in mid-October, he found himself obliged to back his words with action. His first inclination was to destroy the missile sites in a surprise air

assault before they had a chance to become operational. But because this risked starting a full-scale conflict, he decided instead, on October 21, to put in place a naval blockade to prevent the arrival of any more Soviet missiles and warheads, and to publicly challenge Khrushchev to withdraw the missiles already on Cuba. On October 22 he went on television to tell the American people about the missile threat and to let Khrushchev and the world know what his response would be.

The Soviet leader's first reaction was to tough it out, but during the night of October 25 he ordered the Soviet freighters to stop just outside the American exclusion zone. In the Presidium, he sought authorization to withdraw the missiles on the condition that the United States would not attempt to occupy Cuba. However, an agreement on this basis initially faltered after Khrushchev, in a radio broadcast on October 27, made an additional demand that the United States dismantle the medium-range missiles that it had stationed in Turkey. Kennedy refused to agree to this extra condition for the withdrawal of missiles from Cuba, because he was afraid of losing the trust of his allies. Only when his chiefs of staff urged an attack on Cuba within forty-eight hours did he give his assent in a secret communiqué to Khrushchev, albeit with the proviso that his concession on the Turkish missiles not be made public. Khrushchev concurred, and in another radio address on the morning of October 28 (Washington time) announced the immediate dismantling of the missile sites on Cuba, with no mention of Turkey. The threat of war was thereby dispelled.

Mutual awareness of having stood on the brink of nuclear annihilation caused the leaders of the two superpowers, despite their diametrically opposed positions, to come together to try and find ways of ensuring peace. After an initial phase of continued saber rattling, blamed on the hawks on both sides, the spring and summer of 1963 brought a string of attempts at rapprochement and concrete accords. Khrushchev ceased demanding that Berlin be made a free city, thereby making the provisional division of the city into a permanent arrangement. To forestall the danger of a nuclear war breaking out over a misunderstanding, a telex line and a direct radio link were established between the two capitals (the "red telephone" hotline). The foreign ministers of Great Britain, the United States, and the USSR signed the first nuclear test-ban treaty, outlawing all aboveground testing.

A Cuban refugee in Miami watches President John F. Kennedy's television address of October 22, 1962. By announcing a naval blockade and challenging Nikita Khrushchev to withdraw the nuclear missiles already in Cuba, Kennedy compelled the Soviet leader to break off his provocative maneuver and consent to a more cooperative course to forestall the danger of a nuclear war. (© Bettmann/CORBIS)

In June 1963 Kennedy urged the American people to "re-examine our attitude toward the Soviet Union";[35] for his part, after the signing of the Test-Ban Treaty, Khrushchev invoked a Spirit of Moscow, in the tradition of the Spirit of Geneva. In the fall Kennedy suggested another summit meeting with Khrushchev, at which the agenda would include further steps toward improving relations: cooperation in spaceflight, expansion of trade links, and reciprocal reductions in troop numbers. In addition, Khrushchev mooted further talks on banning nuclear weapons in space, nuclear-free zones, and the conclusion of a Non-Aggression Pact between NATO and the Warsaw Pact.

Even though the dialogue on détente that these initiatives opened up suffered setbacks when Kennedy was assassinated in November 1963 and Khrushchev was deposed in October 1964, it was basically unstoppable. Both sides were now all too aware that any attempts to alter the status quo could lead to a nuclear

catastrophe. And so they focused their policies on securing control of their own camps and limiting the spread of nuclear weapons and reducing the chances of their deployment. Talks between the administration of President Lyndon B. Johnson and Khrushchev's successors, headed by general secretary Leonid Brezhnev and Prime Minister Alexei Kosygin, led in 1966 to an accord on the nonproliferation of nuclear weapons. After some difficult horse-trading with non-nuclear nations and those on the brink of acquiring nuclear capability, the agreement was finally signed on July 1, 1968.

The Vietnam War

The ongoing dialogue on détente was also hampered by US involvement in Vietnam. When the North Vietnamese communist government decided to widen the guerrilla war being waged by the Viet Cong against the Diem regime in the South, the Kennedy administration responded by bringing the various opposition groups together under the umbrella of the National Liberation Front (NLF) and implementing a complex "pacification program." This comprised three key elements: first, corralling the rural populace of the South into "strategic villages" that offered protection against the rebels; second, strengthening the South Vietnamese forces by equipping them with modern weapons and providing military training; and third, sending in American "military advisors," some of them within their own discrete units. This program was intended to halt infiltration from the North within eighteen months. Kennedy was well aware of the weakness of the Diem regime, but he was also worried that a communist victory in South Vietnam would encourage anti-American elements in South Korea and Japan and undermine his own credibility as the leader of the free West.

Yet the pacification missions undertaken by the American "advisors," who up to the fall of 1963 totaled some sixteen thousand, had little effect, not least because Diem's arrogant brother Ngo Dinh Nhu and his wife managed to so antagonize the country's Buddhists that they rose up against the government. When Nhu ordered army units to storm Buddhist temples in August 1963, killing or wounding many monks in the process, the Kennedy administration lent their support to a military coup. This took place on November 1, 1963; Diem and

Nhu were shot dead. There followed a quick succession of regimes in Saigon, while the NLF secured control over more of the country's rural areas.

Under President Johnson, the covert operations rapidly developed into a regular, if still undeclared, war. On February 1, 1964, South Vietnamese units began, with American support, an offensive against military positions along the northern coast. During this operation, in the night of August 2–3, a US destroyer allegedly came under fire from North Vietnamese patrol boats in the Gulf of Tonkin. Johnson responded on August 5 by ordering the first air strike against supply bases in North Vietnam, whereupon the regime in Hanoi mobilized the regular troops, who rushed to lend support to the Viet Cong in the South. Johnson's advisors now concluded that a huge increase in American troop numbers would be required, to prevent a communist victory. In March 1965, round-the-clock bombing raids began against targets in the North and in areas occupied by the Viet Cong (Operation codename "Rolling Thunder"); May saw the arrival of fresh American ground forces, whose mission was to make the decisive breakthrough in winning back areas captured by the Viet Cong.

US combat troop numbers in Vietnam increased from 40,000 in May 1965 to 275,000 in July, and 443,000 in December. By June 1966 the US Expeditionary Force numbered 542,000 men, the large majority of them conscripts. They were supported by 50,00 troops from South Korea, 11,000 from Thailand, 1,500 from the Philippines, 8,000 from Australia, and 500 from New Zealand—all driven by the fear that communist influence might spread throughout Southeast Asia. The South Vietnamese also expanded their forces to over half a million. In June 1965 the government of South Vietnam was taken over by a military junta led by Nguyen Van Thieu and Nguyen Cao Ky; however, the direction of the war was left entirely in the hands of the American general staffs. Up to the end of October 1968, the US Air Force flew 107,700 combat missions, dropping 2.5 million tons of bombs in the process—more than in the entire Second World War.

Yet for all the massive deployment of men and materiel, the United States got no closer to achieving its desired "pacification" of South Vietnam. The Viet Cong and North Vietnamese Army were outnumbered (with forces of around 230,000 guerrillas and 50,000 regular troops), but they had the advantage of fighting from the cover of the jungle regions. They built a warren of tunnels into which they could melt if pursued, and used a network of concealed supply lines (the

so-called Ho Chi Minh Trail) that ran mainly through the east of Laos and Cambodia, to ensure a constant flow of men and weapons from the North. In an attempt to deny their opponents the cover afforded by the dense jungle canopy, the Americans sprayed the region from the air with a defoliant containing the highly toxic chemical dioxin. The use of Agent Orange not only destroyed an area of forest the size of the Netherlands but also afflicted countless Vietnamese with liver cancers, epilepsy, and a wide range of allergies. But this action brought no breakthrough in the conflict either. To the contrary, the brutal tactics of the American forces only increased the population's sympathies for the Viet Cong guerrillas. The bombing campaign against munitions dumps and factories in the North was offset by regular supplies from the Soviet Union and China. Mao Zedong was happy to provide this kind of limited support, not only to help weaken the Americans' position in the region, but also to ensure that the Vietnamese did not become too strong. The Soviet leadership, on the other hand, was more concerned to maintain its standing within the wider communist movement.

To bolster this reputation still further, Brezhnev and Kosygin also declined an invitation by Johnson to visit the United States and thrash out the difficult questions surrounding disarmament. In February and June 1967 they did support Johnson's peace initiatives by acting as go-betweens to convey to Ho Chi Minh the offers Johnson made during talks. But contrary to Johnson's hopes, they did not bring any special pressure to bear on the leadership in Hanoi to accept these offers. The Vietnamese communists were not prepared to bring a halt to the US bombing campaign against the North by renouncing their claims on the South, nor were they ready for peace talks with the United States. A chance encounter between Johnson and Kosygin on the fringes of a meeting of the UN General Assembly in the small town of Greensboro, New Jersey, on June 23–24, 1967, was perfectly affable but brought no concrete results.

After the Viet Cong launched a coordinated offensive against a number of towns in the South on January 31, 1968 (the Tet Offensive), American public opinion and the US military leadership began to incline to the view that the war was unwinnable. The fragmentation of the Viet Cong into various factions brought considerable losses, but Johnson now went public with his negotiating offer: on March 31, he announced that he was prepared to suspend the bombing of targets in North Vietnam if the regime in Hanoi would engage in peace talks.

Now that the North Vietnamese leadership had also had its faith in decisive victory shaken by the failure of the Tet Offensive, this time they accepted Johnson's offer. Mediated by de Gaulle, who had set himself up as early as 1965 as an opponent of US involvement in Vietnam, armistice talks got under way in Paris on May 13, 1968. The bombing campaign against North Vietnam finally ended on November 1, 1968.

The Path to Détente

All the impediments to a meaningful dialogue on détente meant that the arms race continued to escalate. The United States installed a new generation of Minuteman intercontinental ballistic missiles in silos, while also greatly enlarging its arsenal of submarine-launched missiles. These grew from a stockpile of 144 in 1962 to 416 in 1964 and 656 in 1967, while the total number of American ICBMs increased from 296 to 834 to 1,054. After the Cuban debacle, the Soviet Union also invested heavily in constructing ICBMs and nuclear-armed submarines, though progress was slower than in the United States. By 1964 the two dozen or more ICBMs that the Soviets possessed on the eve of the Cuban missile crisis had increased to some 190, and three years later stood at 500. These were supplemented from 1963 onward by around a hundred submarine-launched missiles. This expansion gave the USSR a clear second-strike capability, even though the Americans retained the upper hand in the arms race.

When, in 1964, Soviet missile experts put forward plans to create an antiballistic missile (ABM) system designed initially to shield the Greater Moscow region and the Western borders of the USSR on the Baltic from incoming missiles, US defense minister Robert McNamara immediately pressed for a treaty to outlaw the building of such systems. In his opinion they only served to escalate the arms race without offering any real protection. Accordingly, both sides should, he reasoned, settle for mutually assured destruction (MAD). Moscow agreed to engage in talks to this effect only on the condition that strategic arms limitation be discussed at the same time. Conversely, though, this proposal found no favor in Washington, because it was clearly aimed at achieving strategic parity for the Soviet Union. As a result, contacts on arms limitation remained in place without negotiations ever coming to fruition.

This slow pace of the American-Soviet dialogue allowed de Gaulle to put his own European slant on détente. His concept of détente was aimed at overcoming the existing deadlock, gradually dismantling the military blocs within Europe, and changing the totalitarian character of the Soviet empire through intensive contacts between East and West. "We must seek the resolution," he told Khrushchev in March 1960, "not by having two monolithic blocs, but rather by practicing détente, entente, and cooperation one after another on the Continent. In this way, we will create a relationship, binding ties between Europeans from the Atlantic to the Urals, bring about an atmosphere that would firstly take the virulence out of the German problems, including Berlin, then allow the Federal Republic and your republic to the East to approach one another and to unite and finally to bring the whole Germanic entity securely into a Europe of peace and progress where it can develop anew."[36]

In parallel with this, de Gaulle also widened his cooperation with the Soviet Union. A cultural exchange between the two countries in 1963 was followed by a trade agreement in October 1964, including France's extension of long-term credit to the USSR. March 1965 saw the conclusion of an agreement in which the Soviet Union adopted French technology for the inception of color television. Two months later the two countries reached an accord on cooperation in the peaceful use of atomic energy. Finally, during a prestigious state visit by de Gaulle to Moscow, agreement was reached on regular contact at the highest level, to be prepared by a standing joint commission, as well as an accord on cooperation in space travel. De Gaulle was also the first Western head of government to establish diplomatic relations with Mao Zedong's regime in China. And during a state visit to Poland in September 1967, he openly encouraged his hosts to go farther in asserting their independence from Soviet domination.

Under pressure from de Gaulle, the Federal Republic of Germany also began to move toward a policy of détente. In 1964 the Erhard government signed trade treaties with Poland, Hungary, Romania, and Bulgaria. The Berlin Senate, with Willy Brandt as the governing mayor, also signed a passage agreement with the GDR government that allowed West Berliners to visit relatives in the east of the city over the Christmas period. Similar arrangements were put in place for All Saints' Day and Christmas the following year, for Easter, Pentecost, and Christmas in 1965, and for Easter and Pentecost in 1966. Over and above this, in

November 1966 the Grand Coalition government of West Germany, in which Brandt headed up the foreign ministry, announced that it was prepared to establish diplomatic relations with Eastern European states. This signaled, for all intents and purposes, a renunciation of the Hallstein Doctrine. In late January 1967 the Federal Republic announced the beginning of diplomatic ties with Romania, which under Nicolae Ceauşescu had begun to follow a course of pronounced autonomy from Moscow. The resumption of diplomatic contacts with Yugoslavia followed in December 1967.

However, Moscow made it abundantly clear to the governments of Hungary, Bulgaria, and Czechoslovakia, which were keen to follow Romania's example, that they should not allow the GDR to become isolated. At the end of April 1967, a conference of communist parties held at Karlsbad (at which neither Romania nor Yugoslavia were represented) proclaimed that Bonn's "repudiation of its presumption of sole representation," its recognition of the "inviolability of existing borders in Europe," and the normalization of relations "between the special political entity West Berlin and the GDR" were prerequisites for normalized relations with the Federal Republic.[37] To obviate the danger of an erosion of the Warsaw Pact, which might result from the French or German attempts at rapprochement, the Soviet Union rescinded its offer of significant reductions in troop numbers in Europe, hitherto a constant feature of its disarmament proposals. At the same time, the especially embattled GDR was bolstered by treaties of friendship and mutual assistance, which its Eastern European brother states concluded at the behest of Moscow.

The limits of the European conception of détente were brought even more sharply into focus when Czechoslovakia embarked on an attempt to liberalize its regime in the spring of 1968. In the face of major economic difficulties, tensions with the Slovakian minority, and massive student protests, reformist forces came to the fore in the country's Party and state apparatus. Under the leadership of the former Slovakian Communist Party chief Alexander Dubček, an action program passed by the Czechoslovakian Communist Party promised "socialism with a human face." Many intellectuals understood this to mean self-government, as proclaimed in Yugoslavia. Economic reformers argued in favor of a significant increase in trade with the West, while foreign policy officials called for genuine sovereignty and equality in relations with the Soviet Union. The secret police

were disbanded and a separation of party and state was initiated. The new interior minister, Josef Pavel, took up the struggle against KGB influence. Elements in the army loyal to Moscow were dismissed, and party authorities prepared for the abolition of "democratic centralism."

The dynamics of the Prague Spring soon mobilized defenders of the established order—chief among them Walter Ulbricht, who was having to contend with economic problems similar to those in Czechoslovakia. Other members of the old guard were Władysław Gomułka in Poland, who found himself facing student unrest, the Ukrainian party leader Petro Shelest, who saw that the nationalist undertones of the Czech movement were fast catching on in his own republic, and not least of all the top leadership of the KGB. As early as May 8, Ulbricht and Gomułka demanded military action against the counterrevolution in Czechoslovakia. At that stage Brezhnev was not prepared to go that far, but after the presence of Soviet troops remaining in Czechoslovakia after taking part in maneuvers had failed to persuade the party presidium to take action against the reformers, and the KGB had put forward fabricated "proof" of a Western plot, he decided on August 14 to give in to the urgings of those calling for intervention. Occupation forces moved into Czechoslovakia on the night of August 21. Taking part in the invasion alongside Soviet forces were Polish, Hungarian, and Bulgarian units; the GDR National People's Army provided logistical support. Dubček was not toppled immediately, but had to watch as the Soviets imposed a gradual "normalization" on the country. In April 1969, he was forced to relinquish his office to the Soviet yes-man Gustáv Husák.

Brezhnev's decision to crush the Prague Spring helped him consolidate his grip on power. Defending the privileges of the "new class" of communist functionaries (as described in a famous essay by the former Yugoslav communist leader Milovan Đilas) now took center stage in Soviet politics. A lead article in *Pravda* maintained that the "sovereignty and right of self-determination of the Socialistic states must be subordinated to the interests of the Socialistic world system."[38] The West reacted with outrage to this Brezhnev Doctrine and its brutal application. Those who, like de Gaulle, had placed great faith in the effects of the West opening up to the East found themselves bitterly disappointed.

However, the process of détente was only temporarily knocked off course by this "frustrating event" (as President Johnson called it). Shortly before the decision was taken to invade Czechoslovakia, the leadership of both superpowers had finally agreed to begin negotiations on both an ABM treaty and the limitation of strategic arms. Moscow had given in to Johnson's urging to hold a new summit, and had invited the US president to Moscow at the beginning of October. Prompted by the widespread sense of outrage at the suppression of the Prague Spring, at first Johnson was disinclined to accept this invitation straight away, and no new date could be settled on before his term of office expired in January 1969. Yet across Western capitals there was general consensus that the former policy of détente and ushering in a peaceful world order should be continued. Richard M. Nixon, elected in November 1968 as Johnson's successor in the White House, shared this view. For all his past anticommunist rhetoric, he had become enough of a realist to see the creation of a "structure of peace"[39] as the best method of containing Soviet power and avoiding the danger of nuclear catastrophe.

Soviet leaders were all the more concerned to reach an agreement with the West because tensions with the Chinese communists, which had been evident since Mao's proclamation of the Great Leap Forward in 1958, now escalated seriously at the end of the 1960s. After Beijing had made a clean ideological break with the motherland of the socialist revolution in July 1964, with the publication of a lead article entitled "On Khrushchev's Pseudo-Communism and Its Historical Lessons for the World," fierce clashes took place on the Sino-Soviet border along the Ussuri River in March 1969. These emphasized that China could no longer be co-opted to support the Soviet position in the global power struggle. Rather, the country had become a serious rival of the USSR in the struggle to gain influence in the Third World.

The Era of Détente

After the painful learning experiences of the 1960s, the prospects of achieving some substantive results in the dialogue on détente finally looked favorable. Leonid Brezhnev's decision to intervene in Czechoslovakia placed him firmly in the driving seat within the Soviet Union—a party functionary concerned with securing power, who accorded top priority to the maintenance of peace, and who regarded any success in furthering détente as an opportunity to boost his own

prestige. His opposite number in the United States, Richard Nixon, who came to office in January 1969, was a pragmatically minded Republican who in discussions with his Soviet adversary needed to take less heed of ideological hard-liners and the "military-industrial complex" (which President Eisenhower had complained about) than either of his Democratic predecessors. Finally and most importantly, the election in the Federal Republic of Germany of a socialist–liberal coalition under the leadership of Willy Brandt as chancellor in October 1969 signaled the country's resolution not to stand in the way of détente any longer, but rather to use the process to make the border between the two Germanies more porous.

The Federal Republic's Eastern Treaties

At first Nixon put off the summit that Johnson had been at pains to arrange with the Soviet leadership, and also dragged his feet on beginning negotiations on strategic arms limitation. Before he started concluding any treaties, the new president first wanted to get an overview of the situation and to consolidate the Western alliance under his leadership. This delay caused Brezhnev to focus his attention in the détente dialogue far more intently on the Europeans than he had done hitherto—and in particular on the Germans. In his Budapest Appeal of March 17, 1969, he softened the hard line against the Federal Republic expressed in the Karlsbad resolutions of April 1967. Recognition of the GDR and the Oder-Neisse Line were now seen, not as prerequisites for normalization of relations, but instead as interim goals in the context of a "pan-European conference on security." And the Warsaw Pact countries no longer demanded a "peace settlement based on the existence of two German states" but instead sought just "recognition of the GDR's existence"; they also left a good deal of latitude regarding exactly what form this recognition should take.

West Germany's Grand Coalition government responded to the Budapest Appeal by proposing that negotiations on a reciprocal renunciation of force should be resumed. Coalition members disagreed, though, over how far they should go in these discussions. Accordingly, on the night of the federal elections (September 28, 1969) Brandt decided to form a coalition with the Free Democrats, who were more open to rapprochement with the East than were the Chris-

tian Democrats. A government declaration of October 28 contained the decisive concession that was essential for a compromise in the German question: "Even if two states exist in Germany," ran the key passage in the document, "they are not foreigners to one another; their relations to one another can only be of a special nature."[40] One month later, the Federal Republic signed the Nuclear Weapons Non-Proliferation Treaty, which the Christian Democrats had consistently opposed.

In the discussions between the Federal German government and the Soviets, which began in December 1969 at the Soviet Foreign Ministry, the Soviet foreign minister, Andrei Gromyko, at first insisted on unqualified legal recognition of the GDR and on explicit rejection of any possibility of reunification. But with the discreet support of KGB head Yuri Andropov, Brandt's negotiator Egon Bahr managed to push through a formulation that allowed for the possibility of recognizing the GDR while still keeping the basic question of the two Germanies open; thus, in the Moscow Treaty concluded between the Federal Republic and the USSR, and signed by Brandt and Kosygin on August 12, 1970, there was only mention of the "inviolability" of the existing borders within Europe, "including the Oder-Neisse Line, which forms the western state boundary of the People's Republic of Poland, and the border between the Federal Republic of Germany and the German Democratic Republic." At the same time, the Soviet government accepted without challenge a diplomatic note from the German foreign minister, Walter Scheel, in which the Federal Republic government announced that "this treaty does not contradict the Federal Republic of Germany's wider goal of working toward a state of peace in Europe, in which the German people might regain its unity through free self-determination."[41]

The Moscow Treaty provided the framework for the Federal Republic to enter into agreements henceforth with the GDR, Poland, and Czechoslovakia. The Poles—who would have preferred to conclude a treaty with Bonn before the Moscow signing in order to stress their independence—made the first move. The signing of the treaty between the countries on December 7, 1970, at which Brandt spontaneously knelt down in front of the memorial to the victims of the Warsaw Ghetto, was seen throughout the world as an expression of German contrition and a final renunciation of all territorial claims in the East. Discussions with the GDR turned out to be more problematic. Only when implementation

Chancellor Willy Brandt spontaneously kneels before the memorial to the victims of the Warsaw Ghetto after the signing of the treaty between Poland and the Federal Republic on December 7, 1970. His act was seen throughout the world as an expression of German contrition and a final renunciation of all territorial claims in the East. (© Bettmann/CORBIS)

of the "new Eastern policy" ran into difficulties in the Federal Republic's domestic political arena did the GDR leadership show itself willing to sign a Basic Treaty (on December 21, 1972), in which the two sides agreed to improve inter-German relations and facilitate exchanges, although the preamble made it clear that there were "different perceptions on the national question."[42] Negotiations with Czechoslovakia dragged on even longer. The main sticking point—the question of the validity of the Munich Agreement of October 1938, which had ceded the Sudetenland to the German Empire—was resolved in the treaty of December 11, 1973, in which both sides declared Munich null and void, though without touching upon the thorny question of the nationality of the Sudeten Germans.

At the same time the Moscow Treaty smoothed the way for a resolution of the Berlin problem. The Federal Republic government announced that the treaty could not enter into force until a satisfactory settlement of the Berlin issue had been reached. This prompted the Four Powers to declare themselves ready to make compromises in the Berlin negotiations, which had begun in March 1970. With the active mediation of Egon Bahr (who was not officially a participant in the discussions), the Soviet ambassador, Valentin Falin, and his American opposite number, Kenneth Rush, agreed on the formulation that although West Berlin did not form part of the Federal Republic, the "connections" between the two should be "maintained and developed." The Soviet Union expressly assumed responsibility for guaranteeing free passage between the western sectors of the city and the Federal Republic, and the Federal Republic retained the right to represent West Berliners at consular level and under certain conditions to include them in international agreements. This Berlin Accord was duly initialed by the ambassadors of the Four Powers on September 3, 1971.[43] Thereafter, at short notice, Brezhnev invited Brandt to a personal face-to-face. At the meeting in Oreanda in the Crimea in the third week of September, the Soviet leader showed much sympathy for Brandt's call for détente to be realized in concrete terms through disarmament.

US-Soviet Accords

The rapprochement between Bonn and Moscow persuaded Nixon and his security advisor, Henry Kissinger, to abandon their reservations about the Strategic Arms Limitations Talks (SALT). Preliminary discussions began in Helsinki in November 1969, and from April 1970 onward the plenary negotiations got under way in Vienna. The Americans' first priority was to prevent the Soviets from closing the gap in the stockpiles of intercontinental ballistic missiles, a process in which they had made rapid strides in the latter half of the 1960s. Therefore, their opening gambit was to suggest restricting reductions to land-based ICBMs and setting an upper limit for the number of "modern, heavy missiles" each side could deploy. Multiple-warhead missiles (MIRVs; multiple independently targetable reentry vehicles), such as those the United States had developed in the interim, would be banned only on the condition that the Soviet side agreed to mutual on-site inspections.

The Soviets did not agree to this condition, and so the SALT talks soon reached a dead end. The only progress came in May 1971 when both sides consented to conclude an agreement limiting ABM systems, so long as these were linked to an understanding about certain limitations on intercontinental missiles. But on the American side this concession was still very much bound up with the idea that the United States should maintain its strategic superiority. The Americans were prepared to allow the Soviets to develop just one ABM system; they themselves planned to set up four. At the same time, the stockpile of submarine-launched ICBMs, far smaller on the Soviet side than on the American, was to be frozen at current levels. This once again made any agreement difficult.

In February 1972, Nixon went on a state visit to China, primarily with the aim of securing Mao's support for an "honorable" US withdrawal from Vietnam. But the opening of relations with the Chinese communists, whom the Americans had shunned up until then, might also have the useful side effect of making the Soviet leadership more compliant on the question of the strategic balance of power. But once Nixon realized that this was a vain hope, he did finally assent to the principle of strategic parity with the USSR. Kissinger was now free to propose an upper limit to submarine-launched ICBMs that accorded with Soviet expansion plans. And on a quick visit to Moscow on April 21–22, 1972, he also accepted two ABM systems for each side—one to protect their command and control centers and one guarding an offensive missile installation. Accordingly, the package of measures in the first strategic arms limitation treaty (SALT I) included not only the ABM accord but also an agreement to freeze the launching facilities for ICBMs at the current (in the interim, roughly equal) level, plus a protocol on the upper limit of launching facilities aboard submarines. These agreements were limited to five years.

Nixon's planned signing of SALT I on a long-awaited presidential visit to Moscow was jeopardized at the eleventh hour by a major offensive by North Vietnamese troops that threatened to disrupt his strategy of "Vietnamizing" the war, and to which he responded by mining North Vietnam's coastal waters and resuming the bombing campaign against Hanoi and Haiphong. This gave opponents of arms limitation in Moscow an opening to argue that the general secretary could not play host to a US president who was engaged in bombing a

socialist brother country. After several days of inconclusive discussions, Brezhnev managed to prevail by arguing that cancellation of the Nixon visit would jeopardize the impending ratification of the Eastern Treaties in the West German parliament. Thus, without knowing it, Brandt came to the aid of both Brezhnev and Nixon. Conversely, both Moscow and Washington brought their influence to bear in helping the Eastern Treaties get over parliamentary hurdles. And when Brandt was about to be ousted by a vote of no confidence, the GDR even ensured his survival by bribing a Christian Democrat member of parliament. Negotiations on the Basic Treaty were concluded shortly before the federal elections of November 19, 1972, which effectively became a referendum on the "new Eastern policy."

Nixon's state visit to Moscow on May 22–26, 1972, was one of the high-water marks in the politics of détente. Brezhnev immediately took the opportunity to forge a personal relationship with the American president, while Nixon showed himself thoroughly receptive to the general secretary's friendly overtures. In addition to the SALT package, the two men signed a whole raft of agreements on bilateral cooperation. Moreover, it was agreed that talks on strategic arms limitation should continue, especially with regard to technical innovations such as multiple warheads. Nixon also gave his backing to the Warsaw Pact's call for a Conference on European Security and Cooperation to take place the following year. The two leaders concurred that the question of reductions in conventional forces should be discussed at a separate conference, because it concerned only the members of the two military alliances. But above all Brezhnev and Nixon agreed to keep in regular personal touch with one another in the future, with summits between the leaders of the world's two superpowers becoming a fixed arrangement. Both men were sure that they had laid the foundations for peaceful cooperation.

By October 1972, negotiations on a US-Soviet trade deal had also been successfully concluded. This agreement guaranteed the Soviet Union "most favored nation" status, provided for trade credits, and included clauses on avoiding disruption of markets and regulating trade disputes, as well as the establishment of official trade missions in Washington and Moscow. A separate agreement regulated the mutual opening of ports and the equal distribution of cargo between US and Soviet ships. Furthermore, the US president gave the Export-Import

Bank of the United States authority to extend its credit facilities to the Soviet Union. The intention was to make American capital and American know-how readily available for the exploitation of raw materials in the USSR—which for economic representatives in the Soviet leadership was one of the key objectives of détente, scarcely less important than the goals of maintaining peace on the basis of the status quo and limiting the amount of resources squandered on the arms race.

Brezhnev's return visit to the United States took place in June 1973. After first stopping over in Washington, at the president's special request the general secretary then flew in the presidential jet to Nixon's country retreat in San Clemente, California. There, further treaties were signed, including agreements on strengthening cultural and scientific ties and on the peaceful use of nuclear energy. Brezhnev supported Nixon's suggestion that summits should henceforth be held on a yearly basis, alternating between the two countries. Finally, an accord on the prevention of nuclear war was concluded; it addressed the long-standing Soviet call for a mutual renunciation of the first use of nuclear weapons. The United States had always rejected this idea, because it effectively meant revoking the guarantee of deterrence for America's European allies. After some tough negotiations, Nixon now put his signature to a general repudiation of the use of force combined with an undertaking to consult the other side if a nuclear conflict looked likely. Aside from being a goodwill gesture, this arrangement did little more than formalize the existing consultation framework.

In parallel with the development of US-Soviet relations, America began to withdraw from Vietnam. After China halted its supply of military and other aid in the wake of Nixon's visit to Beijing, the North Vietnamese leadership were persuaded—not least by the ferocious bombing offensive in the spring 1972—to fall in with an arrangement that allowed the United States to at least maintain the semblance of a "peace with honor." It entailed American troops, who by 1972 had already been reduced to 78,000 men, to withdraw completely from the country, while the Thieu administration and the revolutionary government of the NLF would remain in place until new countrywide elections were held in South Vietnam. Thieu was opposed to this settlement, fearing that he could not hold out for long against the Viet Cong with only material aid from the United States. But after a resumption of the bombing campaign over Christmas 1972,

which only succeeded in stirring up public condemnation around the world, he was forced to give in. A peace agreement on Vietnam was signed in Paris by Kissinger and Hanoi's representative, Le Duc Tho, on January 23, 1973. Five days later, the guns fell silent—albeit only temporarily.

The CSCE and MBFR Talks

Preparatory talks on the forthcoming Conference on Security and Cooperation in Europe began in Helsinki on November 22, 1972. By the start of June 1973, the thirty-five nations involved—including every European state except Albania, plus Canada and the United States—were all agreed on the agenda, which was to comprise four main points: questions of security in Europe; questions of cooperation in trade, science, and technology, as well as environmental concerns; questions of cooperation in humanitarian and other areas; and lastly, questions on the follow-up after the conference had ended. Initially for the first point, informally dubbed Basket One, there was to be worked out a catalog of principles to which the participants would commit themselves to adhere to in their relations with one another. Over and above that, pressure from the European NATO member states and some neutrals secured approval for negotiations on confidence-building measures in the military sphere. On the third point, delegates from the Federal Republic and their Western European allies managed to get onto the agenda negotiations on reunifying families, freedom of information and of travel, as well as cultural and other kinds of exchanges. The representatives of the Soviet Union and the Warsaw Pact states accepted this only very reluctantly; ultimately, though, they realized that if such matters were not discussed, no significant progress would be made on economic cooperation (Basket Two), an issue that they set great store by.

At the conference proper, which got under way on July 3 in Helsinki and was continued by diplomats thereafter in Geneva, representatives of the Western powers, mainly with the support of neutral countries, called for all joint communiqués to reflect Western principles of cooperation and peaceful change. Gromyko, who led the Soviet negotiating team and was concerned to protect the Soviet empire, was vehemently opposed to this demand, but in the end gave in every time it was raised. He did not want to be held responsible for scuttling the

conference, which had always played a pivotal role in the Soviet conception of détente.

Indeed, the conference proceedings were ultimately a greater expression of a commitment to change than they were an acknowledgment of the status quo. In the basic declaration, the participants did stress the principles of territorial integrity, the inviolability of borders, and the commitment not to become involved in the internal affairs of other states. Yet at the same time they called on all states to observe "freedom and political independence" and to grant their peoples the right to self-determination, pledged to repudiate "all forms of armed intervention or threat of such action against another member state," promised to respect "human rights and basic liberties," and declared that observance of these rights was a basic prerequisite for the "furtherance of friendly relations and cooperation" between states. At the urging of the Federal Republic of Germany, a passage was even included in the basic declaration of principles granting states the right to amend their borders "through peaceful means and agreement." Basket Three contained a commitment to the "free exchange of persons, information, and opinions." And in the Document on Confidence-Building Measures, the participants undertook to announce major military exercises well in advance. Follow-up conferences would examine to what extent agreements had been observed.[44]

In the Moscow Politburo, this impressive statement of Western principles raised the question of whether the Helsinki Final Act did not in fact open the floodgates for the Western powers to interfere in the internal affairs of the Soviet empire. Nevertheless, Brezhnev still forced through its signature—because he knew that he depended upon cooperation with the West, and because he was confident he could always deal with any potential dissidents in the customary manner. From July 30 to August 1, the thirty-five heads of government and state met in the Finnish capital to put their signature to the Helsinki Final Act in a grand closing ceremony. It was subsequently published *in extenso* in all the Party and government newspapers of the Warsaw Pact. This was in line with standard practice in socialist countries, but in this instance it was also done to showcase Brezhnev's great negotiating triumph. Evidently no one in power paid any heed to the fact that it also gave citizens of Eastern Bloc states the possibility of appealing to the CSCE Final Act.

The West was far less successful in the negotiations to reduce troop numbers in Europe—for the simple reason that, unlike with the CSCE, the Western nations could not settle on a common position that had any chance of being accepted. While the Federal Republic pressed for a substantial reduction in both foreign (American and Soviet) and domestic troops as a major contribution to the creation of a peaceful order in Europe, France opposed against any scaling-down whatsoever of the American military presence. The Netherlands and Belgium did not want to be affected by troop reductions, and the United States, after showing some initial sympathy for Egon Bahr's proposal, ended up offering only minimal reductions in troop numbers. After several failed attempts to bring the matter to a vote, preliminary talks opened in Vienna on January 31, 1973, between delegations from NATO and the Warsaw Pact. By the end of July, consensus had been reached on holding a conference on mutual and balanced force reductions (MBFR), to include on the Western side the Federal Republic and the Benelux countries alongside the United States, Great Britain, and Canada as occupying powers, and on the Eastern side the GDR, Poland, and Czechoslovakia together with the Soviet Union as the occupying power. It was also agreed that there should be present observers who were not themselves directly affected by troop reductions—namely, Hungary and Romania on the Eastern side and Norway, Denmark, Italy, Greece, and Turkey on the Western side. France took no part in the conference.

The proposal that NATO brought to the conference table when the negotiations proper began in October 1973 did not put forward any percentage reductions, but instead set identical maximum troop strengths for both sides. The suggested ceiling of 700,000 men entailed a reduction of 235,000 for the Warsaw Pact but for NATO just 80,000. Likewise, the Warsaw Pact would have to withdraw nine thousand tanks, while NATO would not have to withdraw a single one. Qualitative aspects of the reductions were not discussed, nor was there any suggestion by what stages this unequal cutback on the part of the Eastern Bloc forces should proceed. In contrast, the Warsaw Pact countries called for modest reductions over three years to roughly equal strengths, with the occupation forces simply returning home, not disbanding entirely. In view of the great difference in distance of the United States and the Soviet Union from Central Europe, this was clearly to the disadvantage of the Western nations.

Because NATO showed no sign of backing down from its demand that the Warsaw Pact's superiority in numbers be drastically cut back, Brezhnev did not feel overly pressured to require his own forces to make any major cuts. His awareness of the need for substantial reductions, which he stressed repeatedly in discussions with Brandt and Bahr, clearly took a backseat to the traditional strategic dogma of maintaining the balance of power. And so the conference fizzled out in fruitless wrangling over different conceptions of parity, which effectively precluded any possibility of agreement. The Federal Republic government was not robust enough to break this vicious circle, and quickly gave up any attempt to do so. This meant that, for the time being, one absolutely key aspect of West Germany's Eastern policy remained in abeyance.

The Rocky Road to SALT II

The limits to personal diplomacy, on which Brezhnev and Nixon had staked so much, immediately became apparent in the negotiations over strategic arms. Over the course of 1974, Brezhnev lost both of his former confederates in his détente policy: Brandt stepped down in May, after realizing that the unmasking of his personal aide Günter Guillaume as a GDR spy meant political and personal ruin for him; in August, Nixon announced his departure after the House of Representatives instituted impeachment proceedings against him due to his conduct in the Watergate affair. As a result, the German détente process ran out of steam, while the remaining American advocates of the policy lacked Nixon's stature. Brezhnev, for his part, was by now beset by serious health problems that sapped his former assertiveness; in November he suffered his first stroke, from which he only partially recovered.

The erosion of his authority during his last months in office also meant that Nixon ran into great difficulties in negotiating even the question of parity in MIRVs with the Soviets. During his third meeting with Brezhnev in late June 1974—initially in Moscow and then at Brezhnev's summer dacha in Oreanda where he had received Brandt—the only accords they could come to were on subsidiary matters, such as a reduction in the permitted ABM systems from two to one for either side, a ban on underground nuclear tests with yields of more than 150 kilotons, and regulations for replacing and destroying outmoded strategic weapons. At a meeting in Vladivostok on November 23 and 24, Nixon's successor, Gerald Ford, thrashed out an agreement with Brezhnev that obliged the Soviet Union to downgrade the superiority in strategic launch vehicles that it had in the meantime attained but that at the same time gave the USSR the opportunity of gradually making up its shortfall in MIRVs. But just as the experts began working out the fine details of this settlement in January 1975, the American delegates suddenly insisted on counting the new Soviet Backfire long-range bomber into their calculations of the upper weapons limit for the Soviet side, while refusing to put the equally new American cruise missiles on the negotiating table.

In December 1974 the Soviet side found itself even less willing to accede to this unreasonable demand after the US Congress decided to make the granting of most-favored-nation status to the USSR and the extension of low-interest credit—as stipulated in the Trade Treaty of October 1972—contingent on Soviet guarantees of free emigration for Russian Jews. Brezhnev had tried to forestall just such an embargo on the Trade Treaty by tacitly increasing the USSR's emigration quotas. But after Senator Henry Jackson made free passage for Soviet Jews a condition of economic support, the general secretary saw no further possibility of saving the treaty. The treaty was rescinded, emigration dwindled, and Brezhnev was faced with the problem of having to justify the military concessions made in the Vladivostok accord with no tangible economic benefits to show for pursuing détente.

Jackson's moral crusade against the policy of détente was lent greater resonance by the American defeat in Indochina. Whereas the Paris Peace Accords had somewhat glossed over the unpalatable fact that it was a defeat, it was plain for all to see in the spring of 1975. The corrupt and demoralized Thieu regime collapsed under the onslaught of a new offensive by the North Vietnamese, who captured the capital, Saigon, on April 30, 1975. Television images of the last US helicopter to leave the city, unable to take all the supporters of the old regime who had assembled on the roof of the US Embassy, brought home dramatically to the whole world the humiliation of the mighty American military machine. A few days earlier, Phnom Penh, the capital of neighboring Cambodia, had fallen into the hands of the Khmer Rouge, exponents of a drastic form of hard-line communism, who promptly set about liquidating or resettling the country's

entire urban population. In Laos, which had also been drawn in to the Vietnam War, the communists were also able to assert themselves: at the end of August, the Pathet Lao seized control of the country.

The impression that communism was on the rise everywhere was further enhanced by the collapse of the Portuguese colonial empire. In April 1974 a group of young, left-leaning military officers toppled the heir to the long-standing Salazar dictatorship, Marcello Caetano, immediately granted independence to Portugal's African colonies, and with the assistance of a rapidly growing Communist Party conducted an enforced expropriation of large landholdings in the south of the country. This Carnation Revolution raised the specter of a communist takeover in one of the oldest NATO partners in Western Europe—albeit only fleetingly, before the radicals were ousted by more moderate fellow officers in the fall of 1975. Thereafter, Cuban support for the Marxist liberation movement in Angola raised further concerns. Castro's troops were bolstered by Soviet arms shipments and logistical support—just as the CIA gave its backing to the South Africans, who intervened in Angola on the side of rival, noncommunist guerrilla groups. When the Marxist Movimento Popular de Libertação de Angola (MPLA) gained the upper hand in the Angolan civil war in February 1976, it looked like yet another Soviet victory.

After Kissinger had managed to draw Egypt into the Western camp, following its largely futile attack on Israel in October 1973, Brezhnev had no reservations in responding to a request for help from the Marxist leader of Ethiopia, Lieutenant Mengistu Haile Mariam, whose country came under attack from Somalian troops in June 1977. To underscore its military might, the Soviet Union's support was deliberately organized on a grand scale. From December 1977, Soviet airplanes ferried to Ethiopia huge amounts of weapons and tanks, fifteen hundred Soviet military advisors, and twelve thousand Cuban combat troops. With their help, Mengistu managed to drive back the Somalians by February 1978. The Moscow Politburo was quite happy to let the rest of the world construe this victory as yet more evidence of a concerted communist strategy of global expansion.

The American presidential elections of November 1976 were won, not by Henry Jackson, but by his Democratic Party colleague Jimmy Carter. Carter was a political greenhorn who was eager to continue the process of détente, but

who went about it so ineptly that at first he succeeded only in making communication between the two sides more difficult. His desire to sidestep limitation and instead bring about a radical reduction in strategic arms brought a new negotiating proposal from the Pentagon, who in an attempt to reassert American dominance unpicked the carefully woven compromise reached at Vladivostok, provoking corresponding counterdemands from the Soviet military. At the same time Carter made a great show of publicly lending his support to Soviet dissidents, which not only led to the Soviet authorities persecuting them more vigorously but also made it more difficult for Brezhnev to establish a direct link with the US president.

In view of the supposed successes of the Soviet expansion strategy in Africa, Carter also allowed himself to be persuaded by his security advisor, Zbigniew Brzezinski, to play the Chinese card more demonstrably than before. In May 1978 he sent Brzezinski to Beijing to discuss the possibility of strategic cooperation and technological aid. The Chinese honored this clear display of partisanship in the Sino-Soviet border dispute by indicating their willingness to normalize relations with the United States without insisting any longer that America first abandon its support for Taiwan. In mid-December, a joint Chinese-American communiqué announced to an astonished world the establishment of diplomatic relations. On a state visit to Washington in late January 1979, Deng Xiaoping, the new strong man in the Chinese Politburo, called upon his hosts to join in an alliance against the Soviet Union.

On February 17, 1979, Chinese troops invaded North Vietnam, which had just concluded a formal pact with the USSR and was waging war against the Khmer Rouge in Cambodia. Carter, who had strongly advised Deng during his visit against such a move, now realized that he had gone too far in taking the Chinese side against the Soviet Union. On February 27 he instructed Brzezinski to tell the Soviets that he regarded the "development of good relations between our two countries" as his "*greatest* responsibility as president" and therefore viewed it as a matter of great urgency that the current tension be overcome.[45] He then intervened personally to remove the last vestiges of resistance by Brzezinski and the Pentagon to restoring the Vladivostok formula in the SALT negotiations.

The SALT II package, which was signed by Brezhnev and Carter at a summit in Vienna on June 15–18, 1979 (Brezhnev's planned visit to Washington had been

waived in view of his poor state of health), provided for a rapid reduction in the number of Soviet strategic nuclear delivery vehicles to the agreed-upon common upper limit of 2,250, in return for the Americans limiting both their stockpile of missiles equipped with multiple warheads to 1,200 and the payload of cruise missiles carried by each heavy bomber. The problem of the Backfire bomber was solved by limiting their number to 275, while Soviet ICBMs were reduced by 150. This was once again an arrangement that brought no substantive reduction in nuclear arms, but at least it set limits to a potentially unrestricted arms race and could thereby serve as a basis for further agreements.

The meeting between Brezhnev and Carter was overshadowed by the poor health of the general secretary (who in the meantime, in 1977, had also assumed the office of president of the Supreme Soviet) and by the US president's clear lack of preparation. However, both men assured one another that they were keen to take the process of international détente forward. They also broke the ice in their personal relations. Carter, who at first had behaved in a very formal manner, was by the third day making toasts to "my new friend, President Brezhnev," while in private circles Brezhnev described the American president as "essentially quite a nice guy after all."[46] After both had signed the SALT II Treaty at the conclusion of negotiations, Brezhnev took the initiative to kiss Carter. The press photo of this moment became an abiding universal symbol of the Vienna Summit.

3. *New Players*

WHILE East and West learned the hard way how to do business with one another, new centers of power and new protagonists began to emerge in global politics. This first came about as a result either of decolonization or of the liberation of individual states from American or Soviet dominance. The process continued when, during the 1970s and 1980s, a number of Asian states made the transition to becoming modern industrialized societies. Finally, the creation of cartels among oil-exporting countries also brought shifts in the balance of power that worked against the bipolar state structure. Western industrialized states experienced some difficulty in coming to terms with these changes, giving rise to many disputes, particularly between the United States and its European allies.

The Non-Aligned Movement

The origins of the movement of nonaligned states can be traced back to 1947, when Jawaharlal Nehru, in his role as interim president even prior to Indian independence, invited Asian and Arab governments and leaders to New Delhi to attend the Asian Relations Conference. The aim of the Indian premier was to foster a sense of solidarity among the colonized peoples of the Asian continent and thereby create a more concerted front when dealing with the world's major powers. This proved a difficult task, however. The permanent organization of participating states that he called into being was largely insignificant. Common principles such as freedom of association and neutrality vis-à-vis the two superpowers were not formulated until a conference organized by Egypt's president Nasser in Cairo in 1952. A conference in the Indonesian city of Bandung in April 1955, attended by delegations from six African and twenty-three Asian countries (including, at Nehru's insistence, the People's Republic of China), then promulgated a list of further principles, including reciprocal recognition of sovereignty, noninterference in the internal affairs of other countries, the settlement

of disputes by peaceful means, and cooperation. There was also a call for a ban on all nuclear weapons.

In the same year, Nehru established relations with Josip Broz Tito of Yugoslavia, who in 1948 had thwarted Stalin's attempt to have him replaced, for his insubordinate attitude, by more compliant comrades, and who ever since had been pursuing his own individual path toward socialism. This contact served to expand the hitherto somewhat nebulous sense of solidarity among African and Asian countries into a much more rigidly organized group of nonaligned states. In September 1961, representatives of twenty-five nonaligned countries met in Belgrade; those taking part included Cuba, together with a number of the newly independent African states, led by Ghana and Guinea. Nehru now tried to present the group as a champion of world peace, but without much success. High-minded resolutions calling on the great world powers to return to the negotiating table tended to gloss over Soviet transgressions such as the building of the Berlin Wall.

But the movement ran into a real crisis in October 1962 when Chinese troops occupied the unpopulated region of eastern Ladakh, vital for communications with Tibet, which lawfully belonged to India. Nehru's response was to try to draw the Soviet Union into the circle of Afro-Asiatic powers as a counterweight to China. Indonesia voiced concern at this development and Pakistan found it totally unacceptable; as a result, discussions on holding a second Bandung Conference, which Indonesia's President Sukarno had been strongly lobbying for, ended in October 1965 with an indefinite postponement of the planned meeting. However, Tito and Nasser made sure that the Non-Aligned Movement continued as an organization, by convening a second conference in Cairo in October 1964. China was not invited to these talks; instead, a whole slew of new African countries took part in proceedings.

Yet the real impetus in giving new direction to the movement, and at the same time securing its long-term future, was provided by Fidel Castro with his Solidarity Conference of the Peoples of Asia, Africa, and Latin America, held in Havana in January 1966, to which he invited representatives of eighty-two countries. This meeting emphasized for the first time the continuing economic dependence on the world's major industrialized countries of nations that had emerged from colonialism, drawing states from three separate continents into a

single common-interest group. Under the influence of dependency theory, which had been formulated by Latin American social scientists, the participant nations laid aggressive demands at the door of imperialist and colonialist "exploiters." At a further conference in Algiers in October 1967, attended by seventy-seven states, these claims were enunciated more precisely: these now focused on granting tariff preferences for raw materials and commodities from developing countries, more generous development aid packages from the industrialized countries, and according developing countries special unconditional drawing rights in the International Monetary Fund. The Group of 77 thereby established itself as the economic lobby for the Third World.

The Group's international profile rose in the 1970s when the huge debt problems of many developing countries started to emerge. Summits of the nonaligned countries were by then being held on a regular cycle of every three years, and were increasingly dominated by Latin American countries. At the same time the Group of 77 increasingly began using the United Nations as a forum to air their grievances. In 1974, at the Sixth Special Session of the General Assembly, they managed to get passed a resolution calling for the creation of a "new world economic order." And at the Fourth United Nations Conference on Trade and Development (UNCTAD IV), which met in Nairobi in 1976, they obtained an agreement to implement an integrated program for commodities that, it was hoped, would provide protection from excessive fluctuations in the price of raw materials. The next two meetings of UNCTAD, in 1979 and 1983, yielded no concrete proposals, but UNCTAD VII in Geneva in 1987 saw a rapprochement between developing and developed countries, with the latter agreeing to provide targeted support for homegrown development projects.

Naturally, UNCTAD accords suffered ultimately from their lack of binding force. The Non-Aligned Movement was also weakened by political disagreements. In the late 1970s, Castro's attempt to get the nonaligned nations to form a closer relationship with the Soviet Union was vetoed by Tito. Cuba's military intervention on the side of the USSR in the conflict between Ethiopia and Somalia was heavily criticized, and Castro lost his leading role in the movement. More intensive South–South relations, such as the Cuban support for the MPLA regime in Angola or the trade links between Brazil and several African countries, were either strictly temporary or confined to individual countries. Even so,

cohesion between the nonaligned nations helped counter the polarization between East and West. They also succeeded in putting the problem of underdevelopment firmly on the agenda of international politics. Their efforts ensured that this issue came to the fore again and was engaged with more seriously once the East-West conflict had drawn to a close.

Japan and the Tiger Economies

However, of far greater influence on the course of international politics was the rise of Japan and the smaller East Asian states and territories of South Korea, Taiwan, Hong Kong, and Singapore. This development had its roots in industrialization processes that began in the nineteenth century; although these were then seriously disrupted by civil wars and other regional conflicts in the first half of the twentieth century, they were not halted altogether. Shrewd, though individually quite different, development strategies and discreet support by the American or British colonial powers ensured that the growth of these territories' industrial sectors took on a dynamism that earlier industrialized societies had not experienced, and that in consequence took the Western world by surprise.

This development first became apparent in Japan. Under the protection of high tariff walls and further aided by an undervaluing of the yen—both of which were tolerated by the United States in order to maintain stability in the region during the Cold War—industrialization took off in Japan from the mid-1950s onward. More and more people moved from the countryside into the cities. Substantial investment in education and low wages promoted the growth of a number of world-beating branches of manufacturing, aided by a political organization of the market, which was geared to raising productivity. The first industries to become competitive in the international arena were textiles and the manufacture of optical instruments. These were followed in the 1960s by shipbuilding and steelmaking, and shortly thereafter by the automobile industry. The next sector to experience a boom, favored by rising wages in the interim, was electronics. Thus, as early as 1968, Japan generated a higher gross national product than the Federal Republic of Germany, and it became the world's second strongest economic power after the United States. Per capita income in the country doubled

in less than a decade, while the proportion of Japanese who worked in agriculture fell from 38 percent in 1955 to just 12.6 percent in 1975.

Growth rates slowed in the 1970s, in part as a result of the fourfold increase in the price of crude during the oil crisis of late 1973, but also thanks to growing pressure to improve the standard of living. Public spending as a proportion of GNP increased from 12.7 percent in 1973 to 17.7 percent in 1980. In principle, though, growth continued unabated, because Japan flooded the world market with high-value but still relatively cheap consumer goods. Japanese manufacturing also partly benefited from a homegrown industrial know-how that outstripped foreign competition. Major investment in research and the targeted development of high-tech industries (such as computers, electronics) laid the foundation of an unprecedented export boom in the first half of the 1980s.

Japan's economic rise played a major part in securing the country's autonomy from the American occupying power. As early as 1967 the government demanded that the United States return Okinawa to Japanese sovereignty. During a 1969 visit to Washington, Prime Minister Satō Eisaku secured a US pledge to hand back the island by May 15, 1972. The American military bases would remain, but jurisdiction over the territory would be transferred to the Japanese authorities. In the renewal of the US-Japanese Security Treaty in June 1970, both sides were accorded the right to terminate this arrangement with one year's notice. When Nixon established contact with the Chinese leadership in the spring of 1972 without first consulting his Japanese allies, Tokyo decided to instigate diplomatic relations with Beijing with no further regard for American interests. During a state visit by Prime Minister Tanaka Kakuei to Beijing in September 1972, Japan announced that the peace treaty it had signed with the Chinese Nationalist regime on Taiwan in 1952 was now null and void: Japan recognized Taiwan as an integral part of the People's Republic of China.

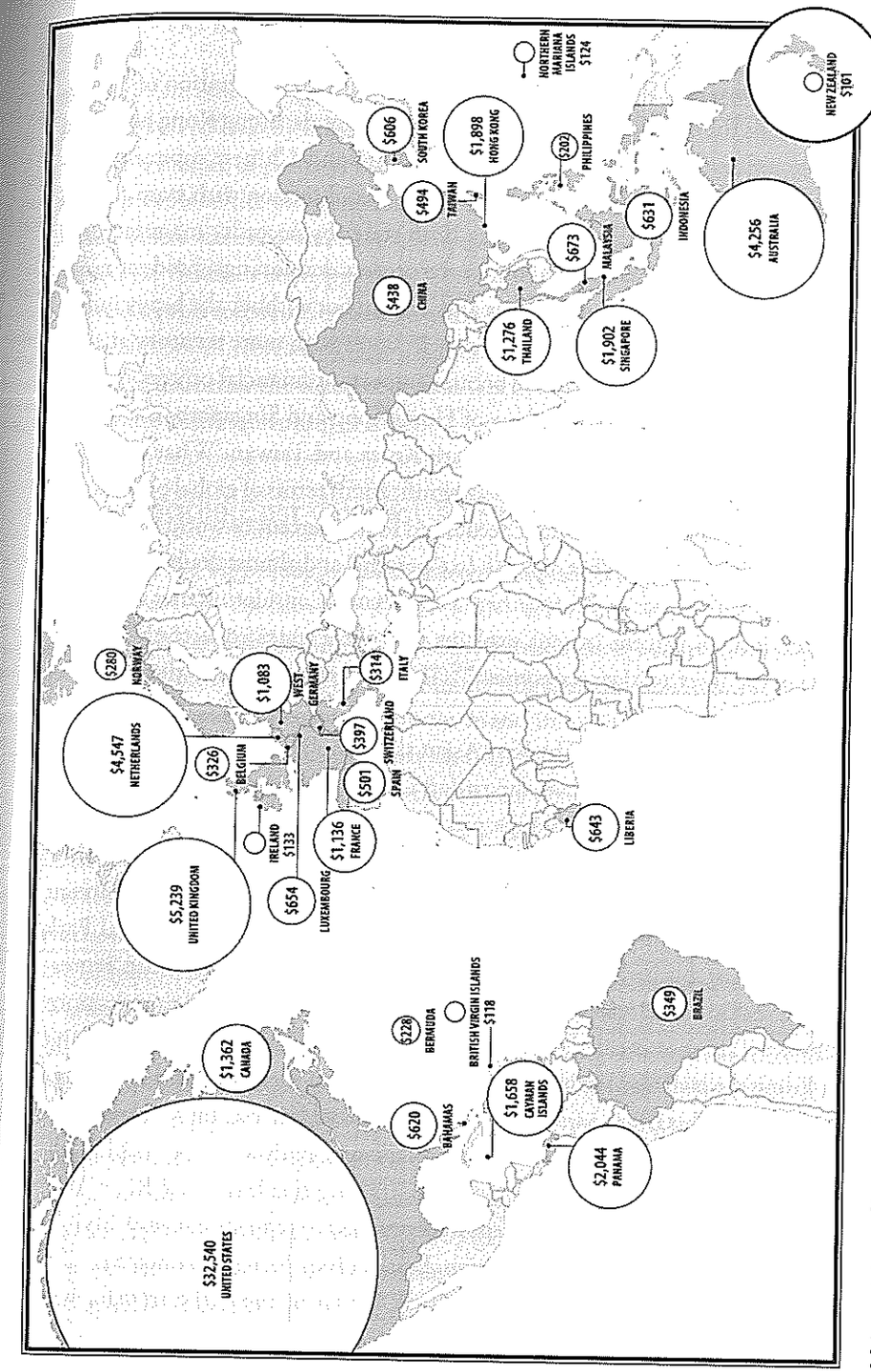
The forging of diplomatic relations with Mao Zedong's China by Japan was followed by their intensification. When negotiations over a peace treaty with the Soviet Union foundered on the Japanese demand for return of the southern Kuril Islands, Japan promptly signed a Peace and Cooperation Treaty with the PRC on August 12, 1978, despite opposition from the Soviet Union. Though it did not put the Peace Treaty with the United States in jeopardy, through this act Japan

had laid the foundation for an independent role in the four-cornered balance of power in the Pacific region.

This role was further strengthened by a dramatic rise in Japanese overseas investment. From 1975 to 1987, Japanese direct investment in foreign production facilities increased tenfold. These investments were made in part to circumvent protectionist measures in foreign markets, but also to outsource manufacturing to countries with lower wages. There was also increasing investment in foreign bonds, shares, and debt securities. As a result of the US trade deficit, by 1985 Japan had become the leading provider of credit in the global economy. In 1987, Tokyo replaced New York as the world's leading stock market. In the same year, though, it became clear that Japanese banks had incurred huge losses by speculating on investment and property in Southeast Asia. The stock markets crashed, and banks and companies recorded massive losses. Yet this end to disproportionate growth could not alter the fact that Japan had firmly established itself as a leading international power in industry and finance.

The change to an industrialized society came later in South Korea and Taiwan than in Japan, but when it did come, it was even more dynamic. In both countries, politically motivated support by the United States played a major role. A specific division of labor with Japan was also highly significant. Japanese firms invested in South Korea in order to take advantage of the lower wages there, and Taiwanese companies imported Japanese raw materials and partly finished goods for processing. In both cases, therefore, industrial growth was export-driven right from the start. High-value finished goods at competitive prices were shipped primarily to the United States—initially cheap, labor-intensive products such as textiles and toys, followed in the 1970s by heavy industrial goods like ships and construction plant, and in the 1980s by high-specification electronic appliances. Particularly with regard to the latter, South Korea developed world-beating technical know-how.

Export-oriented growth was still more dynamic in the city-territories of Hong Kong and Singapore. Here it was not so much a case of a transition from agriculture to industry, but rather from trade to manufacturing. Both cities had developed as commercial centers and military bases of the British Empire, and they now saw themselves cut adrift from their respective hinterlands: Hong Kong by Mao Zedong's communist regime, which became a closed, inward-looking



Major recipients of Japanese foreign direct investment, 1989 (in millions of US dollars).

economic entity, and Singapore by its separation from the Federation of Malaysia in 1965. In the switch to producing high-quality goods, Hong Kong benefited from the influx of well-educated Chinese refugees and Chinese capital. Singapore opted for openness to foreign investment in conjunction with state control over the development of infrastructure. Both states by necessity manufactured from the outset for the world market, in the process developing a product range very much akin to that of South Korea and Taiwan but without the heavy industrial component, which was an option only in states with more territory at their disposal. Up to the 1980s, both also became important financial centers.

In this way, the per capita income of Hong Kong and Singapore rose during the 1980s to more than twice that in South Korea and Taiwan. What made the growth of these four East Asian states so significant in terms of global politics was that by 1988 their combined output accounted for 8.1 percent of world trade. This was only slightly less than that of Japan (9.6 percent) and almost double that of all Latin American countries put together (4.2 percent). Considering that this share had been just 1.6 percent in 1963 explains why these states collectively became known in the West as "tiger economies."[47] They preferred to refer to themselves as the "four little dragons."

Politically, the growth of the East Asian states took place under more or less authoritarian regimes. In Japan the ruling Liberal Democratic Party, in fact a coalition of rival conservative groups, was able to consolidate its grip on power in an unbroken series of election victories; only after the economic collapse in the late 1980s did a coalition of opposition parties take over the reins of government for a short spell from 1993 onward. In May 1961 in South Korea, General Park Chung Hee established a military government that oscillated between repression and seeking an electoral mandate, but did not allow free and fair elections until 1987. Taiwan was ruled by the Guomindang, who had moved to the island after losing the civil war, with their leader, Chiang Kai-shek, serving as president from 1950 until his death in 1975. Only when martial law was lifted in 1987 did the democratic process begin. In Singapore, the originally socialist People's Action Party (PAP) won election after election. Its longtime leader Lee Kuan Yew, prime minister from 1959 to 1990, repeatedly turned to repressive measures from the 1970s onward to stifle any opposition. Lastly, Hong Kong remained a British Crown Colony until it was handed back to China in 1997 (the transfer was

agreed to in 1984); its people were governed by a paternalistic administration that allowed them only minimal participation.

It is a matter of political debate as to whether this curtailing of democratic rights promoted the modernization process. But what is beyond dispute is that all five states were characterized by an extremely shrewd combination of entrepreneurial freedom with precise political micromanagement of the economy. However, protracted rule by a single party, or a single president, led in the case of Japan and South Korea to a high degree of corruption. It is also true to say that in all five countries the social consequences of economic modernization undermined authoritarian rule over time.

The Middle East Conflict and the Oil-Producing States

The rise of the oil-producing states started long before the world began to take notice of it. Over the course of the 1960s, the industrialized countries of Europe and Japan became increasingly dependent for their energy supplies on imported oil. At the same time, American oil imports rose by 50 percent in ten years, as US domestic oil reserves began to dwindle. Hand in hand with the increasing importance of oil reserves in the Near and Middle East in supplying the energy needs of the industrialized world—from just 7 percent at the end of the Second World War, their share of world production had grown to 38 percent by 1973[48]—came a growing sense of self-confidence within the regimes of oil-producing countries and consequently an ever-greater share in the revenue generated by extraction. In 1970 Colonel Muammar Gaddafi used the threat of nationalizing the Libyan oil industry to demand a substantial hike in prices and quotas. Because Western European states imported a quarter of their oil from Libya, Gaddafi's gambit paid off, opening the floodgates for other oil-producing countries to impose similar increases. Around the same time, the British withdrew its forces from Kuwait and the United Arab Emirates on the Persian Gulf, which together supplied more than one-third of all the oil from the Near and Middle East.

Crude oil prices skyrocketed as the Middle East conflict loomed. Driven by growing criticism from the Arab World, Egypt's president Nasser decided in the spring of 1967 to launch a new assault on Israel. The Israeli government preempted his attack by ordering, on June 5, 1967, an air strike that virtually destroyed the

entire air forces of Egypt, Jordan, Syria, and Iraq on the ground. Thereafter, the ground forces of the Arab allies stood no chance. Within the space of four days, Israeli troops had occupied the Old City of Jerusalem, the West Bank, and the Sinai Peninsula as far as the Suez Canal. They heeded a UN appeal for a ceasefire only after taking control of the Golan Heights on the border with Syria on June 10. However, this lightning-fast Six-Day War brought Israel no nearer to peace. The Arab nations continued to deny the right of the State of Israel to exist, and a war of attrition set in on the country's borders.

Yet the Arab states could not endure the humiliation of the 1967 defeat for long. Nasser's successor, Anwar Sadat, found himself pressured to attack Israel once again in 1973, this time with the aim of securing a frontier that would be acceptable to both sides. With this objective in mind, Egyptian troops were to seize the zone around the Suez Canal, while Syria was to simultaneously retake the Golan Heights. These could then become bargaining chips to get Israel to the negotiating table; at the same time the oil-exporting countries, primarily Saudi Arabia, would bring pressure to bear on Western governments. Once Faisal, king of Saudi Arabia, had assured him of his support in August 1973, Sadat prepared for war.

The armies of Egypt and Syria began their offensive on October 6, 1973, on Yom Kippur, the Jewish Day of Atonement. Equipped with far better arms than in 1967, they soon achieved all their objectives. However, from October 8 onward, Israeli armored units and ground-attack aircraft began to recapture the Golan Heights. An Egyptian relief offensive in the Sinai was repulsed, and the Israelis established a bridgehead on the west bank of the Suez Canal. Now that a military stalemate had been reached, the Organization of Petroleum Exporting Countries (OPEC), meeting on October 17 in Kuwait and led by Saudi Arabia's skillful oil minister Ahmed Zaki Yamani, decided to raise oil prices by 70 percent and to progressively choke off supplies, at a rate of 5 percent per month, to countries that supported Israel. When President Nixon announced $2.2 billion in aid for Israel two days later, Faisal imposed a total oil embargo on the United States.

But the pressure resulting from these decisions now prompted the Nixon administration to throw its weight behind an early ceasefire and a lasting peace settlement. The Soviet Union had initially supported the Arab side by airlifting

men and materiel, for fear that otherwise it would lose any influence over its allies. At the same time, though, it also called for a ceasefire. The Nixon administration responded in kind, airlifting vital supplies to Israel and seeking an end to the fighting. When Israel, whose forces were now advancing beyond the west bank of the Suez Canal, showed no sign of complying, Brezhnev sent a telegram to Nixon on October 24 urging the dispatch of a joint US-Soviet military contingent. If necessary, Brezhnev added, the Soviet Union would not shy away from "taking appropriate steps unilaterally."[49] This message prompted Kissinger to put US forces worldwide on red alert. He followed this up by putting pressure on Israel to fall in line, and hostilities were suspended on the night of October 26.

In order to progress swiftly from a ceasefire to a peace settlement, Kissinger now embarked on an intensive round of shuttle diplomacy between Cairo, Tel Aviv, and Damascus. By January 18, 1974, he had brokered a disengagement agreement between Egypt and Israel, under which Israeli forces would pull back to positions just forward of the passes through the Sinai and hand over control of the Suez Canal Zone to UN peacekeeping troops. The negotiations with Syria went on much longer; only at the end of May 1974, after a brief resumption in the fighting, did Syria's president, Hafez al-Assad, agree to a settlement that involved Israeli forces withdrawing from the positions they had taken in October 1973 and the creation of another UN buffer zone on the border with the Golan Heights. The oil-producing countries acknowledged Kissinger's efforts by lifting their embargo against the United States.

Yet irreconcilable demands still stood in the way of a wider peace settlement. In November 1977, Sadat, driven by Egypt's crippling debt to sue for peace, made a dramatic bid to break the deadlock in the negotiations: he announced that he would go "to the ends of the Earth" to secure peace, even to the Knesset. Israel felt duty-bound to invite him. On November 20 he told the Knesset his price for recognizing Israel and engaging in peaceful cooperation: withdrawal from the areas occupied in 1967 and the establishment of a Palestinian state on the West Bank. This initiative was widely applauded throughout the world and placed Israel under pressure to assent.

Following a series of fruitless bilateral negotiations between Israel and Egypt, at a meeting with Sadat and the Israeli prime minister, Menachem Begin, on September 6–17, 1978, President Jimmy Carter finally managed to obtain an

Israeli promise to end its military occupation of the West Bank and the Gaza Strip. He then stymied Israel's attempts to retreat from this position with trips to Cairo and Jerusalem in March 1979. On March 26, 1979, the Israel-Egyptian Peace Agreement was signed in Washington. Carter also signed as a witness. In line with this accord, Israel's forces withdrew from the Sinai in two phases by 1982; Israeli settlements in the Sinai were also abandoned. Two months after the agreement went into force, talks began on realizing Palestinian autonomy. These, though, were to be the source of new friction, this time between the Israelis and the Palestinians themselves.

At a meeting on November 4–5, 1973, the representatives of the oil-producing states passed further resolutions that resulted in a quadrupling of the oil price compared to its cost at the beginning of November. In doing so, they were carrying out the strategic role in the Middle East conflict that had been envisaged for them by Sadat's alliance strategy, by radically shifting the economic balance of power in their favor. Overall, OPEC's oil revenues increased more than threefold in 1973 alone, from US$33 billion to $108 billion—a sum that represented 13 percent of the value of all exports worldwide.[50] At a stroke, then, the OPEC states became major players on the stage of global politics—able not only to influence commercial activity but also to attract foreign workers and invest a portion of their immense profits in the industrialized countries.

The new influx of wealth into the countries of the Arabian Peninsula brought about an abrupt shift from seminomadic feudal societies to paternalistic welfare-state systems that enabled the ruling sheikhdoms to consolidate their hold on power. Their dependency on prosperous merchant families declined, while the leaders of rival tribal groups could be involved in administering the new prosperity, and the general populace, who formerly had to eke out a precarious existence, could now be pacified through generous state spending on welfare programs. As world-renowned architects set about transforming traditional royal capitals and ports into ultramodern cities, and foreign workforces assembled a state-of-the-art petrochemical industry, governments in the region instituted comprehensive educational programs and began to develop their own manufacturing industries. However, this sector's share of GNP remained modest. Also, the great majority of the newly educated indigenous population were absorbed into the rapidly growing civil service—the so-called petro-bureaucracy. In Saudi Arabia, which called the shots in the region, the royal family was also careful not to upset the religious leaders of the influential Wahhabi sects, thereby ensuring that they did not become rallying points for potential opposition to its rule.

In contrast, in Iran the new wealth was visited upon a much more advanced, complex society; but the reigning shah, Reza Pahlavi, proved much less competent in distributing it. The shah staked everything on developing a modern industrial sector at the cost of alienating the traditional middle classes; he also poured huge sums into the armed forces, used police repression to keep the country's progressive elite from gaining power, and alienated Iran's religious leaders with his attempts at modernization. When the country went into recession in 1978 as a result of failed investments, the Shi'ite spiritual leader Ayatollah Ruhollah Khomeini attracted a mass following with his tirades against the godless shah who had made common cause with the Western "devils."

The Pahlavi regime's brutal crackdown on protests only encouraged their spread. Khomeini was expelled in August 1978, but his influence continued to grow while he was in exile. From a Paris suburb he dispatched messages on cassette tapes to be replayed to the faithful in mosques and assembly rooms, and issued instructions by telephone to the leaders of various opposition groups. At the beginning of December, he used the occasion of the commemoration of the death of the Shi'ite martyr Hussein ibn Ali in AD 680 to call for a mass protest: on December 10 almost two million people joined a demonstration in Tehran against the shah's rule. Reza Pahlavi's last resort was to install a civilian government and flee the country with his family on January 16, 1979, intending to return when the situation had calmed down.

However, things did not pan out this way. Khomeini returned in triumph from exile on February 1 and immediately set up an alternative government. He managed to largely neutralize the generals, and after a single, if bloody, battle between the Imperial Guard and dissident air force units, the shah's regime stood down on February 11.

In the ensuing power struggle to establish a new political order, two events played into Khomeini's hands: the occupation of the US Embassy in Tehran by militant students on November 4, 1979, and the war with Iraq, which began with an attack by the new Iraqi leader, Saddam Hussein, on September 22, 1980. In the embassy the students uncovered documents discrediting Western-leaning

A woman, wearing a black chador and carrying a G3 machine gun, Tehran, February 12, 1979. She is participating in the occupation of Tehran University one day after the Iranian Revolution. Ayatollah Ruhollah Khomeini succeeded in mobilizing a mass following with his tirades against the godless Shah who had made common cause with the Western "devils." (Getty Images)

politicians. When the US government then sent aid to Saddam Hussein (following in the footsteps of Saudi Arabia, Kuwait, and France) to prevent the Iranian Revolution from spreading to Iraq, this only inflamed anti-American sentiment in Iran. In December 1979 a constitution was approved by referendum that invested a Supreme Religious Leader with extensive executive powers. The war against Iraq gave the theocracy the opportunity to liquidate both moderate politicians and militant terrorist opposition; conservative clerics who opposed the idea of a Supreme Leader were also sidelined.

But it was not just in Iran that rapid socioeconomic modernization resulting from contact with the West contributed to a strengthening and politicizing of Islam. Other regimes, from Libya to Pakistan, also used Islam's social cohesiveness to hold their states and societies together during major upheavals. Large sections of the populace set great store by their religious observance as a way of asserting patriarchal family structures against the modern trend toward individualism. Finally, many young students who saw themselves deprived by economic crises and rigid bureaucracies of any opportunities for advancement were drawn into becoming militant champions of fundamentalist Islam, which presently began to emerge as a political movement in its own right. The occupation of the Great Mosque in Mecca by about four hundred Islamist students in November 1979 gave a first indication of its growing significance.

The fall of the shah triggered a second hike in oil prices, with the price of a barrel of crude increasing by 1981 (taking inflation into account) to ten times its cost a decade before. However, this time the increase was not due to concerted action by the producers, but instead was caused by panic in the markets over the outcome of the Iranian Revolution and the conflict between two major producers, Iran and Iraq. The result was a further impetus to economic growth and modernization in the oil-producing countries. Concurrently, though, OPEC lost much of the power it had gained in 1973, as there came into being a complex market mechanism that caused oil prices to fall again from 1985 onward.

The Rambouillet Conference

The second rise in oil prices also had less dramatic consequences because the industrialized countries had learned in the meantime how to deal with this new

challenge. At the time of the first increase, the industrialized nations of Western Europe had just completed the long reconstruction process after the Second World War, while the costs of the Vietnam War had plunged the United States into a trade deficit. The Nixon administration had reacted to this development by abandoning the pegging of the US dollar to the gold standard; eighteen months later, in the spring of 1973, strenuous efforts to revert to a system of currency parity came to nothing. The heavy burden imposed by the increased cost of oil led to across-the-board price increases and inflation; growth was slowed once more, and individual governments' attempts to crisis-manage the situation were offset by wild currency fluctuations.

Deeply concerned about the political consequences of inflation, economic stagnation, and unemployment, French president Valéry Giscard d'Estaing and German chancellor Helmut Schmidt endeavored to work out a common strategy for the industrialized countries to weather the crisis. To this end they invited the American president, Gerald Ford, and the British prime minister, Harold Wilson, to an intimate summit from November 15–18, 1975, in the Château de Rambouillet, 50 kilometers west of Paris. In acknowledgment of his country's major role in the global economy, the Japanese prime minister Miki Takeo was asked to attend. And to ward off the danger of the eurocommunists getting into government in Rome, the Italian prime minister, Aldo Moro, was also invited.

The six leaders agreed to undermine the cartel of oil-producing countries by promoting consumption: none of the oil exporters would henceforth be able to afford to artificially choke off the oil supply, but instead all of them would be tempted to increase their revenues at the expense of the competition. In addition, there was also a convergence between the French and American positions on the question of the currency markets: the participants did not agree to return to fixed exchange rates, as Giscard had demanded, but they did agree to make "every effort to restore stability" and to take steps to prevent "unsettled market conditions and unpredictable exchange-rate fluctuations."[51] An interim committee drafted appendices to this effect for the treaty governing the International Monetary Fund (IMF) in 1976. Governments were committed to exercising firm discipline in their budgetary and economic policies, and the IMF was charged with monitoring this process.

The success of the Rambouillet Conference prompted the participants to make meetings between heads of state and government a regular feature. The second meeting took place the very next year, this time with Canada present as well. The meetings of the Group of Seven (G-7) helped counter the demands resulting from the rise of the new players on the world stage. Nevertheless, the tangible results of these meetings often failed to live up to expectations: the tendency to bask in the reflected glory of the economically most powerful nations often trumped any readiness to undertake genuine coordinated action.

Toward a Second Cold War?

The loss of financial and commercial supremacy, and even more so the humiliating experience of the occupation of the US Embassy in Tehran, strengthened the trend toward a renunciation of the politics of détente in the United States. President Carter did not manage to secure the release of the fifty-two embassy staff taken hostage, either through drastic sanctions such as the seizure of Iranian capital assets in the United States or through diplomatic channels. An attempt to free the hostages through direct military action in April 1980 was a disastrous failure. In the event, it was 444 days before the imprisoned diplomats were able to leave the embassy, on January 20, 1981. For the whole of 1980, then, US impotence and the hatred of Islamic fundamentalists were the lead stories night after night on American television. In these circumstances, opposition politicians, who accused the Carter administration of wantonly sacrificing American interests in the face of Soviet supremacy, had a field day.

The image of Carter and Brezhnev embracing one another after signing the SALT II agreement in Vienna was grist to the mill of the opponents of détente, who had been lobbying strongly against the treaty for months. A Committee on the Present Danger, which included hard-liners from previous administrations, such as Eugene Rostow, Paul Nitze, and Dean Rusk, warned of the dangers of not putting up fierce opposition to Soviet rearmament, which in their view exposed the United States to the risk of a first-strike knockout blow. Others deplored the restriction in the number of multiple warheads and cruise missiles the United States was permitted to deploy, complaining that the Soviets were being allowed to keep their "heavy" ICBMs, which had no counterpart in the US

nuclear arsenal. Many regarded arms control treaties in general as a waste of time, as long as the USSR violated human rights and was busy spreading its influence throughout the Third World. Senator Jackson, who had accused Carter, immediately before he left for Vienna, of pursuing a policy of appeasement, announced his intention to defeat the treaty in the Senate. Edward Rowny, representing the Joint Chiefs of Staff in the US SALT delegation, resigned in protest at the concessions the Carter administration was prepared to make.

However, the dark warnings about massive Soviet rearmament had little basis in fact. Certainly, in 1975 the Soviet Union had begun gradually to equip its intercontinental ballistic missiles with multiple warheads, and their submarine-launched missiles surpassed the number of equivalent US weapons, increasing from 459 on June 30, 1972, to 923 on September 30, 1979, as against the constant figure of 656 American submarine-launched ballistic missiles (SLBMs). Older rockets were replaced by new ones with more accurate targeting systems, while the expansion of the Soviet Navy continued. Yet given the huge numerical superiority of the American fleet, there was never even the slightest question of the Soviet Union catching up with the United States in terms of naval assets. By the mid-1970s, a single US aircraft carrier had more firepower than all vessels in the Soviet overseas fleet put together. The American MIRV program was also proceeding at a far faster pace than that of the Soviets. By the start of the 1980s the United States possessed around 9,500 individual warheads for intercontinental offensive weapons, while the USSR only had some 5,000; according to the provisions of SALT II, the United States was allowed a total of 11,500, and the Soviet Union 9,500. In addition, the American modernization program was not lagging behind the Soviets' in any way; indeed, with their cruise missiles, which were undetectable by radar, the Americans could even boast a new factor, to which the Soviets initially had no response. Moreover, defense expenditure in the Soviet Union had remained static, with some major cuts in the acquisition of new weapons systems from 1976 onward.[52]

The restrictions on modernization programs and on the number of multiple warheads per missile that were agreed upon in SALT II could not, however, entirely dispel the threat of a Soviet knockout blow against American land-based ICBMs. And the same was true of the American capacity to deliver a preemptive knockout blow, which would take out a far greater percentage of the Soviet arse-

nal than a Soviet first strike. And with the construction of a new generation of MX ICBMs, which could be moved between several launch sites, the United States was unilaterally acquiring a weapon that could not be neutralized in a first strike and that was also very hard to verify. These factors more than outweighed the fact that the Soviet Union was the only side with "heavy" intercontinental missiles. Furthermore, according to the SALT II stipulations, only the USSR was required to make real cuts in its nuclear missile arsenal (losing 350 missiles or bombers by January 1, 1981), whereas the United States was still able to reach targets in the Soviet Union with its cruise missiles.

More justified was Helmut Schmidt's concern that the "strategic parity" between the two superpowers, as laid down in the SALT treaties, made increasingly implausible the threat of a first strike using NATO tactical battlefield nuclear weapons or an American retaliatory strike. The new Soviet SS-20 intermediate-range missiles, which had been phased in from 1977 onward to replace their six hundred or so older SS-4s and SS-5s, were precisely designed to give the Soviets a first-strike capability against the European NATO allies. Unlike their predecessors, they were mobile and hence practically invulnerable; they also had a longer range and—with their lighter launch weight and smaller explosive force—far greater accuracy; what was more, each missile was fitted with three warheads. It was therefore not inconceivable that Soviet military chiefs might use them, in conjunction with their fast and hard-to-stop Backfire bombers, to launch a surprise attack that would largely eliminate NATO's ground troops, air force, and nuclear weapons stationed in Europe. Because the Europeans could not rely on the fact that their American allies would then really undertake a retaliatory nuclear strike against the Soviet Union, the only realistic strategy for preventing such a first strike was to give ongoing assurances of goodwill.

Even so, the second-strike capacity of the Soviet Union by no means precluded a credible threat of US retaliation in the event of a Soviet attack on the European NATO allies. Even if most of the fixed missile silos had been wiped out, the number of American missiles that would still be available to deliver an unacceptably costly retaliatory strike was larger than ever, and their selective deployment remained a real option. Plus, by upgrading from the Polaris to the Poseidon missile system, the US military had increased fivefold (from 80 to 400)

the number of submarine-based warheads within range of the USSR that the NATO Chiefs of Staff could deploy, as well as more than doubling (from 80 to 164) their strike force of nuclear-armed F-111 swing-wing bombers that, flying from air bases in Great Britain, could penetrate deep into Soviet territory. Thus, in principle NATO also had the potential for a "proportionate" response to an attempted Soviet preemptive strike against Western Europe.

As a result, Brezhnev found Schmidt's concerns hard to understand. He regarded the replacement of the increasingly dilapidated and vulnerable SS-4 and SS-5 missiles as a quite normal procedure, comparable to the modernization of short-range missiles and forward-based systems that the West was then engaged in. It appeared all the more necessary because the United States had steadfastly refused to include the forward-based systems in any arms control agreement, and because France, Great Britain, and China had not only modernized but also expanded their intermediate-range arsenals. Brezhnev therefore reacted with incomprehension when Schmidt, on his very first visit to Moscow in October 1974, tried to engage with him on the problem of the Euro-strategic imbalance. And when Schmidt attempted in June 1979 to persuade him to reduce the number of SS-20s stationed in Europe, Brezhnev did not step in to countermand Defense Minister Dmitriy Ustinov's flat refusal.

Following endless arguments about the possible replacement of a part of the tactical weapons arsenal stationed in Europe with "neutron bombs" (which were meant to cause less damage to infrastructure), at a meeting on the Caribbean island of Guadeloupe in early 1979 Carter, Schmidt, Giscard, and British prime minister James Callaghan signaled their agreement in principle to stationing new intermediate-range missiles in Europe as a response to Soviet nuclear arms modernization. European defense experts advocated the deployment of 464 cruise missiles, which could get under Soviet missile defenses, and 108 Pershing II missiles, which could hit strategic targets in the Soviet Union within minutes. This decision gave NATO another first-strike option, though it did not, admittedly, obviate the threat of a theoretical preemptive strike by SS-20s. On the other hand, the new intermediate-range missiles shifted the strategic balance of power (which, in view of the discounting of the forward-based systems, the Soviets did not think existed anyway) further in favor of the West. In the Soviets' eyes, it made no difference whether American missiles targeted on the Soviet

Union were launched from the mainland United States, from its submarine fleet, or from European soil.

In view of this basic ambivalence, the plan for strategic European rearmament also ran up against serious criticism from within Western Europe itself. To allay these concerns and neutralize any resistance to the stationing of the missiles, NATO's foreign and defense ministers therefore linked their decision to go ahead with deployment, taken on December 12, 1979, with an offer to the Soviet Union to open new talks on Euro-strategic rearmament. Deployment of the new missiles was scheduled to begin in late 1983 and would only take place if the negotiations had not yielded any concrete results by then.

The Afghanistan Crisis

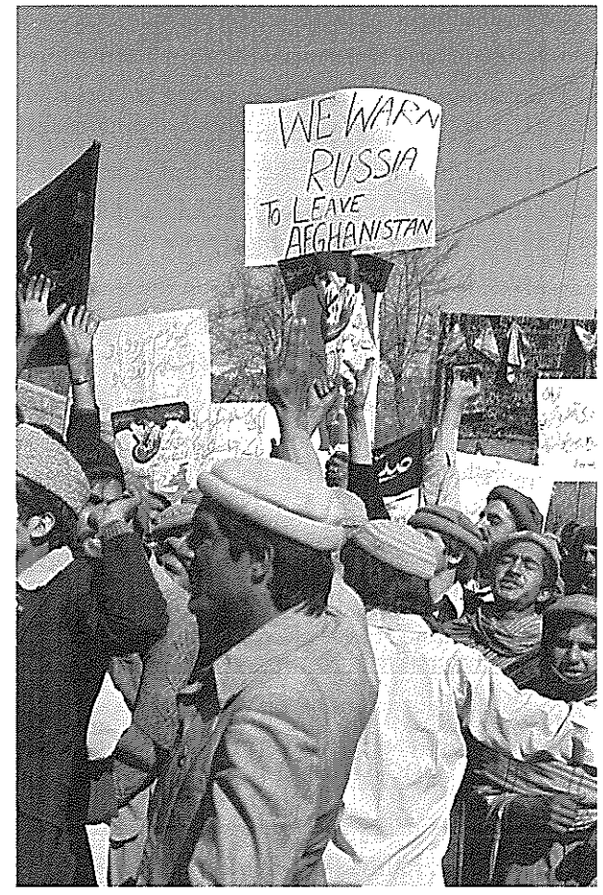
Yet at first neither the Soviets nor the Americans were prepared to engage in talks. On the very same day that the Double-Track Decision was taken at NATO headquarters in Brussels, the Moscow Politburo voted in favor of sending troops to Afghanistan. Radical communists under Hafizullah Amin had seized power there in April 1978 following a military coup, and immediately put in place an energetic modernization program that provoked a violent backlash from traditional Islamic forces across the country. The Kremlin tried to persuade Amin to tone down his plans and broaden his power base, but when this fell on deaf ears, the decision was made to topple the radical communists and install a more moderate leadership that would meet with more support in the country and crush any residual Islamist resistance with the aid of Soviet troops.

The decision was controversial, given the likely difficulties of winning a guerrilla war in the Afghanistan mountains and the threat to détente that would result from another Soviet intervention in a Third World country. However, Defense Minister Ustinov was in favor, presumably counting on the fact that a quick victory would put him in pole position to succeed Brezhnev. And when he and Andropov joined forces to highlight the supposed danger of an alliance between the radical communists and the Americans, Brezhnev was won over. On December 25, 1979, Soviet troops were airlifted to Kabul and to western Afghanistan, and motorized units simultaneously crossed the border; in total, an invasion force of seventy-five thousand men was mobilized. On the evening of December

27, the presidential palace in Kabul was stormed and Amin and several of his most loyal followers were shot dead. At the same time, Babrak Karmal, leader of the moderate communists, announced in a radio broadcast that, as president of the revolutionary council, he had asked the country's Soviet friends to help him overthrow Amin's brutal dictatorship.

As it turned out, the setback for détente that the Soviets were reckoning on as a result of their actions was far more serious than Moscow had anticipated. The coup in Kabul not only left Carter contemplating the complete evaporation of any chance that SALT II would be ratified. Carter also felt personally betrayed by a Soviet president who in Vienna had promised that he would deal squarely with him in the future. He therefore accepted Brzezinski's interpretation of the Afghanistan invasion as the first stage in a concerted thrust by the Soviets through Pakistan and Iran to the Indian Ocean. On January 3, 1980, he asked the US Senate to put discussions of SALT II on hold for an indefinite period; a few days later Carter announced in a television address a wide-ranging severing of cultural and commercial ties with the Soviet Union, including a halt to grain exports, an embargo on all high-tech and strategic goods, postponement of the opening of new consulates in New York and Kiev, and a package of military and economic aid to the supposedly threatened state of Pakistan. On January 20 he also called on American athletes to boycott the Olympic Games, which were due to be held in Moscow in the summer of 1980.

Carter's European allies were not prepared to go along with this demonstrative termination of the policy of détente. In the meantime they had been busy expanding economic relations and the exchange of "people, information, and opinions" with their Eastern Bloc neighbors (including buying the freedom of political detainees), and for that reason alone were not keen to abandon their long-term project of reducing tension between the blocs. They also consistently rejected economic sanctions as a response to the invasion of Afghanistan. Instead, on many occasions they leaped in to fill the vacuum left when the Americans withdrew from various cooperative ventures, with the result that total trade between Europe and the Soviet Union expanded considerably in 1980. The American call to boycott the Olympic Games was heeded only by the Federal Republic of Germany (along with China and Japan), and then only after serious



Afghan refugees in Pakistan protest against the Soviet invasion of Afghanistan, February 5, 1980. Soviet hopes to crush Islamist resistance in the country with the aid of an invasion force of 75,000 men were soon disappointed. (© Pascal Manoukian/Sygma/Corbis)

political disagreement at home and out of a concern not to place excessive strain on the Western alliance.

Giscard and Schmidt also did their best to keep the East-West dialogue on track. To this end the French president, without seeking the prior approval of his Western allies, went to meet Brezhnev in Warsaw on May 19, while the German chancellor traveled to Moscow on June 30, after a heated exchange with Carter.

Although the two leaders made no headway on the question of the war in Afghanistan, Schmidt did manage to persuade the Soviet leadership to begin talks on intermediate-range missiles. Carter was reluctant to join these discussions, but when Brezhnev personally intervened on August 21 to propose a start to negotiations, he found himself unable to refuse, mindful as he was both of the clear provision for talks contained in the Double-Track Decision and of the need to hold the Western alliance together. On September 25, Andrei Gromyko and the new US secretary of state, Edmund Muskie, met on the fringes of the UN General Assembly and agreed to begin preparatory talks in Geneva on October 16 on the limitation of intermediate-range weapons.

However, this breakthrough on talks threatened to evaporate once more after Carter lost the presidential election on November 4. Despite his clear change of course after the Afghanistan invasion, he failed to prevent the electorate from voting in the Republican nominee Ronald Reagan, the very epitome of a Cold War warrior and enemy of détente. In the presidential campaign, Reagan had accused both Carter and Kissinger of selling out American interests, and now, in office, he promised explicitly to put America back on top once more.

Reagan and the Peace Movement

Reagan embarked on his presidency with a relatively simplistic worldview, which he frequently aired in public. In his eyes, détente was synonymous with Western weakness, an attitude that had allowed the Soviet Union to assemble the "greatest military machine the world has ever seen" and to reap unilateral geostrategic benefits in the developing world. This was all the more alarming inasmuch as Moscow's objective was the "promotion of world revolution."[53] To this end, said Reagan, the Kremlin was prepared to commit any crime; it was behind all the unrest that broke out in the world's hot spots; and it presided, Reagan claimed in a speech in the spring of 1983, over an "evil empire."[54] To counter this, the American nation needed to regain its "strength"—in military, economic, and moral terms. America had to take the lead role in the Western world once again, while NATO as a whole had to put up a stronger front against the USSR. This would not only help secure peace but also force the Soviets to disarm: "[They] cannot

vastly increase their military productivity because they've already got their people on a starvation diet."[55]

In line with this approach, the Reagan administration made no attempt to enter into the negotiations on intermediate-range missiles that had been agreed to, or to continue the wider talks on strategic weapons reductions. Instead it focused initially on making outspoken public attacks on the Soviet Union and its rearmament program. Just two weeks after taking office, Reagan approved an increase to the $200.3 billion defense budget of $32.6 billion, a hike of 16 percent. In total, between 1981 and 1985, defense expenditure grew in real terms by 51 percent.[56] Guidelines drafted by the Pentagon, which resulted in a presidential directive of May 1982 (NSDD 332), called for the capacity to wage a conventional as well as a protracted nuclear war against the Soviet Union and to maintain the upper hand throughout. In addition, the United States should be in a position to deliver "decapitating strikes" against the Soviet leadership, and to counter regional offensives by the enemy with "horizontal escalation" in other theaters of war. In addition, plans were drawn up to develop new weapons systems that the USSR could not hope to keep pace with. The Strategic Defense Initiative (SDI; or "Star Wars" program) was expressly included in this wish list.

In the face of this unyieldingly tough stance toward the Soviet enemy, European misgivings about the collapse of the détente process developed into a broad-based peace movement with a distinctly anti-American flavor, while even in the United States itself, concerns over where an unchecked policy of rearmament was leading and the huge costs involved gave rise to a protest movement. The European peace lobby was at its strongest in the Federal Republic of Germany, where most intermediate-range missiles were due to be stationed. On October 10, 1981, 250,000 people demonstrated in the federal capital, Bonn, against the Double-Track Decision; Helmut Schmidt found it increasingly difficult to prevent his party from voting against implementing the decision. In the United States, the movement principally passed resolutions calling for a freeze in nuclear weapons at the current level. In February and March 1982, corresponding freeze motions were tabled in both houses of Congress. The administration succeeded in defeating them by a slim majority, and even then only by supporting an alternative resolution requiring substantial reductions in nuclear weapons prior to any freeze.

Faced with such overwhelming internal and external pressure, the Reagan administration found itself obliged to fall in line with the German government's request, at the spring meeting of the NATO Council on May 4–5, 1981, to resume negotiations on intermediate-range missiles. A year later it also agreed to a resumption of talks on strategic arms. In both cases, though, its starting position effectively amounted to a restoration of US superiority: in the case of the medium-range missiles, a "zero solution" that left both NATO's seaborne missiles and the British and French nuclear deterrents out of the reckoning; and in the strategic domain, a reduction strictly graded according to types of weapons, which would have left the United States with three times more warheads than the Soviets. A compromise reached by the delegates at the intermediate-range weapons negotiations in Geneva in July 1982 (the so-called Walk in the Woods formula; a reduction to seventy-five SS-20s, each with three warheads, and seventy-five launch ramps, each with four cruise missiles) found no favor either in Moscow or in Washington.

The Kremlin responded to the American offensive with counterproposals designed to ratchet up public pressure on the Reagan administration. When a nationwide strike movement in Poland brought about a clear liberalization of the country's communist regime, the Soviets were at pains not to give the West another pretext to let relations worsen still further. In particular, Moscow was concerned not to drive away the Europeans as partners in détente. It therefore raised no objection to the founding, on September 17, 1980, of the independent Solidarity labor union movement under the chairmanship of the former Gdansk shipyard welder and strike leader Lech Wałęsa. As ongoing strikes and political demands began to call the whole socialist character of Poland into question, Moscow did urge the Polish leadership to impose martial law, but at the same time it ruled out a military intervention along the lines of the Prague Spring. Even when the Polish prime minister and party leader, Wojciech Jaruzelski, requested Soviet military support in early December 1981, the Politburo remained adamant that there could be no question of dispatching troops. As Yuri Andropov explained, "Even if Poland were to be ruled by Solidarity, so be it. . . . We have to take care of our own country and strengthen the Soviet Union."[57]

Thus, the expansion of economic cooperation and nuclear arms limitation had in the meantime become so important for the Soviet leadership that it was

now prepared to effectively throw overboard the concept of solidarity with ruling socialist parties in other countries that had been enshrined in the Brezhnev Doctrine. The decision to use Polish security forces to crush the democracy movement was Jaruzelski's alone. Although he knew that there would be no Soviet intervention, he approved the introduction of martial law on December 13, 1981—evidently fearing that he would otherwise be responsible for handing victory to the counterrevolution in Poland. Solidarity was banned as an organization, and leading members of the labor union and other opposition groups were imprisoned.

The Kremlin's calculated risk in not invoking the Brezhnev Doctrine paid off. European governments were able to resist the pressure for new sanctions against the Soviet Union, which the Reagan administration wanted to implement in retaliation for Jaruzelski's coup. The idea of breaking off negotiations on intermediate-range missiles was quickly dropped after Schmidt visited Reagan at the beginning of January 1982, and the United States ultimately went it alone on economic sanctions. When these sanctions were extended in July to cover technical equipment, which European countries were planning to supply to the USSR to help construct a gas pipeline from Siberia to Europe, a serious rift arose among the Western allies. Likewise, no change occurred in the steady development of relations between the two Germanies when Schmidt was succeeded as chancellor in October 1982 by his Christian Democrat rival, Helmut Kohl. Kohl retained the liberal Hans-Dietrich Genscher as his foreign minister. In June 1983 the Bavarian prime minister, Franz-Josef Strauss, once a sworn enemy of Bonn's Eastern Treaties, even arranged extended credit on extremely favorable terms to the GDR, which saved it from impending national insolvency.

The End of Negotiations

The thaw in inter-German relations could not halt the installation of the new missiles in Europe. Erich Honecker did not wield nearly enough influence in Moscow, while the position of the Federal Republic government was too inconsistent to sway the United States. There arose within the Social Democratic Party a tendency to respond to the Reagan administration's reluctance to negotiate by

refusing to rearm. However, Schmidt shied away from weakening the Western alliance in this way, and his coalition partners, the liberal Free Democrats, were also opposed to such a move. The new coalition, which Genscher had entered into partly because of the SPD majority's challenge to the Double-Track Decision, did press for compromises beyond the zero-solution, but crucially it did not make its agreement to the stationing of the new missiles contingent upon the Americans' position in the negotiations.

There was some movement in the Soviet position after the sudden death of Brezhnev on November 10, 1982. The new general secretary, Yuri Andropov, whose appointment as secretary to the Central Committee in May had effectively earmarked him as Brezhnev's successor, was able to insist upon offering more than his defense minister Ustinov was willing to concede in return for an American agreement not to station their intermediate-range missiles in Europe. In a television address on December 21, 1982, he announced that the USSR would be prepared to restrict itself to 162 missiles—the same number as the combined British and French deterrent. In the negotiations, this developed into an offer to reduce the Soviet arsenal to 122 or at most 127 missiles—in other words, the Soviet Union was prepared to forego exactly the same number of warheads as in NATO's proposed new deployment. At a stroke, Andropov had renounced his capacity to threaten a first strike against NATO installations within Europe—the only objective grounds for concern over the stationing of the SS-20s in the first place.

Yet Washington stuck rigidly to the line that stationing of the Pershing II missiles in Europe would go ahead as planned unless the Soviet intermediate-range arsenal was completely withdrawn. On March 30, 1983, Reagan indicated that he would be amenable to an interim solution whereby the United States and the Soviet Union would deploy an equal, unspecified number of warheads for their intermediate-range nuclear forces (INF). In September he clarified his position, revealing that each side should be allowed 420 warheads *globally*, and that with regard to the Soviet missiles in Asia, not all the American intermediate-range missiles needed to be stationed in Europe. This amounted to a reduction in US rearmament by about one-fourth, in return for a reduction in the number of SS-20s stationed in Europe to around fifty. The American negotiators calculated that this was all that was required for the Europeans to agree to the rearmament decision, and that they could then, after rearmament had been completed, negotiate from a position of strength.

And indeed, this proposal by the Reagan administration succeeded. Because Andropov's compromise proposals were, among other things, aimed at preventing the ongoing installation of multiple warheads on British and French missiles, from early 1983 on, French president François Mitterrand, who had succeeded Giscard in May 1981, threw his weight strongly behind implementation of the Double-Track Decision. Addressing the West German parliament on January 20, he called for solidarity in the face of the threat from Soviet intermediate-range missiles; and at the World Economic Summit at Williamsburg, Virginia, on May 30–31, he forced through a statement excluding the inclusion of nuclear weapons from "other states" from the US-Soviet talks. Helmut Kohl did not dare embrace the proposal (put forward by Paul Warnke, a former director of the US Arms Control and Disarmament Agency) for cancellation of Pershing and cruise missile deployment in exchange for the Soviets dismantling an equivalent number of warheads, and so the governing factions in Bonn settled on the explanation that the Soviet side had not shown enough willingness to negotiate. On November 22 the West German parliament approved the deployment of Pershing II missiles.

As they had threatened beforehand, the Soviets responded by breaking off the INF negotiations in Geneva, and they also walked out of the discussions on strategic arms reductions, which for propaganda purposes the Reagan administration now dubbed the Strategic Arms *Reduction* Talks (START). At the same time, the Soviets announced their countermeasures against the stationing of the Pershing and cruise missiles: they would install their own cruise missiles in the European territory of the Soviet Union and transfer tactical battlefield nuclear weapons to the GDR's and Czechoslovakia's borders with West Germany. To Andropov, further negotiations appeared utterly pointless and in some respects even counterproductive, in that they threatened to fuel vain hopes that the Reagan administration might still be persuaded to see reason and thereby to take the necessary sting out of the protest movement against the arms race.

A new round of hawkish statements from the White House raised alarm in Moscow that Reagan might actively be preparing to go to war with the Soviet Union. On March 23, 1983, two weeks after his diatribe against the "evil empire,"

the US president announced that he was setting up a Strategic Defense Initiative (SDI), which involved creating a defensive missile shield in space. This proposal was tantamount to revoking the whole of the deterrent system: if it succeeded, the United States would be in a position to threaten the Soviet Union with a nuclear first strike without having to worry about a retaliatory attack. The intermediate-range missiles that were now in position in Europe thus became offensive weapons that could unleash a nuclear conflict that would remain confined to Europe. Accordingly, the KGB was detailed to watch for signs of an impending US first strike and to report back the details to Moscow. In December the number of Soviet nuclear-armed submarines patrolling within range of the US seaboard was augmented, because the Soviets believed this was the only way to counter the "increased nuclear threat facing the Soviet Union."[58]

When Reagan, mindful of securing reelection, offered the Kremlin a new round of talks in January 1984, Soviet fears of an American attack in the immediate future abated. Yet because the Soviet leaders were also keen not to help reelect a president whom they regarded as extremely dangerous, they did not respond to Reagan's offer. A high-ranking delegation of Soviet scientists was granted leave to accept an invitation to travel to the United States only on the condition that they did not engage in any talks with government representatives. On May 8 the Soviet Union announced that it would not be taking part in the 1984 Summer Olympics in Los Angeles, after it became abundantly clear that the occasion would become a forum for anti-Soviet demonstrations. All the Warsaw Pact countries except Romania found themselves obliged to join the Soviet boycott; Cuba and Vietnam also took the opportunity to demonstrate their revolutionary solidarity by staying away. In August, Honecker was forced to cancel a planned visit to the Federal Republic.

This party line was formulated by a Soviet elite that, besides Gromyko and Ustinov, included Konstantin Chernenko and Mikhail Gorbachev. Andropov was effectively ruled out of all involvement in affairs of state after being laid up indefinitely by kidney failure in late November 1983; he died on February 9, 1984. In a state of disarray, the Politburo opted for Chernenko, former second secretary and confidant of Brezhnev, to succeed him as general secretary. Gorbachev, whom Andropov had wanted to promote as his right-hand man because

of his drive and enthusiasm, was still not a viable choice. Although Ustinov did put Gorbachev's name forward, he encountered serious reservations from certain members of the conservative old guard. But Chernenko was already suffering from health problems, and in any event was not the most able political operator, so Gorbachev still ended up taking on some leadership responsibilities. For instance, as in the last months of Andropov's premiership, Gorbachev chaired all meetings of the Politburo.

When Reagan's reelection looked certain, the Moscow leadership began looking around once more for opportunities to do business with this archconservative president. When Reagan invited Gromyko to take part in talks on the occasion of the next UN General Assembly meeting, the Kremlin did not refuse. After this discussion, which took place on September 28, Chernenko announced that if Reagan was really serious about resuming negotiations, "the Soviet Union will not be found wanting."[59] And after Reagan had sent a personal message to Chernenko on November 7, the Politburo assented to a new round of talks on nuclear arms and weapons in space. On November 22 it was agreed that Gromyko and his American counterpart, George Shultz, would meet in Geneva in January 1985 to map out an agenda for the new negotiating round.

Moscow did not attach any great hopes to the resumption of talks. It felt that the American initiative was too vague and that the anti-Soviet rhetoric coming out of Washington was still as strident as ever. While conducting a microphone test during the US election campaign, Reagan jokingly said, "We begin bombing [the Soviet Union] in five minutes." And just before Gromyko's visit to the White House, the press got hold of a secret CIA memorandum that claimed that the Soviet empire had "entered its terminal phase" and was therefore more dangerous than ever.[60] After his encounter with Reagan, Gromyko at least did not want to rule out the possibility of reaching agreements with the president after he had been reelected. That possibility now needed to be sounded out.

Gorbachev and the End of the Cold War

Chernenko and his Politburo colleagues were well advised to respond positively to Reagan's offer of a new round of negotiations. From the summer of 1984

onward, the president of the neoconservative revolution was convinced that he had done enough to restore America's position of strength. That allowed him not only to show willingness to negotiate but also to genuinely work toward forging new agreements with the Soviet leadership. It also enabled him to adopt positions that were realistically open to negotiation. Yet some time was to elapse before all this actually came to pass. The administration was not yet prepared to enter serious discussions, as the continuing political differences and personal rivalries among its members made it hard for it to develop coherent positions.

Even the opening to negotiations proved extraordinarily difficult. The Kremlin insisted upon including space weapons in the talks. Their primary aim was to prevent their development. Conversely, Reagan's secretary of defense, Caspar Weinberger, flatly refused to discuss the SDI program. After much wrangling, the two sides finally agreed that the negotiations, which began on March 12, 1985, in Geneva, would be conducted in three groups. The first would be concerned with strategic defense and space weapons, the second with reductions in strategic offensive weapons, and the third with medium-range missiles. Any accords reached in one group would be binding only if there was agreement in the others.

Chernenko died two days before the talks began. His death did not create a major disruption, because Gorbachev had already been taking on more responsibilities as the general secretary's health declined. Nothing now stood in the way of Gorbachev's election as general secretary; his appointment was confirmed by a unanimous vote of the Politburo on March 11, 1985. Gorbachev promptly announced that there would be "more dynamism" in foreign affairs,[61] and he kept to his word. The new Soviet premier belonged to the "generation of '56"—party functionaries who had cut their teeth during Khrushchev's crusade against Stalinism, and who for all their grounding in the Marxist-Leninist worldview aspired to a "better" form of socialism. He differed fundamentally from the old guard who had elevated him to power, in that his awareness of the unpalatable realities of the Soviet empire was not clouded to the same extent by ideological certainties.

One of the convictions that he brought to his new position was his appreciation of the need for a "common security policy." The crux of this concept—which he had gleaned from the work of the UN Commission for Disarmament

and International Security chaired by the Swedish premier Olof Palme—was that, in the absence of trust-building measures, no real security or disarmament was achievable. As a result, Gorbachev immediately accepted when Reagan invited him to a face-to-face meeting. In the run-up to the meeting, which took place on November 19–20 in Geneva, he offered nothing less than a 50 percent cut in the USSR's strategic offensive weapons stockpile in return for a mutual moratorium on all weapons in space. He also mooted separate negotiations on strategic arms reductions in Europe, which France and Great Britain would also be involved in. Finally, he announced that he would mothball the additional twenty-seven SS-20 missiles that the Soviet Union had deployed in response to the stationing of Pershing and cruise missiles in Western Europe.

This was a truly tempting offer for Reagan. However, under the influence of his defense secretary and his national security advisor, he was not yet ready to abandon the SDI project. The upshot was that the two sides at Geneva were only able to agree on the principle of a 50 percent cut in nuclear weapons. Yet Reagan did affirm Gorbachev's statement that "a nuclear war cannot be won and must never be waged," while also committing himself "not to seek military superiority."[62] Compared to the war paranoia that had gripped people's minds just two years before, this represented truly astonishing and encouraging progress.

Gorbachev now tried to wear down Regan's resistance to relinquishing the SDI program by pointedly ignoring a new tide of anti-Soviet rhetoric from Washington and instead offering new concessions: the complete dismantling of all Soviet and American intermediate-range missiles in Europe, the inclusion of the European territory of the USSR in the reduction of conventional troop numbers in Europe, and a freeze in the Soviet deployment of medium-range missiles in the Far East. At a hastily convened new meeting with Reagan in Reykjavik on October 11–12, 1986, he bundled these proposals into a complete package that the American side could not in all conscience reject without renouncing their commitment to common security. And this did indeed result in the signing of a new accord that pledged a halving of strategic nuclear weapons within five years, the withdrawal of all Soviet and American intermediate-range missiles from Europe (with no mention of the French and British deterrents), and restriction of medium-range missiles outside Europe to one hundred per side. In direct

talks, Reagan and Gorbachev even agreed to abolish *all* nuclear weapons within ten years.

However, how much store could be set by these agreements remained open to question, after the two leaders clashed once more at the end of the conference over the question of the Strategic Defense Initiative. Reagan agreed to a continuance of the ABM Treaty for another ten years, but he still wanted to retain the freedom to install a defensive umbrella in space. When Gorbachev tried to dissuade him, Reagan broke off the conversation in some agitation. Both leaders returned deeply disappointed to their respective capitals, where they had excited much negative comment about the concessions that they had been willing to make. Because the European allies demanded that nuclear weapons should be dismantled only once absolute conventional parity had been reached on the continent, the US representatives at the Geneva talks withdrew their original suggestion that all ballistic nuclear weapons should be abolished as part of a second phase of the disarmament process.

Faced with the danger that the consensus reached in Reykjavik might ebb away, Gorbachev now pushed through another major concession: in February 1987 he persuaded the Politburo to approve an offer to the Americans to dismantle the Soviet medium-range missiles in Europe independent of any renunciation of the SDI project, and also to stand down the shorter-range missiles that had been deployed in the GDR and Czechoslovakia in response to the West's adoption of the Double-Track Decision. In isolation, this was a unilateral weakening of the Soviet position, and many of the Soviet military and diplomatic corps were deeply uneasy about making this offer. But Gorbachev was reasonably certain that a breakthrough in the question of intermediate-range missiles would also kick-start the strategic arms control process, leaving the SDI project to fall by the wayside.

And in fact Reagan was immediately prepared to implement the zero-solution where medium- and short-range missiles were concerned. This in turn set the negotiations at the highest level in motion once more, which then went from strength to strength. Although NATO strategists tried to offset the impending loss of the medium-range missiles by invoking the right to station shorter-range weapons in Europe, Gorbachev sidestepped this by suddenly offering, during a visit by George Shultz on April 13–14, to destroy all remaining So-

Ronald Reagan shakes hands with Mikhail Gorbachev in the garden of the White House on December 8, 1987. The two leaders signed a treaty on the complete abolition of intermediate-range missiles and issued a series of detailed clarifications regarding the agreement they hoped to reach to halve their offensive strategic arsenals. (Time & Life Pictures/Getty Images)

viet short-range missiles—in other words, a double-zero-solution, which was equally unwelcome to the Soviet military strategists. When the Pentagon and the European allies were slow to take up this offer, Gorbachev extended it to include the Far East as well. Reagan found this whole package so plausible that he forced it through in the face of doubters in his own camp. In Washington on December 8, 1987, Gorbachev and Reagan signed a treaty on the complete abolition of intermediate-range missiles. At the same time, they issued a series of detailed clarifications regarding the treaty they hoped to conclude on halving their offensive strategic arsenals.

Aspects of Perestroika

Parallel with his involvement in the disarmament process, Gorbachev also instituted a series of reforms that not only fundamentally changed the West's image

of the Soviet system, but also profoundly altered its very nature. His first move was to provide the Soviet people with glasnost—the courage to exhibit transparency and openness and tell the truth rather than hide behind a permanent veil of ideological self-delusion. Censorship was relaxed; critical novels dealing with the darker aspects of Soviet history were published for the first time; science was freed from political interference; and functionaries were increasingly exposed to public criticism. In December 1986, the banishment of nuclear physicist Andrei Sakharov to Gorki was lifted; his banishment had been a punishment ordered by the Party leadership for his criticism in January 1980 of the decision to invade Afghanistan. By the start of 1980, almost all political dissidents had been released from prison.

The logical next step of perestroika (reconstruction), as the reform program was ambiguously dubbed, encountered a great deal of resistance. Although from 1985 to 1987 around half of all leadership positions, right down to the Party secretaries governing cities and *raions* (districts), were replaced by new blood, it still took Gorbachev several failed attempts before he was finally able, in January 1987, to propose to a plenary session of the Central Committee that in the future functionaries should be elected in a secret ballot from a plurality of candidates. This principle was enacted only after a Party conference in June 1988, and even then only in a watered-down form. Elections within the Party were still decided by a discretionary provision, while members of the Soviets were henceforth to be chosen by secret ballot. The authority of the Soviets was strengthened, but at the same time it was determined that the first secretaries had to be put forward by members for election to the chair of their respective Soviet.

Gorbachev then scored some notable successes in the matter of implementing decisions reached by the Party conference. Not only did a plethora of independent organizations of various shades now suddenly arise, along with a welter of different newspapers claiming to represent democratic values, but elections to the Congress of People's Deputies of the Soviet Union, which would form the nucleus of a new Supreme Soviet, were called for March 1989. The responsibilities and the personnel of the Central Committee departments were cut drastically, and Gorbachev's mentors Alexander Yakovlev and Vadim Medvedev took up key positions. For the elections, it was decided that 750 delegates should be appointed through social organizations, but that 1,500 should be directly elected

by the people. The result was the constitution of a Congress (on May 25, 1989) that offered a genuine plurality of viewpoints, and in which the representatives of the *nomenklatura* no longer enjoyed a majority. Indeed, 15 percent of the delegates were not even members of the Communist Party.

The strengthening of self-determination within a socialist society that Gorbachev was undertaking in the Soviet Union would also be mirrored in the socialist brother-states. For him, this was an inevitable corollary to the demise of the Brezhnev Doctrine, which had implicitly already begun at the end of the Brezhnev era. Now that the foreign Communist Party leaders could no longer count on military support from the Soviet Union, they had to tailor their policies in order to maintain or win the assent of their people. Gorbachev had already spelled that out to them in a series of encounters in Moscow on the occasion of Chernenko's funeral, but many of them did not or would not grasp his meaning, even after he rammed the message home in later meetings. At the Party conference in June 1988, he therefore spoke quite candidly about the "freedom of choice" open to every people, and branded as "dangerous" any attempt to "impose upon anyone a social system, a way of life, or policies from outside by any means, let alone military force."[63] In December of that year, he reiterated this credo at the UN plenary session.

Renouncing the Brezhnev Doctrine also enabled Gorbachev to abandon conventional military superiority in Europe, which had always been a stumbling block to any substantive disarmament agreement. In May 1987 the Warsaw Pact approved the transition from the doctrine of "offensive defense" to the concept of "defensive parity." At the Washington summit, Gorbachev offered the US president asymmetric cuts in conventional weapons, and when after several months Reagan showed no signs of responding to this offer, in December 1988 Gorbachev announced a unilateral reduction of troop numbers within the Warsaw Pact, which, while only cutting its personnel by 10 percent, still substantially compromised its offensive capability. This action was a prime mover behind a new round of negotiations on conventional armed forces in Europe (CFE), which finally got under way in Vienna on March 9, 1989; there, NATO soon responded by proposing substantial cuts of its own.

Finally, Gorbachev also ordered a Soviet withdrawal from Afghanistan by February 1989. This had been a pressing concern ever since he took office: the

war, which by then had dragged on for more than five years, was patently unwinnable; all the Soviet Union had to show for it was a long list of casualties, huge financial costs, and continuing damage to the country's international reputation. Yet time and again, the military claimed to be on the verge of victory. By February 1988, Gorbachev was finally able to announce that the Soviet withdrawal would begin on May 15 of that year, when a treaty between Afghanistan and Pakistan came into effect. After this accord, which was backed by Soviet and American guarantees, was signed on April 14, half of the Soviet forces left the country, with the last troops pulling out by February 1989 as announced. The Soviet-backed regime managed to stay in power for three years after the withdrawal. Consequently, the Soviet defeat appeared far less dramatic than it actually was. No fewer than fifteen thousand Soviet soldiers had been needlessly sacrificed.

The Breakup of the Eastern Bloc

Over the course of 1989 it became clear that, once given freedom of choice, the peoples of the Soviet empire had no intention of cleaving to communism—a development totally at odds with what Gorbachev and his confederates had expected, or at least hoped. In the Congress of People's Deputies of the Soviet Union, a minority group of radical reformers (led by Andrei Sakharov until his death in December 1989) demanded a switch to a multiparty system and a free-market economy and clearly spoke for a broad coalition of social groups. The parliaments of Lithuania, Latvia, and Estonia all voted in favor of national sovereignty, while nationalist-inspired unrest broke out in Georgia, Turkmenistan, Uzbekistan, and Kazakhstan.

In Poland an electoral compromise, which the Jaruzelski regime worked out with representatives of Solidarity after a new outbreak of unrest in January 1989, led to a crushing defeat for the communists: of the 35 percent of the seats in the Sejm that were open to freely elected candidates in the poll held on June 3–4, almost all were won by the opposition; meanwhile, the newly created Senate, elected with no restrictions but with far less responsibility, consisted of 99 percent opposition deputies. Of the thirty-five high-ranking government candidates on the national list, only two obtained the required majority in the first round of voting. As a result, the Communist Party chief, Mieczysław Rakowski,

declared himself willing to form an all-party administration headed by a representative of Solidarity. On August 24, Lech Wałęsa's advisor Tadeusz Mazowiecki was nominated for the post of prime minister, and on September 12 his cabinet was confirmed by the Sejm.

In similar fashion, the renewal process set in train by the Hungarian Communist Party, which had already brought about János Kádár's resignation from the post of first secretary in May 1988, ended over the course of 1989 with the communists being toppled from power. After reformers under Imre Pozsgay had pushed through a draft constitution in the Central Committee in late February that pledged free elections for Hungary, the government, led by the technocrat Miklós Németh, disengaged itself from the Party leadership, with partial elections on July bringing a victory for opposition candidates. In a referendum held on November 29, radical democrats around János Kis won the day with their proposal that in the future the president should be chosen by parliament, thereby robbing the reformist communists of the prospect of at least clinging to a vestige of power by having the popular Pozsgay elected to the post directly.

Another characteristic and momentous decision was the one taken by the Hungarian government on May 12 to tear down the barbed-wire fence along the border with Austria. Subsequently, as thousands of refugees from the GDR gathered in Hungary over the summer in the hope of reaching the West, the Németh administration issued a resolution at the end of August officially permitting these GDR citizens to cross the border into Austria. From September 11 on, GDR citizens could legally use Hungary as a transit point en route to a third country. Over the following weeks, some twenty-five thousand people desperate to leave East Germany took advantage of this escape route. Thousands of others, who did not want to await the outcome of legal emigration procedures, took refuge in the West German embassies in Prague, Warsaw, and Budapest, as well as in the Permanent Mission in East Berlin. The GDR government's ban on travel to Hungary in the third week of September was met with demonstrations calling not just for free passage but also for a root-and-branch reform of the GDR.

A key moment in developments in the GDR came on the evening of October 9, when a crowd of around seventy thousand who had assembled to protest in Leipzig went unmolested by the ever-present organs of state security. In view of Gorbachev's public renunciation of violent suppression of freedom movements,

the authorities in East Berlin no longer dared issue such an order. To all intents and purposes, this signaled the end of the Socialist Unity Party (SED) regime. People lost their fear; in the ensuing weeks, hundreds of thousands came out onto the street, driving events so fast that the authorities struggled to keep up. Egon Krenz, who had replaced Erich Honecker in a belated palace coup on October 17, ordered the Politburo on November 9 to enact new travel regulations that would allow GDR citizens free passage out of and back into the country. But when on the same evening the Politburo's press spokesman, Günter Schabowski, misspoke, announcing that the regulations were effective "from now," tens of thousands of East Berliners immediately stormed the border crossings in the city and were let through, despite the fact that the law had not yet come into force. On November 22 a roundtable was convened involving members of formerly banned opposition groups, and free elections were agreed upon for the spring of 1990. On December 3 the entire Politburo stepped down; three days later Krenz also resigned his post as president of the State Council.

Confronted with the spectacular fall of the Berlin Wall, the communist monopoly on power crumbled throughout the rest of the Warsaw Pact. On November 10, Gorbachev supporters in the Bulgarian Communist Party leadership deposed the long-serving Party leader and head of state, Todor Zhivkov. Following a mass demonstration on November 18, a roundtable was also assembled in Sofia to prepare for free elections. On November 28, after ten days of mounting demonstrations, representatives of the Czechoslovakian opposition agreed to the formation of a coalition government and a new democratic constitution with the country's prime minister Ladislav Adamec. On December 11 a new administration was formed with the communists in a minority, and ten days later parliament voted in the dissident leader Václav Havel as the country's new president. On December 21 the Romanian dictator, Nicolae Ceauşescu, was greeted with a chorus of derisive whistling at a mass rally in front of the presidential palace in Bucharest, and just a couple of days later he was literally driven from the palace by an enraged mob. A moderate faction of the state administration, which was no longer ideologically wedded to communism, assumed power. Ceauşescu and his wife, Elena, were arrested as they tried to flee, and on Christmas Day 1989 they were summarily executed by a firing squad.

As communist parties lost their monopoly on power, their membership slumped dramatically. Some of them split, while the mass organizations formerly associated with them went their own way. The new Czechoslovakian government immediately demanded the withdrawal of all Warsaw Pact forces. The Hungarians followed suit in January 1990. At the same time, hundreds of thousands of people demonstrated in Georgia, Ukraine, and Latvia for the national independence for their republics. In the Soviet Union itself, calls for a multiparty system became ever more pressing. For Gorbachev (but not only for him), this was a "time in which we are hardly able to think through events, and not only on the political level."[64] By the beginning of January, it was clear to him that there could be no further delay in bringing in a multiparty democracy in the USSR as well. After heated discussions in the Politburo, the plenary session of the Central Committee on February 5–7 was presented with a platform that proposed ridding the country's constitution of the clause guaranteeing the Soviet Communist Party's monopoly on power. When this was duly adopted, perestroika had in principle gone beyond the bounds of the socialist system.

Peace Settlements

Meanwhile, the demand for freedom for the people of the GDR had become a call for German reunification. Week after week, tens of thousands of GDR citizens took advantage of their newfound freedom to travel to move permanently to the Federal Republic. By the end of 1989 more than 120,000 had done so, and there was no end in sight to the tidal wave of emigration. A further ten million GDR citizens who simply visited West Germany (the vast majority of them for the first time) were forcibly struck by the huge discrepancy in the standard of living. At the same time, the scale of the economic disaster that was the GDR became apparent, along with clear evidence of how corrupt large parts of its ruling elite had been. The vision of democratic socialism in the GDR, the driving force behind many of the opposition groups, was unsustainable in these circumstances. Instead, an overwhelming majority of the population now pressed for as swift as possible a union with the Federal Republic. When Federal chancellor Helmut Kohl met Hans Modrow, prime minister of the SED-led transitional

government in Dresden on December 19, he was mobbed by a frantic crowd clamoring for him to reunify Germany.

After sober reflection on the various forces that were in play, Kohl heeded these calls for reunification. Once he had nailed his colors to the mast as the champion of a reunified Germany by drafting a Ten Point Plan on the subject on November 28 (left purposely vague as to timing), on February 6 he proposed to the GDR government that it adopt West German currency within six months. New elections to the GDR's People's Chamber, which were brought forward to March 18, thereby became a plebiscite on Helmut Kohl and on swift reunification according to Article 23 of the West German Basic Law. The big winners from this election proved to be the Christian Democrat Alliance for Germany, which took 48 percent of the vote.

Gorbachev reacted angrily to the Ten Point Plan and tried to bring to bear the avowed opposition of both British prime minister Margaret Thatcher and French president François Mitterrand to German reunification. But when his diplomatic and secret services unanimously informed him that the GDR was no longer a viable entity for East Germans, he took a decisive lead. Within a close circle of the key players involved, it was agreed on January 26, 1990, that the Soviet government should seize the initiative by convening a meeting of the Inner Six—the four victorious powers and the two German states. This conference would determine the precise nature of reunification and the future international status of a reunified Germany.

Gorbachev's conference initiative was designed to prevent NATO from using German reunification as an opportunity to simply extend its sphere of influence up to the River Oder. However, he ran up against resistance from Reagan's successor, George H. W. Bush, who conversely feared that reunification might lead to Germany becoming a neutral state. Any potential support for Gorbachev's vision of a new configuration for Germany's security vanished with the victory of the Alliance for Germany. In mid-May, in quick succession, the governments of Czechoslovakia, Poland, and Hungary threw their weight behind a reunified Germany becoming a member of NATO. Mitterrand made it clear to Gorbachev that this was now a done deal. Reminded by Bush of his commitment to freedom of choice, Gorbachev conceded in talks with the US president on May 31 that Germany should decide for itself which alliance it wants to be in.[65]

To make it easier for Gorbachev to get this decision through the Politburo, Bush and Kohl passed a series of resolutions at a NATO summit on July 5–6 that accommodated Gorbachev's wish for a common security system: a new strategy that made nuclear arms "weapons of last resort" and that replaced forward defense with the deployment of mobile rapid-reaction units; reduction in conventional forces and short-range nuclear weapons, plus a strengthening of the CSCE through annual summits and creation of a secretariat, centers for election supervision and conflict avoidance, and a parliamentary caucus. Thereafter, at a meeting at the resort of Archys in the northern Caucasus, Gorbachev and Kohl hammered out the details of the GDR's absorption into the Federal Republic: a transitional phase of three to four years before the final withdrawal of all Soviet troops, during which NATO's military authority would not extend to the territory of the former GDR; financial aid to help with the withdrawal of Soviet forces and the reintegration of troops back into civilian life; and an upper limit of 370,000 men for the army of the reunified Germany. A Two Plus Four Agreement containing these provisions was signed in Moscow on September 12. In it, the Federal Republic recognized the Oder-Neisse Line as its definitive eastern frontier. Effective as of October 3, the GDR left both the Warsaw Pact and the Council for Mutual Economic Assistance (COMECON) and joined the Federal Republic of Germany.

The negotiations on conventional armed forces in Europe (CFE) had a hard time keeping pace with the collapse of the Warsaw Pact. The withdrawal of Soviet forces from Czechoslovakia, Hungary, and the GDR made it difficult to set meaningful upper limits for both alliance systems. After the conclusion of the Two Plus Four Agreement, Poland also demanded the withdrawal of Soviet troops from its soil, while Hungary indicated its interest in quitting the Warsaw Pact. Even so, by November the delegates did manage to agree on parity in weapons systems designed for offensive use. According to the CFE Treaty of November 20, 1990, NATO was required to scrap twenty-one hundred tanks by 1994, while the Soviet Union had to destroy almost twelve thousand by the same date. The treaty was signed at a summit of the heads of state and government of CSCE member states in Paris on November 19–21. In addition, the summit approved the Vienna Document of the Conference on Confidence-Building Measures and Disarmament in Europe, which greatly strengthened the

two sides' commitment to exchanging information on armed forces and military activity. And finally the creation of new CSCE institutions, as agreed upon at the NATO summit in London, was confirmed.

By contrast, it took considerably longer to sign the Strategic Arms Reduction Treaty (START) and agree to a 50 percent cut in strategic arms. At first the Soviet side refused to accept that seaborne cruise missiles were not included in the agreed-upon upper limits; then the US military balked at a disarmament plan that simply reduced the number of warheads per missile. It was only at a summit in Moscow between Gorbachev and Bush on July 30–31, 1991, that START was finally signed. Later at the same summit, Bush announced the long-awaited granting of most-favored-nation trade status to the Soviet Union.

The End of the Soviet Union

The demise of the Eastern Bloc hastened the disintegration of the Soviet Union. Elections to separate parliaments in the constituent republics, which took place during 1990, resulted everywhere in nationalist majorities who demanded independence from the USSR for their republics. Presidents mimicking the new model of Soviet state president, as laid down by the Supreme Soviet, put the republics in a position to assert their political independence. The first republic to declare its secession from the Union was Lithuania, followed soon after by Estonia and Latvia. In June the Russian Federation declared itself sovereign: and although it did not leave the Union, it expressly reserved the right to do so. In July, Ukraine linked its declaration of national sovereignty with deliberations on its own currency, citizenship rights, and neutrality. Following elections in October, Georgia announced a plebiscite on its membership in the Union.

These developments were all the more dangerous for the cohesion of the Soviet Union as, at the same time, the negative consequences of the economic reforms gradually brought in since 1987 (but with no coherent plan) became clear. The transition of factories to autonomous responsibility, which had happened on a sector-by-sector basis, led to chaos and numerous bottlenecks in supply; inadequate legal safeguards and lack of experience meant that virtually no strategic investment was forthcoming. During 1990, as even basic consumer goods and staple foods became scarce and their prices skyrocketed, Gorbachev

saw his initial popularity ratings plummet. Conversely, the former first secretary of the Moscow City Committee, Boris Yeltsin, was able to present himself as a dedicated people's champion. Demoted in 1987 after a halfhearted suicide attempt, in the election to the Congress of People's Deputies of the Soviet Union he had returned in triumph to the political stage. In his current capacity as president of the Supreme Soviet of the Russian Federation, he was now busily engaged in freeing Russia from the grip of Soviet organs of state. In a speech at the 28th Convention of the Soviet Communist Party on July 12, 1990, he made a very public show of resigning his party membership.

Gorbachev, whose elevation to the state presidency by the Supreme Soviet in March 1990 meant that he could now operate independently of the Politburo, at first seemed willing to share power with Yeltsin. In the summer of 1990, economic experts from both camps devised a plan that promised to deliver a transition to a market economy "in 500 days" and that envisaged transferring fiscal sovereignty, ownership of natural resources, and price-fixing responsibility to the republics. But after some initial enthusiasm, Gorbachev became convinced that its implementation would bring the breakup of the Soviet Union. This created a permanent rift between the two rivals, and Gorbachev once more fell back for support on conservative elements in the Politburo and the Party apparatus, who were outspoken in their criticism of the loss of power on all fronts. Yakovlev was sidelined, and Foreign Minister Eduard Shevardnadze, one of the key supporters of perestroika, resigned in December in protest at Gorbachev's change of direction.

When special units of the KGB shot down peaceful demonstrators in Lithuania and Latvia in January 1991, it became clear to Gorbachev that he had allied himself with forces that were planning to use a state of emergency to violently restore the old order. He rapidly changed tack, repudiating the use of violence in the Baltic states and arranging a referendum for March on the "perpetuation of the Soviet Union as a new federation of equal sovereign republics." The Baltic republics, Moldavia, Georgia, and Armenia refused to take part; the proposal was approved in the other republics by a majority of over 70 percent, but in the Russian Federation itself by only 53 percent. Bolstered by this vote, Gorbachev entered into negotiations with representatives of the nine remaining republics on a new Union treaty, which would devolve power to a large extent to the individual republics. It was due to be signed on August 20.

This was the signal for conservative forces in the Politburo, the KGB, and the military to carry out their plan to seize power by force, even if Gorbachev was not on board. In the night of August 19, Gorbachev was detained at his summer dacha in the Crimea, and a state of emergency was declared. A self-appointed "emergency committee" claimed control of the media and the state administration—but this never transpired. From the Russian Parliament building in Moscow, Yeltsin, who two months previously had been directly elected as president of the Russian Federation, called for resistance to the attempted coup. Troops and members of the secret services fought shy of carrying out their orders. The coup leaders did not dare to attack the hundreds of thousands of demonstrators who had assembled in front of the Parliament building to form a human shield around Yeltsin and the other delegates. The coup fizzled out after two days; its ringleaders were immediately arrested, along with many open sympathizers. The Communist Party was banned from all activity in Russia, and before the end of the month it had been dissolved.

Yeltsin was now the undisputed master of a de facto independent Russian Federation. Gorbachev continued as state president, but at the same time was discredited as general secretary of the Party. He now lacked any authority to prevent the republics from going their separate ways. On December 8 the presidents of the Slavic republics of Russia, Belarus, and Ukraine proclaimed the dissolution of the Soviet Union. Along with the representatives of eight other republics (Armenia, Azerbaijan, Kazakhstan, Kyrgyzstan, Moldavia, Tajikistan, Turkmenistan, and Uzbekistan), they agreed on December 21 to form a Commonwealth of Independent States (CIS) and declared that, as of the year's end, the Soviet Union would cease to exist. Gorbachev had no choice but to go on television on December 25 to announce his resignation as state president. And so this nonviolent act of self-emancipation by the peoples of the Soviet empire led not only to the demise of communism but also to the dissolution of the last multiethnic state to survive the nineteenth century.

4. *An Emerging World Order*

THE END of the East–West conflict not only enabled the states that had formerly been part of the Soviet Bloc to "return to Europe," as the new Czechoslovakian president, Václav Havel, emphatically put it. In addition, states that for various reasons had stayed neutral in the Cold War now had a chance to participate in the project for European unification. And political forces that had once had reservations about a Western European Union because of the division of Europe that it entailed now found themselves inclined to throw their weight behind stronger European democracy and self-determination. The upshot of all these developments was to lend new impetus to European unification. This process began even before the end of the Cold War, and in its openness can even be said to have contributed to the Cold War's demise. Despite inevitable crises and delays, it led to Europe's cutting a more prominent figure on the stage of world politics.

Return to Europe

The creation of the European Council in 1974 did not put European integration back on the agenda nearly as quickly as its originators had hoped. In dealing with the aftermath of the oil crisis of 1973–1974, each country initially went its own way. After a general election victory for the Labour Party in February 1974, Great Britain even began to question its membership of the Common Market once more. Harold Wilson's second government demanded subsidies for economically deprived areas of the country and a reduction in Britain's contributions to the EEC budget. The compromise that was reached was put to the vote in a nationwide referendum on June 5, 1975, and approved. The European Community established a regional fund to help stimulate growth in depressed regions in the member states, albeit with only a very modest budget to begin with. It also promoted new initiatives in the areas of industrial policy, research and

development, environmental and energy concerns, and finally educational and cultural policies.

However, proposals on the further development of the Community, which were collated by the Belgian prime minister Leo Tindemans at the behest of the European Council and published at the end of 1975, were not even discussed by the heads of state and government of the nine member countries. French policy under Valéry Giscard d'Estaing continued to oppose an extension of European parliamentary powers, Helmut Schmidt blocked larger German contributions to the Community, and Harold Wilson was adamant that he could not get any more pro-European legislation past his electorate. Greece's application to join the Common Market in 1975, followed by applications by Spain and Portugal two years later, raised further major problems: the relative economic backwardness of these southern European nations, which had only recently shrugged off dictatorships, risked overburdening the Community budget, while a glut of their farm produce threatened to unsettle the fine balance of the Common Agricultural Policy.

The introduction of the European Monetary System (EMS) on March 13, 1979, marked a first milestone in overcoming this state of "Eurosclerosis" (the term was coined in the late 1970s to describe the period of stagnation in European integration). Instigated by the Commission's president, Roy Jenkins, and politically driven by Schmidt and Giscard, this system provided much greater stimulus to forming a currency union and to overcoming the stagflation crisis than had the failed currency snake of 1972; in addition to agreeing not to allow currencies to diverge from one another by more than 2.25 percent, this time the member countries committed themselves to intervene on the currency markets and take steps to consolidate their national budgets if their own currency threatened to slip to this marginal value. To ensue that this intervention was effective, 20 percent of the member states' gold and currency reserves was transferred to the European Monetary Cooperation Fund. The creation of the European Currency Unit (ECU) ensured transparency in financial transactions between the participating countries.

In this way a mechanism was created that helped countries with weak currencies such as France fight inflation, while at the same time enabling West Germany to resist pressure, arising from the weakening of the US dollar, to revaluate

the Deutschmark upward. Using this mechanism, the countries of the European Community would, it was hoped, jointly return to the path of growth and disengage themselves from dependence on the dollar. Yet Great Britain did not take part. Wilson's successor, James Callaghan, did not regard membership in a common European monetary mechanism as either necessary or electorally viable. Also, as countries with particularly weak currencies, Ireland and Italy were given special dispensation for greater divergence before they were obliged to intervene.

Regarding the southern enlargement of the European Community, Greece's prime minister, Konstantínos Karamanlís, scored a notable success by refraining from calling for subvention or insisting on special dispensations for his country. In this way he managed to disengage negotiations on Greece's entry from those on Spain's and Portugal's and to bring them to a triumphant conclusion in May 1979. On January 1, 1981, Greece acceded as the tenth member state of the European Community. But following a change of government, Karamanlís's socialist successor, Andreas Papandreou, demanded an improvement in Greece's conditions for entry, and as a new member of the Council exercised his right of veto to force his partners to adopt an Integrated Mediterranean Program as a condition for Spanish and Portuguese accession—hardly an act of great solidarity on his part. This only added to the complications in the negotiations with Spain and Portugal, which were more difficult anyway, given their great rivalry in the export of farm produce and over fishing rights. The accession treaties with the countries of the Iberian Peninsula were not signed until July 1985 and entered into force on January 1, 1986.

Another reason for the protracted delay in Spanish and Portuguese accession was that the European Community risked running out of money. After guaranteed prices led to horrendous overproduction of farm produce, the cost of funding the Common Agricultural Policy (CAP) had gone through the roof. And the British Conservative prime minister Margaret Thatcher, who came to power in May 1979, insisted on a significant reduction in Britain's contributions, which she saw as an unfair, one-sided subsidy of the questionable CAP. A solution to the problem, which in the meantime distinctly soured the atmosphere between the member states, was finally reached at a summit at Fontainebleau on June 25–26, 1984: the British PM was promised a 40 percent reduction in her country's

contributions after she agreed to the ceiling on the Community's own resources being raised from 1 to 1.4 percent of a notional value-added tax (VAT) levy. Agricultural overproduction (the "beef/butter mountains" and "wine lakes") was scaled down through the introduction of milk quotas (1984), the lowering of fixed prices (1986), and the expansion of farming set-aside (1986).

The Fontainebleau agreement gave Kohl and Mitterrand an opportunity to relaunch the project for greater European union. In this, they were impelled both by a shared desire to integrate the Germans into a wider Europe and by concerns over European competitiveness vis-à-vis the new competition coming from Asia, as well as a deep unease over the hawkish tone of US policy toward the Soviet Union. Under the aegis of a Draft Treaty Establishing the European Union, which the European Parliament had passed with an overwhelming majority in February 1984, at Fontainebleau they managed to get a committee established (under the chairmanship of the Irish senator James Dooge) that would make proposals on progress toward European union through reform of the existing institutions. At the same time, an ad hoc Committee on a People's Europe was also appointed, whose task was to explore ways of strengthening the role of the European Community in the everyday lives of its citizens.

A decisive move in the long-term success of this joint Franco-German initiative was the accession to the presidency of the European Commission, on January 1, 1985, of the Frenchman Jacques Delors. His particular achievement was to keep the politics of European integration firmly focused on that part of the reform agenda that was also clearly in the British interest—namely, the completion of an internal market. Even Thatcher seemed to agree that the abolition of all nontariff trade barriers within the Community was vital if Europe was to compete effectively against the United States and the growing "tiger economies" of the Far East. She also realized that her agenda of breaking down monolithic economic structures would be easier to implement by operating within the European sphere than by trying to go it alone at home.

Delors's announcement of a realistic but definite date ("the end of 1992") for the completion of the internal market put the ball firmly in the national governments' court. His drafting, on June 15, 1984, of a white paper on the subject, which carefully laid out the "300 measures" that were still necessary to remove trade barriers, allowed him to keep up the pressure. Added to the pressure of the unequiv-

ocal proclamation by the European Parliament was that from companies, financiers, and even some employees' organizations calling for the introduction of an internal market. In the face of this concerted campaign even Thatcher and the equally Euroskeptic governments in Greece and Denmark could not hold out indefinitely against the expansion of the Community through the internal market. At the meeting of the European Council in Milan on June 28–29, 1985, these countries did vote against convening a conference to revise the Community treaties; but when the majority of Council members signaled their intention to go ahead with the conference anyway, the minority did not dare to boycott it.

Of course, the expansion of the Community that resulted from the governmental conference in the form of the Single European Act (SEA)—concluded on December 3, 1985, and officially signed in February 1986—did not go equally far in all areas. All members were agreed that the internal market should come into force on January 1, 1993. But while there was a general commitment to economic and monetary union, resistance not only by the British government but also by the Germans ensured that no firm timetable was laid down for this. The EEC assumed new powers in domains like environmental protection, research, strengthening cohesion, and the encouragement of social dialogue. In foreign policy, member states committed themselves to consultation; resolutions in this realm would still have force, even if individual countries were to abstain. And because the internal market could not come into being without it, the British government also accepted an extension of majority voting within the Council. The executive powers of the Commission were strengthened; and the European Parliament was given the right to amend the drafting of bills in certain areas so long as the Council did not signal its objection through qualified majority voting.

Despite the compromise nature of this Act (a total of nine texts), when it came into force on July 1, 1987, it was a major step toward overcoming the stagnation that had hampered the integration project. The new dynamic atmosphere gave rise to the decision, in June 1989, to embark upon the first phase of monetary union by July 1, 1990. European monetary union would promote the free movement of capital and bring Great Britain and the southern European member states into the European Monetary System. Heeding the advice of his

economic experts, Helmut Kohl was prepared to sign on to a single currency only if there was a general convergence of economic circumstances and a meeting of minds on economic policy. Pressed by Mitterrand at the Council of Europe on December 8–9, 1989, he agreed to an intergovernmental summit on the implementation of monetary union, albeit only—given that he first had to win a parliamentary election—in December of the following year. With this, the prospect of monetary union finally being realized moved visibly closer.

Europe after the Cold War

The European Community was comparatively well equipped to tackle the new tasks that were thrust upon it by the breakup of the Soviet empire. It was now in a position (or rather, found itself obliged to) assume responsibilities for maintaining order on the continent, which formerly had devolved to the superpowers and their blocs. One such task was to try to contain the Germans in the wake of reunification and the withdrawal of the victorious powers. The European Community also suddenly found itself saddled with joint responsibility for the success of the plan to modernize Eastern Europe. At the same time, the political barriers that had once prevented the formerly neutral EFTA countries from joining the economically successful EEC fell away. The question of Europe's independent role in global politics became all the more pressing now that the United States had become the world's sole superpower.

Of all the challenges arising from the implosion of the Eastern Bloc, the one the Community dealt with most consummately was the integration of the now much larger Germany. This was primarily down to Helmut Kohl, who, in setting the course for German reunification in 1989–1990, recognized the need to allay the fears of his European neighbors about the future role of an enlarged German state in the middle of Europe. He did this by taking rapid steps toward a much firmer integration of the Germans into the European project. This consideration played a role, for instance, in his agreeing to hold an intergovernmental conference in December 1990 to discuss monetary union. It was also indicative that in the run-up to the European Council meeting in Maastricht on December 9–10, 1991, Kohl readily accepted a timetable for the implementation of monetary union by 1997 (or 1999 at the latest) and stuck to this decision even in the face of

serious misgivings in both financial circles and in wider public opinion in Germany. The Maastricht Treaty came into effect on November 1, 1993, and on January 1, 2002, the euro was introduced as the sole legal tender in the member states of the monetary union.

Even so, in forming the monetary union, the other participating countries largely had to fall in line with German requirements if a situation was to be avoided where the Deutschmark became the de facto leading currency of the European Monetary System. Thus, on the model of the Bundesbank, the European Central Bank was set up as a politically independent financial entity, while all the participating countries agreed to stick to objective convergence criteria during the transition to monetary union. In order to consolidate their budgets, they also had to commit to confining their future budget deficits to within 3 percent of GDP and to not allowing their total national debt to exceed 60 percent of GDP. Great Britain and Denmark deferred their decision on whether to join the monetary union but ultimately opted to stick with their national currencies.

In view of the new challenges, Kohl also thought it vital to go beyond the reforms that had been agreed upon in the Single European Act on matters of political cooperation and the strengthening of Community institutions. In concert with Mitterrand, he therefore made a joint call on April 18, 1990, for another intergovernmental conference to map out a treaty on political union. Kohl and Mitterrand proposed "consolidating the democratic legitimacy of the union, organizing its institutions more efficiently, achieving unity and coherence of action within the union in matters of economy, currency, and policies; and establishing and enacting a common foreign and security policy."[66]

Despite this united Franco-German front, however, this ambitious program really only became viable after large parts of the original proposal were ditched. In terms of the Community's institutions, the Maastricht Treaty had extended majority voting within the Council of Ministers and the European Parliament's right of participation; in addition, a (purely consultative) committee of the regions was established, the powers of the European Court of Justice and the European Court of Auditors strengthened, and European citizenship introduced. In the European Community Treaty (now called the Treaty on European Union), alongside the commitments to economic and monetary union, new responsibilities were now added in the spheres of education, culture, health,

consumers' rights, and social policy, while existing jurisdiction in research and environmental policy was extended, and a Cohesion Fund was established to support the financing of environmental and transportation projects in regions lacking in infrastructure.

Beyond the Community agreements, in the realm of organized cooperation between governments the Common Foreign and Security Policy (CFSP) was retained, for whose operational implementation a political committee consisting of directors of the foreign ministries had been established, along with cooperation on Justice and Home Affairs. The European Communities treaties and these two areas of intergovernmental cooperation, for which the Commission only had a limited right of initiative and the Parliament only a right of consultation, were now bound together as the pillars of a European Union. As an integral part of the Union, the Western European Union was now tasked with enacting any decisions and actions "relating to matters of defense policy."[67] The trade-off for this broadening of Community activities was a greater complexity of regulations at the European level; moreover, the expansion of Parliament's rights did not keep pace with the growth in the Council's responsibilities. As a result, the question of the Community's lack of legitimacy only became more acute.

Although the Maastricht Treaty saw a rapid increase in the number of "policy declarations" issued by the Community on foreign and security policy matters, this was not matched by a corresponding growth in the capacity to take action. In October 1991, Kohl and Mitterrand therefore announced the formation of a joint Franco-German Corps—an important first step in setting aside the traditional differences in security policy between France and the Federal Republic. Belgium, Spain, and Luxembourg soon joined this initiative, leading in November 1995 to the creation of the Eurocorps, a multilateral military unit of fifty thousand troops with its headquarters in Strasbourg. And as a result of another intergovernmental conference, which was immediately agreed upon in order to plug the loopholes left by the Maastricht regulations in the European Union treaty of 1991–1992, the Amsterdam Treaty of October 2, 1997, created the office of the High Representative for the Common Foreign and Security Policy; majority voting was introduced for operational decisions; and the General Secretariat was equipped with a strategic planning and early warning unit.

The Amsterdam Treaty also brought an expansion of the European Parliament's role in the co-decision procedure and a strengthening of the powers of the president of the Commission, whose appointment was made conditional on the agreement of the Parliament. Significant elements of the ordinances governing cooperation on Justice and Home Affairs, as well as the Social Chapter of the Maastricht Treaty, were absorbed into the EU Treaty. Likewise, the Schengen Agreement, which replaced border controls within the Community with a central information system and shared responsibility for safeguarding Europe's external borders, were integrated into the legal system of the EU. The responsibilities of the joint policing authority, Europol, were extended, while further provisions were put in place relating to health, environmental, and consumer rights.

The accession of the former EFTA countries proved relatively unproblematic. Austria had submitted its application for entry as early as June 1989; Sweden followed suit in June 1991, then Finland, Switzerland, and Norway in 1992. While the Swiss application was put on ice following the defeat of a referendum in December 1992 on accession to the proposed European Economic Area (a merger of the EU and EFTA), negotiations with the other EFTA countries got under way in January 1993. The accession treaties were signed in June 1994 and entered into force on January 1, 1995. Norway, though, had fallen by the wayside: just as in the first enlargement round in 1972–1973, ratification of the accession treaty was rejected by a plebiscite. From being a Europe of twelve members, the Community now grew to fifteen.

By contrast, the accession of the countries that had until 1990 formed part of the Eastern Bloc turned out to be far more difficult. While Great Britain, Denmark, and Germany pressed, for both strategic and economic reasons, for as swift as possible an eastward expansion of the European Union, France, the Benelux countries, and the Southern European recipients of subsidies from the Cohesion Fund regarded this as at best a project for the next generation. Initially, then, the Community confined itself to promoting political and economic reforms in Central and Eastern European countries. Support was offered in the form of the 1989 PHARE (Poland and Hungary: Assistance for Restructuring Their Economies) program, credit from the European Investment Bank and the European Bank for Reconstruction and Development (founded 1991), and

Expansion of the European Union, 1952–2012.

association agreements designed to modernize and liberalize the former socialist command economies of these countries. The first such accords were signed in October 1991 with Czechoslovakia, Poland, and Hungary, followed by Romania, Bulgaria, and Slovenia, as well as the Baltic states, in 1996.

The real prospect of accession to the Union was opened up to the countries of Central and Eastern Europe at the European Council in Copenhagen in June 1993. At their subsequent meeting in the German city of Essen in December 1994, at Helmut Kohl's instigation, the twelve Community member countries agreed to a financially cushioned "pre-accession strategy" to help the countries engage in a structured dialogue in preparation for their integration. Three years later in Luxembourg, the European Council decided to open formal negotiations with those prospective new member states that, according to a vote by the Commission, came sufficiently close to fulfilling the accession criteria. In addition to Cyprus (which had applied in 1990), these were Hungary, Poland, the Czech Republic, Estonia, and Slovenia. Preliminary talks were held with the other applicants from April 1998 on.

A Europe of Twenty-Seven Members

It was only on the threshold of the new millennium that a new sense of dynamism began to be injected into areas of action where progress had been painfully slow in the 1990s. The reasons for this were twofold: firstly, the more realistic approach to European politics evident in Britain since Tony Blair came to power in May 1997; and secondly, the learning process undergone by French president Jacques Chirac and German chancellor Gerhard Schröder.

The Commission that began work in September 1999 under the chairmanship of Romano Prodi made great strides in the negotiations with the prospective member countries, although the actual task of overseeing accession was vested in the new office of European Commissioner for Enlargement (first incumbent: Günter Verheugen). In December 1999 the European Council, meeting in Helsinki, voted to begin negotiations with Latvia, Lithuania, Slovakia, Romania, Bulgaria, and Malta. A new intergovernmental conference was scheduled for February 2000; its task was to establish, by the end of the year, the preconditions for acceptance of these new member states. At the Naples summit on

December 7–8, 2000, new rules were drawn up for the distribution of seats in the European Parliament and the weighting of votes in the Council of Ministers for a Europe of up to twenty-seven members, plus a new procedure for determining qualified majority voting. Henceforth, in the Commission, each member state would be represented by only a single commissioner. At the same time, it was agreed that the accession negotiations should be completed by the end of 2002, so that accession could take place in the spring of 2004. The citizens of the new member states would therefore be able to take part in the next elections to the European Parliament, in June 2004.

Largely thanks to Verheugen's negotiating skills, this ambitious timetable was kept to. A whole series of transitional arrangements (valid for periods ranging from three to twelve years) were agreed to by the Central and Eastern European Countries (CEECs), and a complicated compromise was worked out regarding the transfer of finance to the new member states. The accession treaty was duly signed with ten states (Poland, Hungary, the Czech Republic, Slovakia, Slovenia, Latvia, Estonia, Lithuania, Cyprus, and Malta) on April 16, 2003, in Athens. Following timely ratification in all the member states of the enlarged European Union, the Accession Treaty came into force on May 1, 2004. Bulgaria and Romania, which found it more difficult to fulfill the accession criteria, finally joined on January 1, 2007.

However, the Treaty of Nice, which was officially signed on February 26, 2001, and dealt with questions of institutional reform, set its sights much lower. Chirac and Schröder, unlike their predecessors Kohl and Mitterrand, had failed to reconcile their separate interests in the run-up to the intergovernmental conference—and so, although further extensions of the qualified majority voting system and of the Parliament's right of participation did come about, they were not part of any coherent overall plan. According to the provisions of the Treaty of Nice, fourteen separate procedures were possible before resolutions were adopted in the Council, while those involving Parliamentary participation allowed for eleven such stages. As a result, the decision-making process became even more opaque and accountability more difficult to determine.

A sizable sector of public opinion, which had been primed to expect more substantive progress by German foreign minister Joschka Fischer's public plea for a Constitution for Europe leading to the formation of a European federation,

was highly critical of the Treaty of Nice. At Nice, Schröder was able to secure agreement on a further intergovernmental summit in 2004, preparations for which would this time involve the European Parliament, national parliaments, and civil society at large. Chirac was persuaded to work out a common position with the Germans prior to the conference, and Belgian prime minister Guy Verhofstadt, as president of the European Council, ensured that the Convention on the Future of Europe adopted at the Laeken meeting of the European Council on December 14–15, 2001, really did commit the EU to greater democracy and transparency.

The Convention responded to people's expectations of more concrete results by presenting, on July 20, 2003, a Draft Treaty Establishing a Constitution for Europe that represented real progress toward greater transparency and efficiency: more day-to-day decisions in the Council of Ministers and the European Parliament were to be reached by qualified majority voting; the post of European Foreign Minister was to be created; expansion of the role of the president of the European Council, a post that could no longer be held by the head of government of a member state. After making some concessions toward the special representation requirements of Poland and Spain, the heads of state and government adopted this draft treaty at a meeting in Brussels on June 18–19, 2004.

Meanwhile, the common foreign and security policy was fleshed out when Tony Blair began to warm to the idea of a credible European rapid reaction force—an idea first mooted at an informal Council meeting in the Austrian town of Pörtschach in October 1988. Following an agreement between Blair and Chirac, it was decided at the European Council meeting in Helsinki in December 1999 to set up a European reaction force of sixty thousand soldiers by 2003. At the Nice summit a year later, most of the institutions of the Western European Union (WEU) were taken over by the EU. Javier Solana, the first holder of the office of High Representative for the Common Foreign and Security Policy, also assumed the role of general secretary of the WEU. The Political Committee of the CFSP was expanded to become the Political and Security Committee (PSC), to which a Military Committee reported.

Following deep divisions over the US intervention in Iraq in 2003, the heads and states of government reached an agreement at the Brussels meeting of the European Council on December 12–13, 2003, on a common security strategy

aimed at safeguarding security within Europe and its environs and an effective multilateral approach to maintaining order internationally. In adopting the Constitutional Treaty in June 2004, they undertook "progressively to improve their military capabilities" and to work toward a "common defence policy of the Union."[68] Furthermore, the replacement of the high representative by the European foreign minister, as envisaged in the treaty, opened up the prospect of an integrated European diplomatic service. There was also a provision for "structured cooperation" within the Union for member states that wanted to undertake firmer commitments toward military integration.

However, enactment of the Constitutional Treaty ran into unforeseen difficulties. In both France (in late May 2005) and the Netherlands (in early June 2005), a majority voted against its ratification. In response, German chancellor Angela Merkel and French president Nicolas Sarkozy took the initiative in amending the wording of the agreement to try to make it more acceptable to nationalist-minded voters. After a new intergovernmental conference on December 13, 2007, the European Council passed a modified treaty (the Treaty of Lisbon). Yet before it came into force on December 1, 2009, another rejection in a referendum, this time by the Irish electorate in 2008, had to be overcome by further guarantees on the question of continuing national sovereignty. The complexity of the European edifice continued, then, to be its Achilles heel.

The Limitations of the Superpower

The collapse of the Soviet Union and the discrediting of the ideology of communism that had held it together left the United States as the world's only superpower. Its economic system had proved to be superior, and thanks to faster and more efficient use of information technology, it once again secured for itself a disproportionate share of global economic growth. The political values of Western democracy, which American policy had promoted with mixed fortunes, went beyond the limitations of its erstwhile Soviet rival and, finding widespread positive resonance, persuaded many societies to commit themselves to American leadership. In the meantime the United States also opened up an unassailable lead in military technology, and with its ongoing investment in arms development, remained the world's foremost military power. In 1998 it still accounted

for 35 percent of total global arms expenditure, whereas the Russian Federation's share stood at just one-tenth of this.[69] In view of this situation, it was self-evident that America should try to export the democratic model through force of arms, but its attempt to do so failed miserably, exposing the limitations of the superpower.

The technological superiority of the United States was brought home forcefully when Iraq's president, Saddam Hussein, attacked the sheikhdom of Kuwait in August 1990. Two years after the end of the devastating but inconclusive conflict with Iran, the Baghdad dictator saw the invasion of his small oil-rich neighbor as the best way to wipe out the war debts he had incurred and to silence growing discontent at home by extending his power in the Gulf region. US president George H. W. Bush decided to intervene—firstly because the Iraqi share of global oil reserves rose to 20 percent with the occupation of Kuwait, placing Saddam in a threatening position of power, and secondly because the conflict gave Bush an opportunity to consolidate America's leading role in maintaining worldwide security. The fifteen members of the UN Security Council were unanimous in their condemnation of Iraqi aggression; Gorbachev gave his blessing to sanctions and the use of military force, which began, when an ultimatum expired on January 17, 1991, with the bombing of Iraqi defensive installations.

The coalition of some thirty states that Bush had assembled against Iraq was expecting a long and bloody war. As it turned out, thanks to superior equipment and strategic planning, it took the 790,000 Allied ground troops (540,000 Americans and 250,000 troops from allied countries) under the command of General H. Norman Schwarzkopf less than one hundred hours to expel the Iraqis from Kuwait. The ground operations, which began on February 24, were halted by Bush just three days later to avoid giving the impression that the Allies were using excessive force. As a result, Saddam was able to hold on to power. But in the United States, the unqualified success of the operation instilled a new sense of self-confidence that dispelled the trauma of Vietnam and the humiliation of the Iranian hostage crisis.

US diplomacy exploited the victory in the Gulf War to kick-start the peace process in the Middle East. In October 1991, after an intense round of shuttle diplomacy, Bush's secretary of state, James Baker, succeeded in getting representatives

of Israel, Syria, Jordan, and Lebanon to meet around a single conference table in Madrid. Representatives of the Palestine Liberation Organization (PLO) took part in the negotiations as nominal members of the Jordanian delegation. These discussions did not yield any immediate results. However, after Yitzhak Rabin of the Labor Party won the Israeli general election in June 1992, secret negotiations began between representatives of Israel and the PLO in a country house outside Oslo in Norway. The agreements that were hammered out there were signed on September 13, 1993, in Washington in the presence of US president Bill Clinton. Rabin and PLO chairman Yasser Arafat agreed in principle that the Israelis would hand over the Gaza Strip and the city of Jericho to Palestinian authority. A further accord, signed in September 1995 (Oslo II), confirmed the transfer of six more cities and 450 villages in the West Bank—around one-third of the territory captured by Israel during the Six-Day War in 1967—to Palestinian control.

The Oslo Accords seemed to pave the way for a two-state solution to the Middle Eastern conflict. Yet further progress down this path stalled when Rabin was assassinated by a Jewish religious extremist in November 1995 and when the right-wing Likud Party came to power in May 1996. As Israel continued to drag its feet over withdrawal from the occupied territories, the expansion of Jewish settlements within these areas put Arafat under increasing pressure. At the end of September 2000 another wave of unrest broke out in the Palestinian towns, with suicide bombings and attacks on Jewish settlers. The Israel Defense Force responded with a methodical destruction of infrastructure in the Palestinian areas and the targeted killing of Palestinian extremists. Arafat was repeatedly placed under house arrest, and his headquarters in Ramallah were largely razed to the ground in March 2002. Thereafter it became impossible to maintain any lasting cessation of violence on either side. Under pressure from more militant groups, the Palestinian leadership could not bring itself to recognize the State of Israel. Although Israel withdrew from Gaza in 2006, at the same time it still claimed large parts of the West Bank and the whole of East Jerusalem as sovereign Israeli territory.

After initial hesitation, the United States also became heavily involved in the ethnic conflict that broke out in the former Yugoslavia. The multiethnic state that had been led by Tito up to his death in May 1980 began to fragment once Party leaders like the Serbian Slobodan Milošević found that a good way of

consolidating their own power base after the discrediting of communist ideology was to appeal to nationalist aspirations. In June 1991, Slovenia and Croatia seceded from the Yugoslavian Federation, followed by Bosnia and Herzegovina in October and Macedonia in November. After a brief intervention in Slovenia, the Serbian-led Federal Army withdrew; in Croatia, though, it agreed to a ceasefire (on January 2, 1992) only after it had taken control of Serbian enclaves there and driven out their Croatian inhabitants. While a UN peacekeeping force was sent in to monitor the ceasefire in Croatia, the Serbs proceeded to launch an attack on Bosnia. Bosnian Serbs under the leadership of Radovan Karadžić began "ethnically cleansing" areas under their command. From the spring of 1993, Bosnian Croats also started to conduct "cleansing" operations against Muslims.

For a long time the international community looked on helplessly as this genocide unfolded. The mandate of the UN peacekeeping force was extended to Bosnia and Herzegovina, but the force found itself unable to implement the safe zones that the Security Council had agreed upon for the various ethnic groups, instead becoming a hostage itself to Serbian forces. The Clinton administration first brokered a ceasefire between the Croats and Muslims in March 1994 before going on the offensive against the Serbian aggressors in the summer of 1995. The Americans encouraged the Croatian army to retake the areas it had lost in 1991: in late August, targeted NATO air strikes began against Serb positions in Bosnia and Herzegovina. In October, Serbia agreed to a ceasefire mediated by the Americans; a peace conference at Dayton, Ohio, led to the signing, on December 14, of a peace treaty that provided for the partition of Bosnia into a Muslim-Croatian Federation and a Serbian Republic. A sixty-thousand-strong international peacekeeping force, under NATO leadership but with Russian units also involved, was put in place to ensure its implementation.

In Kosovo, formerly an autonomous province of Serbia, a "liberation army" began to form at the beginning of 1998 among the Albanian ethnic majority population. From March onward, the Serbian paramilitary police responded with mass expulsions and massacres of civilians; before long, hundreds of thousands of Albanians had taken flight. The international community initially tried to intervene here also through negotiation. But when the Serbian government refused to sign a peace accord in March 1999, NATO reacted by bombing Serbian

A graveyard with seventy-six numbered graves in Petrovo Selo in northeast Serbia contains the remains of Albanians from Kosovo killed in 1999. The Serbian leader Slobodan Milošević responded to the formation of a "Liberation Army" among the Albanian ethnic majority with mass expulsions and massacres of civilians. (© Thorne Anderson/Corbis)

positions. At first this only provoked a further escalation of the conflict within Kosovo. Milošević backed down only when Clinton dispatched ground troops at the end of May. On June 9 an agreement was reached for the withdrawal of Serbian forces and the installation of a UN peacekeeping force. The province was placed under UN administration—officially only temporarily. Nine years later, after more unrest and the secession of Montenegro from Serbia in 2006, Kosovo finally declared independence in February 2008.

NATO's Changing Role

Its successful military intervention in Bosnia and Herzegovina and Kosovo helped NATO overcome the crisis it faced after the breakup of the Warsaw Pact. The concept of conducting peacekeeping operations beyond the bounds of the alliance—controversial to some members of the organization—had proved a viable one, and lent the alliance a new purpose. NATO also found itself increasingly prepared to identify security risks outside its normal sphere of operation and to assume responsibility for safeguarding its new European neighbors. In 1997, Poland, the Czech Republic, and Hungary were invited to join the alliance, and in March 1999 this first Eastern expansion of NATO became a reality. To allay Russian unease at this development, a joint NATO-Russian Council was convened in May 1997, which held out to the Russian Federation the prospect of "permanent consultation and cooperation."[70]

Yet the NATO-Russian Council could do nothing to mollify Russia's great annoyance at NATO's actions in Kosovo. After the government in Moscow had refused to approve the deployment of a military task force against the Serbs, NATO members decided to intervene without obtaining a UN mandate. Nevertheless, Russia did then prevail upon the Serbian-Yugoslavian regime to accept the ceasefire of June 9, 1999. A further rapprochement between Russia and the new-look NATO was catalyzed by the Islamist terror attacks on the World Trade Center and the Pentagon on September 11, 2001, in which almost three thousand people were killed. Russia and the NATO countries now found themselves confronted with a new common threat in the shape of the global terror network set up by al-Qaeda, a loose confederation of jihadists that had formed during the struggle against communist influence in Afghanistan in the 1980s. A common defense strategy was called for against this menace. In May 2002 both sides agreed to reconstitute the NATO-Russian Council as a decision-making body on security matters of common concern. Accordingly, the second round of NATO eastward expansion, decided upon in November 2002 and enacted on April 1, 2004, occurred with no damage to the relations between Russia and NATO. By now, with the accession of Estonia, Latvia, Lithuania, Bulgaria, Romania, Slovakia, and Slovenia, NATO membership stood at twenty-six countries.

At the same time, the unprecedented terror attack on the symbols of American power led to a strengthening of solidarity between the European allies and the United States. On the day after the outrage, September 12, 2001, for the first time in its history NATO invoked the clause (Article 5) in its founding charter on "collective defense." Over the following days, NATO warplanes helped patrol American airspace. Preparation for further attacks included the reorganization

of national defense networks to confront the new threats, and the creation of a rapid-deployment NATO Response Force. Key NATO allies like Great Britain, Germany, and Italy took part in the campaign against the Taliban regime in Afghanistan, which was providing the main safe haven for al-Qaeda fighters. Following American air strikes on October 7, 2001, the Taliban regime was quickly toppled. A UN conference held at Hotel Petersberg in Bonn in early December established a transitional administration for Afghanistan headed by Hamid Karzai. Karzai's government would remain dependent for many years on the support of a NATO peacekeeping force.

The administration of George W. Bush did not regard the "war on terror" first and foremost as a common struggle, and was determined to call the shots on how it should be conducted. Although any international support was welcome, in the worldwide struggle for freedom and democracy the Bush administration reserved the right to act as an entirely free agent if necessary. After the fall of the Taliban regime, three more "rogue states" within an "axis of evil," as Bush put it, came within the sights of US foreign-policy makers—North Korea, Iran, and Iraq. Under the pretext that Saddam Hussein was trying to develop weapons of mass destruction that he would put at the disposal of terrorist groups, Bush's first objective was to bring about regime change in Iraq. Despite the fact that a UN weapons inspection team found no evidence that Iraq had stockpiled or was developing such weapons, a US-led coalition invaded Iraq on March 20, 2003. By April 9, Baghdad was in American hands, and on May 1 Bush declared an end to major combat operations in Iraq.

The so-called Coalition of the Willing that backed the United States in this conflict comprised NATO allies like Great Britain, Italy, Spain, and Poland, but also included Australia. In contrast, French president Jacques Chirac and German chancellor Gerhard Schröder aligned themselves with Russian premier Vladimir Putin in categorically opposing an intervention that violated the tenets of international law. Their position was vindicated when no weapons of mass destruction, nor any connections between the Saddam regime and al-Qaeda, came to light; instead, the brutal conduct of some elements of the US military only acted as a recruiting sergeant for terrorism. It proved impossible to install a stable government in the country after the fall of Saddam, and for many years the occupying forces had to contend with a violent insurrection staged

primarily by Shi'ite militias. In the summer of 2008 it was estimated that anywhere from 150,000 to one million Iraqis were killed in the conflict. The United States suffered 4,000 dead and 10,000 severely injured troops.

Bush's attempt to exploit the worldwide fear of vulnerability to Islamist terrorism in order to establish a unilateral hegemony of the American superpower succeeded only in sowing division. The international reputation of the United States suffered greatly, not least after it became known that American soldiers had tortured Iraqi prisoners and that terror suspects from a wide variety of backgrounds were being incarcerated indefinitely, with no recourse to the due process of law, in a special camp at the US military base at Guantánamo Bay on Cuba. During Bush's second term in office (2004–2008), the administration's loss of standing also began to be felt at home. Offensive operations against North Korea or Iran were now out of the question, even though the latter option became a recurrent point of friction with America's European allies. Bush's successor, Barack Obama, came to office in January 2009 with a program to withdraw US forces from Iraq. He also worked out a plan with the allies to bring the peacekeeping operation in Afghanistan to a close.

The loss of America's international standing went hand in hand with a strengthening of the European position within NATO. This became evident when Georgia's president Mikheil Saakashvili attacked the disputed Russian-leaning territories of Abkhazia and South Ossetia in August 2008 to try to force NATO's hand in accepting his country's application to join. When the Russian government responded by ordering its forces to invade Georgia, it was Nicolas Sarkozy, president of the European Council at the time, and not the US president, who brokered a ceasefire. On August 15 he oversaw the signing of an accord between Saakashvili and Russia's new president, Dmitri Medvedev, that involved the withdrawal of Russian troops and the return of Georgian forces to their barracks. The autonomy of the two disputed regions was now beyond dispute. At the same time, Georgian membership in NATO, which had already been turned down on several occasions, disappeared from the organization's agenda. Ukraine's application was also shelved.

This strengthening of Europe's influence within the alliance brought about a thoroughgoing reevaluation of NATO by the Americans. From the debacle of Bush's missionary war on terror the new US administration drew the lesson that

protection against terror attacks and the security of supply channels could best be achieved by bringing America's European allies on board, body and soul. In the course of the speech he delivered in Berlin on July 24, 2008, during his election campaign, Obama made a point of appealing for European support, and in doing so found himself pushing at an open door. The Europe-wide criticism of Bush's unilateral crusade ultimately resulted not in greater anti-Americanism but in a greater willingness to take on international responsibilities.

This became clear when, in the spring of 2011, an armed uprising began against the Libyan dictator Muammar Gaddafi. French president Nicolas Sarkozy immediately called for military intervention in support of the rebels. He gained the backing of British prime minister David Cameron, but failed to win over German chancellor Angela Merkel. Following a resolution of the UN Security Council on March 11 to the effect that the rebel forces should be supported with air strikes against Gaddafi's military and the country's infrastructure, primarily French and British squadrons were mobilized to carry out this task; the United States confined itself to lending technical support through the NATO control and command structure. These measures resulted in the overthrow of Gaddafi's regime by August of that year and the establishment of a National Transitional Council in the capital, Tripoli.

The uprising against Gaddafi was part of a larger wave of protest and revolution against authoritarian regimes throughout the Arab world; beginning in Tunisia, this wave swept through several countries in North Africa and the Near East. In Tunisia itself, reformers succeeded in ousting President Zine el-Abidine Ben Ali as early as January 14, 2011, while in Egypt the long-serving president Hosni Mubarak stood down on February 11. In Yemen, following months of demonstrations and armed clashes, President Ali Abdullah Saleh signed an agreement in November 2011 that pledged to hand over power to Vice President Abd Hadi. In Morocco, Algeria, and Jordan, the protests led to changes of government and constitutional reforms; in Bahrain and Saudi Arabia, however, the reform movement was brutally suppressed. Meanwhile, in Syria a civil war developed from the Assad regime's crackdown on opposition forces; by the beginning of 2013 the conflict had claimed more than seventy thousand lives. The Arab Spring prompted new demands for Europe to develop an integrated Mediterranean strategy.

The Rise of China

This tendency toward increasing US-European cooperation and developing a common front against threats emanating from Asia reflected a growing interdependence of economic spheres. With reciprocal trade and investments to the tune of almost 4 billion euros in 2007, the economies of the United States and the European Union, which each generated around 13 billion euros and together accounted for nearly one-half of all world trade, were more closely intertwined than ever before. At the same time, China rose to become the second most significant trading partner of the United States (after Canada), so underlining the vital importance of the Asian market for the US economy. Indeed, the volume of goods traded between the United States and Asia was greater than that between the United States and Europe, even though the level of investment lagged far behind.

China's rise to become an "anchor country" of global significance[71] was the result of a long process that began after Mao's death. Deng Xiaoping, from the time he took office in September 1976, made an effort to steer the country away from the excesses of the Great Proletarian Cultural Revolution that Mao had instigated and put it on a more pragmatic course. Deng not only managed to reinstitute a proper education system and then expand it massively, but also forced through economic reforms aimed at promoting private initiatives and the achievement principle. State-owned enterprises were given greater decision-making autonomy, small family-run farms became the preferred model in agriculture, and Special Economic Zones were created to attract international trade and investment. These reforms resulted in an annual growth rate of 7 percent, increasing industrialization, and huge imbalances in income and lifestyle among the population. By 1987 the average income in China was double what it had been in 1976.[72]

In 1986 General Secretary Hu Yaobang and Prime Minister Zhao Ziyang concluded that greater political freedom would be necessary to ensure the long-term success of the economic reforms. A program was put in place to disengage local government and companies from Party and state control; intellectuals and scientists were allowed more freedom to express divergent viewpoints. The reforms immediately led to the growth of a democracy movement among students, who were angry about widespread corruption and the lack of career opportunities. In

December 1986, major demonstrations were held in Wuhan, Beijing, and Shanghai, with protestors demanding power sharing, democratic elections, and an end to human rights violations.

The Party leadership reacted by putting the brakes on the reform process. Hu Yaobang was forced to resign as general secretary in January 1987; tens of thousands of students were sent to the countryside on work details. But all this failed to quell the democracy movement. When Hu dropped dead from a heart attack during a heated debate in the Politburo on April 8, 1989, demonstrations flared up once more. On April 27, five hundred thousand to a million students occupied Tiananmen Square (Square of Heavenly Peace) in Beijing; on May 13 a hard core of demonstrators began a hunger strike. Faced with the threat of losing their monopoly on power, and disregarding opposition from Zhao Ziyang, on May 19, under the influence of Deng, the Politburo decided to impose martial law. From all around the country, troops were assembled outside Beijing. The protestors attempted to impede their advance by erecting barricades and organizing sit-down protests, but on July 3 troops entered the city in tanks and armored vehicles. Between eight hundred and twenty-six hundred civilians who stood in their way (the exact number will likely never be known) were brutally mowed down. The clearance of Tiananmen Square itself, which took place in the early morning of July 4, passed off relatively peacefully; the regime was concerned to avoid the appearance of unchecked brutality.

The breakup of the demonstration was followed by a wave of arrests and death sentences passed on "troublemakers." Zhao Ziyang and others who advocated a dialogue with the students were relieved of their duties. But the crushing of the democracy movement did not spell an end to the economic reform program. The new general secretary was Jiang Zemin, who in his former role as mayor of Shanghai had shown how to effect economic modernization without relinquishing control over students and other sectors of the populace. Following a brief phase during which central state control was reasserted, in 1992–1993 Deng was able to force the pace toward a socialist market economy. Jiang Zemin was elected state president and chairman of the Central Military Commission (thus becoming the chosen successor to Deng, who died in 1997 at the age of 92). The regulations relating to the Special Economic Zones were extended to the underdeveloped inland provinces, bringing a new influx of foreign capital into

the country. Investors now included not just members of the Chinese diaspora from Hong Kong or Singapore, but above all the Japanese.

These measures all combined to boost economic growth still further. Whereas it took eleven years for the first spectacular doubling of the country's per capita income, the second such increase had occurred by 1995, after just eight years.[73] In the second half of the 1990s, China developed into the new workshop of the world, with export rates that, after entry into the World Trade Organization in 2001, reached daily levels corresponding to a whole year's worth of exports in 1978, along with rapidly growing investment in research and development. At the same time, Chinese businesses began investing in Central Asia, Indochina, and sub-Saharan Africa, with an eye to both securing supplies of raw materials and spreading political influence. A succession of African countries, along with Iran, Pakistan, Burma, and North Korea, received Chinese military aid. With scant concern for the safeguarding of humanitarian or environmental standards, Chinese state capitalism thus became an unwelcome rival to Western development policies and an economic player of global significance.

Overall, the modernization of Chinese communism took a turn quite different from the roughly contemporaneous reform of Soviet communism. A comparison of the two processes reveals that the attitude of the leaders was the principal factor in overcoming the legacy of regimes structured along Marxist-Leninist lines. At the key moment, Deng chose a path different from Gorbachev's. The question of which course was the more appropriate depends on one's own political standpoint. What is beyond dispute is that each option had its price and that in both cases, many other options were available.

Imbalances and Multipolarity

After China, there appeared on the scene several other anchor countries: major states caught up in a process of dynamic economic development that impacted on the global economy, which guaranteed them an independent role on the international political stage. In India, economic reforms in the first half of the 1990s stimulated a level of growth comparable with the situation in China, with equally strong investment in research and development enabling Indian firms to likewise become competitive players in global markets. In Indonesia, which was

particularly badly affected by the Asian economic crisis of 1997–1998, the fall of President Suharto in May 1998, after more than twenty-two years of military rule, and the ensuing struggle against corruption and nepotism, heralded a transition toward a more stable economic course. Similarly, in Brazil the progressive dismantling in the first half of the 1980s of a military dictatorship that had lasted for more than two decades paved the way for economic modernization and stable growth. Through several changes in political direction (in 1992–1994 from the liberal Fernando Collor de Mello to the social democrat Fernando Henrique Cardoso, and in 2002 from Cardoso to the socialist Luiz Inácio Lula da Silva), the country has become a driving force in Latin American economic development. In Mexico, vigorous measures from 1990 on to reduce the country's crippling foreign debt went hand in hand with encouragement of private entrepreneurship, the ongoing fight against drug barons, and a move away from a one-party state. After weathering two severe economic crises, Mexico, by the late 1990s, once again had high growth rates and increasing competitiveness. In South Africa, the participation from 1990 on of the United States and Great Britain in the UN trade embargo helped bring about the end of the apartheid regime. The presidency of Nelson Mandela (1994–1999) saw all the country's major political forces embrace a free market economy with welfare state provisions; as a result, South Africa rose to become by far the strongest economy in the region.

After the millennium, the anchor countries began to augment their influence through cooperation. In August 2003 Brazil—with the support of India, China, and South Africa—seized the initiative in establishing a G-20 group of developing countries, which opposed the program of the OECD countries for the Doha Round of the World Trade Organization's negotiations. The industrialized states responded by steadily broadening their mechanisms for cooperation. In 2006, for instance, Russia was accepted as a member of the Group of Seven, which, following a drastic economic recession in the early 1990s that slashed industrial output and GNP in half, was itself beginning to take on the characteristics of an anchor country. At the G-8 summit at Heiligendamm in northern Germany in June 2007, it was agreed that constructive dialogue should begin with China, India, Brazil, Mexico, and South Africa; subsequently these countries have taken part on an informal basis in the yearly G-8 meetings.

The bipolar world order that existed during the Cold War was supplanted neither by American hegemony nor by a "global village" in which sovereign states and imbalances of power no longer played a role. Rather, what came about was a complex world order to which the concept of multipolarity scarcely does justice. Aside from an American-European duopoly of extremely diverse but mutually dependent partners, there is a whole range of countries that to varying degrees exert regional or supraregional influence. A general trend that can be observed is the growing strength of Asian players within this power structure. However, in the foreseeable future this does not mean that there is any danger of the West relinquishing its leading role. Among the factors militating against this are the American system's continuing dynamism in acquiring new resources and the inevitable economically driven convergence of the Russian Federation with the European Union.[74]

If they are to safeguard peace, promote prosperity, and conserve the natural environment, the world's states will be increasingly dependent upon cooperation. Whether and to what extent they and the societies they are grounded in will be shrewd enough to recognize and act on this remains to be seen.

Translated from the German by Peter Lewis