Global Political Setting

The past year has witnessed the most significant change in the global political framework since the end of the Second World War.

Developments in Central and Eastern Europe have been profound, and major changes continue to unfold almost daily. Soviet forces are being withdrawn. The threat posed to Western Europe by the Warsaw Pact has receded dramatically. Significant cuts in armed forces levels are taking place even in advance of the Conventional Forces in Europe (CFE), a series of multilateral arms control talks designed to regularize cutbacks on both sides of what used to be called the Iron Curtain. Talks are in fact under way on the question of integrating troops from East and West Germany.

The adoption of democratic systems in Eastern Europe has occurred at a speed few could have predicted. Most Central and Eastern European states have now had full or partial elections, in many cases the first multi-party elections in decades. These have resulted in profound changes to political and diplomatic alignments, and to the beginnings of major economic reform and the adoption of more open economic systems. These changes have also revealed that for decades nationalist rivalries have been suppressed rather than solved. It is unclear how those rivalries will be managed in the months and years ahead.

Nowhere else has the change been as dramatic or as important as in the Germanies. The opening of the Berlin Wall demonstrated that the demand for reform was irresistible. Elections produced a non-Communist government, paving the way towards accelerated unification. One by one political, military, diplomatic and other problems are being resolved, a step-by-step process designed to achieve unity as quickly as possible without creating problems or tensions in Europe.

The continued improvement in East-West relations is demonstrated by a notable increase in summits, visits and agreements which reflect the steady progress being made on most, if not all, of the major issues that once made up the Cold War and East-West confrontation. The November 1989 visit of Prime Minister Mulroney to the U.S.S.R., during which 14 agreements were signed, is one of many such events. The pace of developments is such that President Gorbachev paid a return visit to Canada in May of this year.

The U.S.S.R. has also entered a period of profound change, but there the pace of reform has been uneven and the results mixed. The attempt to introduce glasnost, a more open system, has been more successful than the attempt to reform the economy. The Party-dominated, state-directed economy is not producing the consumer goods

demanded by the people. This continues to fuel public unrest, also reflected in ethnic rivalries and independence movements.

In China the Communist Party has retained power, using excessive force to suppress opposition and reversing many of the economic reforms of the previous decade. Talks on the 1997 return of Hong Kong have produced considerable unease in the colony.

Elsewhere democracy and political reform continue to make significant progress. Successful elections in Nicaragua led to a peaceful change of government and reinforced the trend toward internal and regional peace in Central America. The long-sought independence of Namibia was finally achieved, leading to the first-ever elections in that country. In South Africa, Nelson Mandela and other black leaders were released from prison, signifying a softening of the government's position on apartheid.

Progress has been made on a number of regional disputes. Vietnamese forces have withdrawn from Cambodia, though the factions continue to fight. The U.S.S.R. is out of Afghanistan, the peace has held between Iran and Iraq, and progress has been made in Central America. Other problems remain threatening, especially rivalries in the Middle East and the Sub-Continent.