



HOUSE OF COMMONS  
CANADA

**REPORT ON THE COMMITTEE'S  
VISIT TO THE SOVIET UNION  
AND THE GERMANIES**

**April 20 – May 5, 1990**

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**Standing Committee on  
External Affairs and International Trade**

**June 1990**

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HOUSE OF COMMONS

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Session, June 1, 1990  
Number 103  
Le 1<sup>er</sup> juin 1990  
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Number: L'honorable John G. Axworthy, P.C.

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External Affairs

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and

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Commerce international

**REPORT ON THE COMMITTEE'S  
VISIT TO THE SOVIET UNION  
AND THE GERMANIES**

ENACTING

CONCERNANT

presented to Standing Order 106(2), recommendation of the  
presented to l'ordre 106(2), recommandation de  
of the Committee on its visit to the Soviet Union  
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and the Germanies

**April 20 – May 5, 1990**

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INCLUDING

The FOURTH Report to the House

Le QUATRIÈME rapport

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**Standing Committee on  
External Affairs and International Trade**

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1989-90

Quatrième session de la trente-neuvième législature,  
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## External Affairs and International Trade

## Affaires étrangères et du Commerce extérieur

RESPECTING:

Pursuant to Standing Order 108(2), consideration of the Report of the Committee on its visit to the Soviet Union and the Germanies

INCLUDING:

The FOURTH Report to the House

CONCERNANT:

En vertu de l'article 108(2) du Règlement, une étude du Rapport sur la visite du Comité en Union soviétique et dans les deux Allemagnes

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Le QUATRIÈME rapport à la Chambre

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1989-1990

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## FOURTH REPORT

In accordance with its mandate under Standing Order 108(2), your Committee has been examining Canada's changing role vis-à-vis East-West relations and as an integral part of this study, your Committee visited the Soviet Union and the Germanies, April 20 to May 5, 1990. The following report records our impressions and recommendations and reads as follows:

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POLKIN REPORT

DEPARTMENT OF TRADE AND COMMERCE

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## INTRODUCTION

Francis Fukiyama, the U.S. State Department policy analyst, could not have picked a worse year than 1989 to predict that history was over. There has rarely been a year with more history and there is every reason to believe that it has only begun. The 1990s may go down as the decade when history made a comeback.

We are talking of course of the remarkable events in the Soviet Union and Eastern Europe, events which everyone is now proud to concede they did not predict. In this instance, lack of prescience is worn as a badge of honour.

Members of the Committee have a clear reminder of their own groping through these events. In August of last year we issued a discussion paper on the Soviet Union and Eastern Europe which asked such questions as—Would Moscow permit non-communist Governments in Eastern Europe? Would the Communist Party of the Soviet Union allow non-communist opposition to spring up? What is the future of the Warsaw Pact and Comecon? Rarely has history been as forthcoming with its answers: yes, yes and very little.

If we were to summarize what we have learned since last summer, it might be as follows: first there was surprise that change was occurring in previously frozen communist regimes; then there was scepticism that the change went very deep or was sustainable; then there was a growing realization that change was profound and sweeping; and finally, speaking of the point we have now reached, there is another question: What can we do to consolidate and build upon this revolution? The question arises from a mixture of hope and fear; hope that the changes of the past few years can be converted into a durable era of peace and international cooperation, fear that the forces released by change could lead to dangerous instability and conflict.

These changes, and the questions to which they give rise, are reshaping Canada's view of the world and having a major impact on our country's foreign policy. For the past forty years, the East-West divide has been the most prominent feature of the international landscape from which we have taken our bearings; our membership in the western community of nations has served as a compass for Canadian policy. Suddenly, in only a few years, the political geography has changed and the polarity of East and West has dramatically weakened. Inevitably, there is some anxiety associated with having to find our way in this newly emerging world, but who can fail to welcome this challenge? The ending of the cold war brings with it the hope of a far less dangerous, and a far more productive and creative, world order.

In this rapidly changing international scene, the Committee made a recent two week trip to the Soviet Union and to East and West Germany. In choosing these countries to visit we did not in any way intend to diminish the importance to Canada of the other countries of Eastern Europe, particularly Poland, Czechoslovakia and Hungary. However, other Canadian parliamentary groups have visited these countries in the past year and we thought it crucial now to visit the Soviet Union and the Germanies. Under the leadership of Mikhail Gorbachev, the Soviet Union is undergoing a second revolution and we wanted to find out for ourselves how reform was faring. The unification of the Germanies is emerging as one of the most important, and potentially positive, geopolitical consequences of the past year. The purpose of this report, then, is to share the findings of our trip, and immediate recommendations, with fellow parliamentarians, the Government and people of Canada.

### **Summary of Findings and Recommendations**

We came away from our visit to the Soviet Union impressed by the scale and diversity of the country and, equally, by the depth of its economic and political crises. Many questions of reform remain unresolved. Will they move quickly or slowly towards a market economy? Will the Union transform itself peacefully or fragment into a collection of warring pieces? The main conclusion we would report is of a country likely to be preoccupied for years to come with such fundamental and insistent questions of internal reform.

There is little doubt that the seriousness of the problems faced by the Soviet Union and the intensity of the pressures for change carry with them the risk of breakdown and widespread disorder. Out of this could come a prolonged period of dangerous instability and the cry for a new authoritarianism. But none of this is preordained. Who among us, having witnessed the remarkable changes of the past few years, would now claim to know the future of the USSR? Certainly the rise of open, adversarial politics, should not be interpreted as a sign of weakness, least of all by democratic societies. While multi-party democracy has not yet been established in the Soviet Union, the appearance of challengers to Mr. Gorbachev and the emergence of an articulate civil society are signs of the genuineness of reform. We are greatly encouraged that the Soviet Union is struggling to follow the tangled path leading to democracy.

The visit deepened our conviction that Canada has major long-term interests in closer relations with a reforming Soviet Union. We should have the clarity and steadiness of vision to pursue those interests. To take only one example, the information we received during our visit that the Soviet nuclear test site may be transferred from the far east to the shocked us

into a recognition of our geographic and environmental interdependence. We need to understand the Soviet Union far better than we do and significantly upgrade its place in Canada's international relations.

The visit of Prime Minister Mulroney last fall did much to reactivate a moribund relationship and to arouse Soviet expectations of sustained Canadian interest, although we think that another shot of political adrenalin is now needed. We would highlight the fact that our visit was the first ever by a Canadian parliamentary committee to the Soviet Union, and followed the visit last August of a parliamentary delegation led by the Speakers of the House of Commons and the Senate. Among the most satisfying and encouraging of our meetings were those with newly elected Soviet parliamentarians, at the union, republic and city levels. These encounters convinced us that there is great potential for expanded "parliamentary diplomacy" aimed at generating political will for closer relations and for tackling specific problems of mutual interest, ranging from trade to security and the environment.

In the Germanies, we witnessed the whirlwind preparations for the unification of a country broken apart as a result of its earlier history of aggression. We were struck by the supreme confidence of some Germans that "internal unification" — those economic and social matters that are the business of the German people themselves to settle — was only a matter of time, and *Deutschemarks*. When viewed up close, however, one can see that the process is not quite so easy as that. We found that those who favour rapid unification were genuinely fearful that the project might be imperilled by delay, but many Germans question the pace of change and its social and economic costs. It remains the case, however, that economic union is proceeding rapidly to its July 2 deadline. Canada, for its part, should be aware of the exciting opportunities that may be created by the economic and environmental rehabilitation of East Germany.

Apart from the internal issues of unification, there are also many external issues that concern Germany's neighbours and the international community, three of which we will highlight in this report: the Poland-German border, Germany and the European Economic Community and the question of a united Germany in NATO. The negotiation of these important issues should not blind us to a very encouraging feature of contemporary German politics: irrespective of party or ideology, Germany now sees its destiny as inextricably tied to the building of a peaceful and prosperous European community.

### **Canada and the Future of Europe**

Our visit to the Soviet Union and the Germanies convinces us that we must now consolidate and built upon the revolution in East-West relations. We see the following as

some of the main elements of an agenda for the 90s, matters which will continue to attract the attention of the Committee.

The next 3–5 years will be a transitional period of East and West adjusting themselves to the revolution in their relationship. Priority in this period must be given to the careful management of change, recognizing that paradise (complete agreement) is not just around the corner. Canada should continue to play an active and responsible role in the western community while reaching out energetically and imaginatively to the Soviet Union and Eastern Europe.

The transition years should have, as an underlying objective, the uniting of Europe, with the Soviet Union and Eastern Europe occupying one end of the European home and Canada and the United States the other. We see a special opportunity for Canada to participate in the design and building of new pan-European institutions. In reaffirming its own relationship with Europe, Canada should shift its centre of attention from military security to mutual economic and political development.

An important potential benefit of reduced East–West tensions is the opportunity to direct world attention to the rapidly emerging threats to global security, such as those posed by world poverty and a rapidly deteriorating environment. There are growing concerns that preoccupation with Europe could induce amnesia where the rest of the world is concerned, Africa in particular. The troubles of that deeply troubled continent would not benefit from a decade of neglect. On the contrary, the end of the cold war should release energy and resources for addressing such global problems. To that end, Canada should seek new and imaginative ways of engaging the Soviet Union in the international community. We should shed the habit of viewing the USSR solely through the European lens. Instead, we need to build on the Soviet Union's new-found desire to become a constructive player in the multilateral arena. In particular, Canada should actively encourage Soviet participation in existing international institutions and their involvement in the creation of multilateral cooperative regimes to deal with such issues as environment and security in the North and development and conflict resolution in the South.

We take to heart the comment of a German historian who remarked in one of our meetings: "You Canadians are respected but you should be a bit more aggressive". To be more successfully aggressive, we have to be imaginative in defining Canada's new security goals and skilful in mobilizing the resources necessary for their achievement. If any single lesson has been learned in the past year, it is that power *does not* come out of the barrel of a gun. It comes increasingly from the ability to satisfy people's basic needs, a job that the world does very indifferently. The challenge of international security we now face is

multi-dimensional, at once political, economic, ecological and cultural. Canada must adapt itself to this new reality and, in so doing, help to adapt the world.

We would end these introductory remarks by describing an experience that expresses our hopes for the future.

On May 1st, Members of the Committee had the rare privilege of witnessing and participating in an event that symbolized the coming together of East and West. On that beautiful sunny and warm day, we strolled with hundreds of thousands of Berliners from East Berlin to West Berlin, through an opening in the Berlin Wall near the Brandenburg Gate. After attending a rally in West Berlin, we then strolled back to the eastern side of the city, encountering nothing more than smiles or nods from the border guards. It was an extraordinary and unique celebration of May Day, and perhaps the most remarkable thing of all was the casualness and naturalness of this coming together of long-divided people.

and his colleagues courageously seized the moment to Soviet leaders to be the best managed, create that moment. And now, we have the opportunity to see the beginning of a new era, a new era of change that the leadership is getting the message to move. Far from being a sign of failure, we see this as a sign of the beginning of the end of Soviet democracy.

During the course of the visit, we found ourselves concentrating on three major areas of change which are clearly interrelated: economic reform, the role of a free press, and the role of the environment. We will describe our findings and recommendations on each area, and our Canadian policy in each area.

### Economic Reform: Halfheartedly towards the Market

Mr. Gorbachev began as leader of the Soviet Union with the hope of revitalizing and reforming its economic system, not transforming or destroying it. Eventually, however, he concluded that radical change was necessary, but he has acted halfheartedly on that account for reasons that will be familiar to any politician in the west - fear of vested interests and fear of the peoples' reaction.

Nedra Popoff, a young economist with the Institute for the United States and Canada, told us that the USSR had a chance to make the transition to a market economy several years ago but the change was not made. Now the risk has disappeared - all influences are negative - and the age of reform has been surely



## THE SOVIET UNION

*"Today our country is indeed sick. We appreciate the attitude of those who are sympathetic to us and wish us early success in tackling our problems and ending the crisis. We have no quarrel with those who are gloating over our situation and our problems. We are even ready to sympathize with them. For, instead of truth, they prefer self-deception and self-adulation."*

*Eduard Shevardnadze*

*Minister of Foreign Affairs of the Soviet Union.*

It is sometimes suggested that the process of reform in the Soviet Union originated in economic necessity and at the top. However, we would assign equal importance to the gradual evolution of Soviet society over the past twenty years and the catalytic effect of critical events like the Afghanistan war and the Chernobyl nuclear disaster. Mr. Gorbachev and his colleagues courageously seized the moment in Soviet history but did not single-handedly create that moment. And, now, we have the impression that reform has begun to turn into revolution, a proliferation of change that the leadership is guiding less and reacting to more. Far from being a sign of failure, we see this as strong, if inconclusive, evidence of the rooting of Soviet democracy.

During the course of the visit, we found ourselves concentrating on three key aspects of change which are closely interrelated: economic reform, the rise of nationalism and the crisis of the environment. We will briefly describe our findings and recommendations for Canadian policy in each area.

### **Economic Reform: Haltingly towards the Market**

Mr. Gorbachev began as leader of the Soviet Union with the hope of revitalizing and reorienting its economic system, not transforming or destroying it. Eventually, however, he concluded that radical change was necessary, but he has acted haltingly on that conclusion for reasons that will be familiar to any politician in the west—fear of vested interests and fear of the peoples' reaction.

Vladimir Popoff, a young economist with the Institute for the United States and Canada, told us that the USSR had a chance to make the transition to the market in a relatively painless way several years ago but the chance was not seized. Now the crisis has deepened—all indicators are negative—and the costs of reform have risen steeply.

We were told of many obstacles to reform ranging from the resistance of the apparatchik to the lack of trained personnel, but two points stand out in our minds.

First, we did not fully appreciate the depth and breadth of the changes required to move the Soviet Union to a market system. To take the case of agriculture, the Soviet journalist Igor Abakumov described the crisis—"everything has changed but nothing changes"—as traceable back to Stalin's forced famines and mass deportations of the Russian peasants in the 1930s. "The Russian farmer was destroyed as a personality type. It is necessary to recreate a way of thinking that was destroyed. First we must change the brain."

Abakumov was frankly pessimistic that the system could reform itself. He acknowledged that Gorbachev understood the need to encourage the farmer by permitting private ownership, but claimed that the President was deterred by the fact that every problem was connected to every other problem and that "if you take an axe and chop it all apart, you will have a catastrophe." In these circumstances, and speaking again only of the agricultural sector, Abakumov thought that the most promising approach was "to win beachheads from the existing system and thereby create models for others to use." He offered, as an example, various schemes to encourage foreign farmers to set up colonies on land provided by the state under long-term leases. He urged Canadians to get involved, although he added this warning. "One hundred Canadians should come and lease some land. If one came alone, he would be crushed."

The second point we would make about economic reform is that it is partially a victim of political reform—glasnost. The right to dissent includes the right to oppose change and there is considerable evidence that many of the people in the Soviet Union are doing exactly that. When polled about the choice between rationing (the present system) or higher prices (the result of eliminating subsidies on the way to the market), a majority of Soviet citizens said that they preferred the line ups, particularly during working hours. In fearing the wrath of the people, Mr Gorbachev may only be illustrating that his shortcomings as an economist arise from his skills as a politician.

To summarize the debate about economic reform, everyone agrees that the Soviet Union must move towards a market system, the only questions being what kind and how quickly? A top figure in the Communist Party of the Ukraine, Vitold Fokin, explained his opposition to drastic medicine by comparing it to teaching a child how to swim by throwing it into deep water. He asked rhetorically, "But what if it is your child?" These and other indicators suggest to us that Mr Gorbachev is not going to opt for the Polish solution, but instead pursue a more gradual approach to the market. The economist Vladimir Popoff, offered an explanation as to why: "In Poland there is a consensus for sacrifice but not here."

It is very difficult for a multinational society like the USSR to divide losses in an acceptable way.”

In these circumstances, what can Canada do to encourage and benefit from Soviet economic development? We note the cautionary remark of Vladimir Popoff that outsiders cannot provide help until the Soviet Union asks for it, which—by and large—they have not yet done. We would also acknowledge that foreign business faces major difficulties in the short term, although, as McDonalds in Moscow demonstrates, there is a huge untapped market waiting for those with the resources to be patient and to take the long view. We were told by an official of the West German Federation of Industries that their companies have many joint ventures in the Soviet Union that are running well. Our own conclusion is that it is the smaller Canadian businesses that need a lot of advice and assistance from government in going into a market very different from their own. Moreover, we believe Canada has a national interest in getting in on the ground floor of Soviet economic development, and we would recommend the following as a few practical ways of doing so.

*Opportunities for Success.* Referring back to the comment by Igor Abakumov that the best hope for reform in the agricultural sector is to establish beachheads that can serve as models for others, we were told that Dutch and Italian companies have taken up the challenge of leasing large tracts of Soviet land and managing their development with Russian farmers. Under this arrangement, any production above an agreed target will be paid for in hard currency and in time the projects will be converted into joint ventures.

We were disturbed to find that Canada had been offered similar deals but failed to take them up, in part for want of seed money or government guarantees. It is our impression that what is needed is something like the Business Cooperation Program of CIDA which supports the efforts of Canadian business to penetrate new markets in developing countries and assists them in seeking opportunities for investment, joint ventures and transfers of technology. Rather than creating a new instrument for these same purposes in the Soviet Union or Eastern Europe, **the Committee recommends that the Government consider extending the mandate of CIDA's Business Cooperation Program to include the Soviet Union and Eastern Europe, on condition that funding for these activities be separate from and in addition to Official Development Assistance.**

*Training.* Georgy Arbatov, Director of the Institute for the USA and Canada, remarked that one of the main difficulties facing privatization in the Soviet Union is that “for generations we waged wars on entrepreneurs. They were driven out or underground. Now they are emerging.” Arbatov and others stressed that one of the most useful ways for the west to assist change in the Soviet Union is by helping to train people in all areas of economic activity.

Canada should facilitate the expansion of programs available to Soviet business managers, such as the “East-West Enterprise Exchange Program” established at York

University in cooperation with five other Canadian universities. This summer the program will train 120 business people from Poland, the Baltic states, the Soviet Union, Czechoslovakia and Hungary. Local expenses, estimated at \$1.1 million last year, are being borne by the federal government, the Ontario government, host companies and the participating universities. **The Committee recommends that the Government increase its financial contribution to such programs, and encourage the private sector to increase its support, so as to permit a substantial expansion of Soviet and East European business training in Canada. At the same time, the Government should encourage the development or expansion of other training programs, such as the training of Soviet farmers at Fairview College in Alberta, training in public administration and in labour-management relations. Wherever possible, training should be connected to joint ventures so as to encourage its relevance and immediate application. We would add that training is needed on the Canadian side as well. As the Japanese already do, our business community should invest much more in the foreign language and other training of its employees, so essential to their effectiveness in foreign markets.**

*People-to People-Capital.* In his appearance before the Committee in Ottawa in March, Andrew Sarlos, the Toronto financier and founder of First Hungary Fund, recommended that the Government extend to the countries of Eastern Europe and the Soviet Union certain tax benefits that would encourage Canadian investment in those countries, particularly by Canadians of East European and Soviet ancestry. This was one of a number of suggestions we received as to ways in which Canada could encourage the economic development of these countries through the use of tax and other laws. **The Committee would recommend that the Government carefully examine the various recommendations for using Canadian tax and other laws to encourage investment in the Soviet Union and Eastern Europe, bearing in mind the need to avoid large costs to the Treasury.**

### **Nationalism: The March Towards Confederation?**

If glasnost has complicated the process of economic reform in the Soviet Union, it is well on the way to revolutionizing the relations between Moscow and the many nationalities, union republics, autonomous republics and national districts of the country. It was taken for granted by virtually everyone with whom we spoke that the Soviet Union was headed for a radical decentralization of power from the center to the republics, leaving the Union as a much looser federation or even as a confederacy of sovereign states. Volodymr Ivashko, First Secretary of the Communist Party of the Ukraine and a member of the Politburo, told us that the new law on the Union, currently being developed, will be based on "entirely new" principles. "The republics will be the basis and they will only voluntarily transfer power to the center."

The drive for a new federation was repeatedly explained to us as arising from the fact that the USSR was a federation in name only; in fact, it is a highly centralized state. The

figure that people cited time and again was that some 90–95 percent of the enterprises in the Soviet Union were run from the center, to the detriment of the republics. Vitold Fokin, Chairman of the Ukraine State Planning Commission, explained to us somewhat ruefully that when the Ukraine Supreme Soviet met he would have a difficult time defending his economic record, but people “should understand that many of the problems arose from exaggerated centralism.” As our meetings progressed, the impression grew stronger that all or nearly all of the hopes for reform, from economic to environmental, were being poured into the vessel of decentralization.

It was in these circumstances that Lithuania declared its independence on March 11 and the Soviet Union responded with anger and an economic blockade. The Committee’s first meeting in Moscow was with a delegation of deputies from the Lithuanian parliament who made a plea for international economic and political assistance. They argued that a tougher stand by the West against the Soviet blockade might actually help Gorbachev against the conservatives in the Kremlin. “The imperialist impulse of Moscow will be encouraged by a weak response of the West. The fate of perestroika is tied up with the fate of Lithuania. If violence is used, it will be the end of reform in the Soviet Union, just as the repression of Czechoslovakia in 1968 was the end of Khrushchev’s reforms.”

We encountered considerable sympathy among Soviets for the Baltic cause. A newly-elected, non-communist member of the Leningrad Soviet reported that many of its members had signed a telegram to President Gorbachev declaring their absolute opposition to the use of military force and their belief that “Lithuania is an independent part of the Soviet Union and has the right to secede.” At the same time, he acknowledged that there were differing views on the subject and considerable support for Mr. Gorbachev’s position and handling of the issue.

Georgy Arbatov was one of those critical of the precipitousness of the Lithuanian action when he quoted an old saying about “people who are willing to start a world fire in order to fry their eggs.” The Soviet Government’s unbending position was put to us forcefully by Aleksei Obukov, a senior official in the Ministry of Foreign Affairs. He pointed out that all republics have the right of secession, “but within the framework of the constitution and taking into account the interests of all citizens and the other republics.” He stressed repeatedly that this was an internal problem and that it would be discussed only on the basis of the Soviet constitution. What appeared to be a less rigid message was delivered to us by Volodymyr Ivashko, a member of the Politburo. “My proposal is that the boys from Lithuania should sit down, scratch their heads and say ‘maybe we need to think again’. Nobody denies them the right of self-determination, but let us divorce nicely.”

It is generally agreed that the Soviet response to Lithuania's declaration of independence was conditioned in part by fear of similar independence movements elsewhere in the Soviet Union, perhaps particularly in the Ukraine. In meeting with representatives of the RUKH—the People's Movement of the Ukraine—we were struck by the care and finesse with which they approached the subject of Ukrainian independence. One of the senior figures in the movement complained that the current USSR law on secession was written in such a way that republics could never secede but nonetheless stressed the need to proceed carefully. "The situation is very complex so you cannot just declare independence one day. There are many economic relations and you would have to reorient the republic. The RUKH favours a confederation in the USSR. After a period of trying that, we would decide whether a total split was desirable. There are many everyday problems that must be carefully managed. We must not cause a civil war."

There is no subject more sensitive in the Soviet Union than the fate of the union itself and therefore none more likely to provoke anger at foreign intervention or interference. It should be recognized, however, that even in an era of vastly improved relations, there will be sharp differences from time to time between the West and the Soviet Union. We should regard that as normal and not be afraid to express our criticisms on the grounds that it might weaken Soviet leadership. Our sense is that the Soviet Union is more impervious to international public opinion than that. How then should Canada react to the issue of nationalism in the Soviet Union? We suggest the following:

*The Special Case of the Baltics.* The Committee believes that the independence of the Baltics is inevitable, the only question being how to achieve that goal peacefully. Canada has consistently and unequivocally refused to recognize the annexation of the Baltic states by the Soviet Union and supported the right of Baltic independence. The Committee recommends, as do all members of parliament, that Canada should continue to do so. The point must be pressed upon the Soviet Union that the Baltics are a special case and will not be treated by Canada as an exclusively internal matter of the Soviet Union. It is an international issue, whether the Soviet Union likes it or not, which means that it has special potential to retard the development of closer economic and other relations between the Soviet Union and the West. The case should be made that a special procedure should be established for the achievement of Baltic independence, involving, for example, less onerous and faster procedures than will be applied to the other republics.

*The Other Republics.* The international community recognizes the other republics as parts of the USSR and, therefore, treats their relations with the Union as internal matters, [] subject to universal standards of human rights. Far greater decentralization of power to the republics would seem inevitable but the West has a major stake in Mr Gorbachev—or his successors—piloting a soft constitutional landing rather than crashing into civil war. Were that to occur in a country littered with nuclear weapons, the fallout in every sense of

the word could be incalculable. Canada, for reasons too obvious to mention, should be especially sensitive to the difficulties of designing and managing a multi-national state. Our own business in these matters is to encourage programs of economic and other cooperation between Canada's provinces and the Soviet republics. In that connection, we urge the provinces to sign, and to implement vigorously, Memoranda of Understanding with their Soviet counterparts[, as provided for in the Agreements signed during the Prime Minister's visit to the Soviet Union in November 1989.

*Human Rights and Democratic Development.* There has been very significant progress in the area of human rights since glasnost and perestroika and there are good prospects for further improvement. To take only one example, the Deputy Chairman of the Committee on Foreign Affairs of the Supreme Soviet pointed out to us that emigration from the Soviet Union is now much easier than it once was. The International Helsinki Federation for Human Rights recently held its first-ever official meeting in the Soviet Union and issued a statement that recognized that the earlier pattern of "systematic, gross and flagrant" violations of human rights was receding, although slowly. The statement went on, however, to criticize the Soviet Government for continuing abuses against millions of Soviet citizens, including the holding of political prisoners, maltreatment of army recruits and continuing restrictions on would-be emigrants and refugees from internal conflict. For our part, the Committee is particularly concerned that tensions arising from nationalist aspirations in the Soviet republics could reverse the recent improvements in the human rights picture. We note, for example, that there have been crackdowns on nationalist groups, particularly in the Ukraine.

Canada should be openly critical of human rights violations, but we would stress there is now a great opportunity to go beyond this confrontational approach to cooperative and constructive support for the development of strong democratic institutions in the USSR. In meeting with elected representatives at the union, republic and city levels, we saw clear evidence of the emergence of vibrant politics in the Soviet Union and opportunities for practical Soviet-Canadian cooperation. To this point, Canada has not gone as far as some other countries in developing programs for cooperation in this area. The newly established International Centre for Human Rights and Democratic Development may be a logical instrument for such cooperation, though it was established primarily to assist developing countries and its funding comes exclusively from Official Development Assistance which can only be expended — properly, in our view — in the third world. **The Committee recommends that, as a matter of urgency, the Government be prepared to establish programs of cooperation in democratic development when requested by the Soviet Union and Eastern Europe and that, for this purpose, it examine alternative channels of cooperation, including the International Centre for Human Rights and Democratic Development. If the Government decides to support the Centre's activities in this area, it should do so by providing additional non-ODA funds. The Committee is concerned to safeguard the Centre's primary mission of supporting human rights and democratic development in developing countries.**

## Security and the Environment: The Fallout From Chernobyl.

To use the words of Olzhas Suleimenov, the founder of the anti-nuclear group "Nevada" and a member of the Supreme Soviet of the USSR, the meltdown of the reactor at Chernobyl was "the greatest nuclear disaster of the twentieth century." It affected 17 percent of the land area of the large Soviet Republic of Byelorussia, where it is estimated that 2 million people should still be evacuated. We were told that to date some 650,000 people, including 250,000 children, have suffered health effects; many have died, often of apparently normal illnesses like pneumonia; 20,000 children have been sent to health centers outside the region. An area stretching out 30 kilometres from the reactor has been fenced off, but the authorities continue to find new zones of Strontium 90 contamination much further out than that. When they do, they are obliged to evacuate people living in those areas.

As a result of the disaster, Moscow has been persuaded to postpone or delay plans for some new nuclear plants and to decommission several existing plants, although we were told that the number of nuclear plants in the Soviet Union continues to grow. According to Vitold Fokin, Chairman of the Ukraine State Planning Commission, the reduced growth rate for nuclear power has had the effect of eliminating energy reserves in the Ukraine. But the fallout from Chernobyl has also been psychological and political. According to Mr. Suleimenov, many people in the Soviet Union have developed nuclear phobia. "The nuclear option is still alive but Chernobyl shows that one accident can overwhelm all the advantages of nuclear".

The disaster has also had the effect of deepening and intensifying public alienation and suspicion of the communist authorities who withheld vital information from the people. We were told that to this day, there has not been a full disclosure of the health effects of Chernobyl, a situation that had prompted the scheduling of a special session of the Supreme Soviet to investigate and debate the issues. It has powerfully fuelled demands for the transfer of governmental powers to local authorities, who are thought to be more accountable and sensitive to the needs of the people, or can be made so in a decentralized and democratic Soviet Union.

*Canada-USSR Cooperation.* The Soviet Union and several of its republics, including Byelorussia and the Ukraine, continue to grapple with the effects of the Chernobyl disaster, including the massive health effects and economic and social dislocation. At the same time, we found that Soviet authorities are far more prepared than they once were to openly acknowledge the problems. In these circumstances, **the Committee recommends that the Government inquire of Soviet authorities whether they would welcome Canadian cooperation in dealing with any of the remaining problems associated with**

**Chernobyl.** Cooperation of this sort could be of great benefit to Canada in allowing our country to more fully assess the causes and consequences of Chernobyl, thereby contributing to better informed discussions and deliberations about the uses of nuclear power in our own country.

Chernobyl is by no means the only environmental issue in the Soviet Union. Indeed, as Joan de Bardeleben, Associate Professor of Political Science at McGill University, testified before the Committee in Ottawa in March, widespread destruction of the Soviet and East European environments—on a scale barely imaginable in the West—has spawned environmental movements that were and are among the most powerful driving forces for radical reform. One of the issues brought to our attention by Soviet environmentalists is of particular concern to Canada.

We were deeply disturbed to be told by experts at the Arctic and Antarctic Institute in Leningrad, that the Soviet Union was transferring all of its nuclear testing from the far east, near Semipalitinsk in the Kazakh SSR, to the high Arctic island of Novaya Zemlya. Subsequently we found that the island was the Soviet testing centre from 1958 to 1963, and that altogether it has been the site of some 84 explosions, 70 percent of them in the atmosphere. Since 1963 when the Partial Test Ban Treaty was signed, 36 underground tests have been conducted in the Arctic, the last two in 1988. While such testing is not supposed to vent radio-active waste into the atmosphere, venting frequently occurs with both USSR and U.S. tests. According to Sweden's National Defence Research Institute, the week after an August 1987 test at Novaya Semyla, fission products were detected all over Sweden. Northern peoples suffer to this day from atmospheric testing carried out in the Soviet and U.S. Arctic regions during the fifties and sixties. The other concern is that the long-term effects of underground explosions on permafrost conditions and the Arctic environment are likely to be negative.

This situation underscores the importance of Canada-Soviet relations and the need for a comprehensive Test Ban Treaty. The Soviets unilaterally declared a 19-month moratorium on nuclear tests which ended in February 1987, but it proved ineffective as a means of generating progress towards such a treaty. The United States and the USSR have pursued bilateral negotiations on the question but the Americans in particular have been loathe to prohibit testing, both for reasons of ensuring the reliability of their existing weapons and because they continue to seek ways of gaining superiority over the Soviet Union in new phases of military technology. In the absence of such an agreement, the Soviets have proceeded with their own testing program, despite growing internal opposition. When we asked about the politics of the Soviet debate on this matter, Mr. Suleimenov explained: "While Gorbachev and Shevardnadze are on our side and share our

sensibilities—and so does the public—there is a group in the middle, the military–industrial complex, that is opposed. This is a sandwich with cement in the middle.”

Since our return to Canada, the Committee has received evidence that the internal Soviet opposition to nuclear testing may be having an effect. During a recent meeting with a Soviet parliamentary delegation visiting Canada, Rafik Nishanov, Chairperson of the Soviet of Nationalities, said there was no plan to transfer nuclear testing to the North. Citing “strong internal pressures”, he said that, instead, the goal of the Soviet Government was to make an accommodation with the United States that would put a stop to all testing. Unfortunately, the latest indications are that the United States remains unwilling to support a comprehensive ban.

Apart from the issue of nuclear testing, Canada has many other interests in developing channels of communication and programs of cooperation with the Soviet Union in the Arctic, and indeed there have been agreements in place for some time. It was a matter of great concern to us, therefore, to be told by officials of the Arctic and Antarctic Institute that when it came to cooperation on the environment the two sides were taking a long time to get down to work. Furthermore, it was suggested politely that the problems were not entirely on the Soviet side. The Deputy Director of the Institute explained that there was good cooperation among scientists but that projects, such as one that would involve the Oceanographic Institute in Sydney working on an ice station, had been held up by delay in getting the necessary approvals in Canada. “We have perestroika in the USSR, but we are discovering that the speed of change here exceeds the speed of change in Canada”. It was recommended that the political, including the parliamentary, levels in the two countries get involved to speed things up.

*A Conference on Arctic Security and Cooperation.* There is an urgent need to develop and act upon a circumpolar political agenda by creating a Conference on Arctic Security and Cooperation, in effect an Arctic equivalent of the CSCE. Such a multilateral, regional forum would continually address several “baskets” of Arctic issues, including: security and arms control issues, the indigenous peoples, scientific cooperation, environmental, economic and cultural development. To energize the process, **the Committee recommends that the Parliament of Canada propose and be prepared to organize and host a Circumpolar Parliamentary Conference with the aim of creating a permanent Conference on Arctic Security and Cooperation. The Parliamentary Conference could build upon the results of the Circumpolar Environmental Conference held in Moscow last year.**

### **Canadians in the Soviet Union**

There is a final matter concerning Canadian relations with the Soviet Union which demands the Government’s immediate attention, and which, if left unattended, may vitiate

all of our other recommendations. Notwithstanding the quality of our diplomatic representatives, Canada does not have enough people in the Soviet Union and, as a result, it is our impression that many agreements remain good intentions on paper that cannot be effectively implemented. We were told, for example, that there are as many staff in the Canadian consulate in Boston, a fraction of the U.S. total, as there are in the Canadian Embassy in Moscow which is currently our only diplomatic, consular and trade office in the Soviet Union.

To this it may be replied that the economic payoff in Boston is quicker and surer than in the USSR. No doubt this is true but it is also shortsighted and misses the point entirely, namely that Canada's national interests in the Soviet Union are long-term, diverse and fundamental. Neither our economic nor many other interests in the Soviet Union are amenable to a quick fix. Unless we are prepared to invest in closer relations with this extraordinary country in the exciting and turbulent early days of its second revolution, the returns to Canada will not be there when the dust settles.

**In light of the above considerations, the Committee recommends that as a matter of priority the Government increase Canada's diplomatic and trade representation in the Soviet Union, in addition to the planned establishment of Consular Offices in Kiev and Leningrad.** ✓

Apart from increasing the numbers of Canadian trade and diplomatic officials in the Soviet Union, we are also concerned about their mastery of languages. Unfortunately, only a few of the Canadian staff in the Embassy in Moscow are truly fluent in Russian or any of the other Soviet languages. There may have been a time when it mattered less whether foreign diplomats spoke the local language because there was scant opportunity to meet the people, but those days are happily over. Diplomats now have much greater freedom to travel and everywhere they go there are groups springing up and people who are prepared to talk, or even make a deal. In these circumstances, it is a poor second best to have to communicate with people through interpreters. In seeking explanations for this situation, we have been told, variously, by officials that it is a consequence of an earlier expulsion of Canadian diplomats by the Soviet Union and the result of shortcomings in language training programs caused by funding cuts. Whatever the explanation,

**The Committee recommends that high priority be given to recruiting and assigning to the Soviet Union officers fluent in Russian and/or one of the other main languages of the Soviet Union such as Ukrainian.** ✓

In addition to upgrading Canada's diplomatic representation in the Soviet Union, we want to see many more "people-to-people" contacts between our two countries. We were

told by officials that there are only an estimated 300 Canadians resident in the Soviet Union, which is one measure of just how limited relations between the two countries have been. But there are now exciting opportunities for a wide-range of human contacts. For example, members of the Committee met with church officials and were deeply moved by the experience of attending an overflowing church service one Sunday morning in Moscow. The Minister of the church expressed the desire of his congregation for closer relations with churches outside the Soviet Union, provided that outsiders were sensitive and responsive to the special needs of religion in the Soviet Union. This is only one example of the opportunities awaiting Canadian churches and non-governmental organizations alike to build networks of friendship, solidarity and cooperation with the people of the Soviet Union.

## THE GERMANIES

*"This is all repair work of the cold war."*

*Michael Sturmer, German historian  
International Affairs Research Institute*

The Soviet Union under Mikhail Gorbachev has been the author and catalyst of the end of the cold war; the unification of the Germanies is its most dramatic geo-political consequence. It was in Germany, and more precisely in Berlin, that the line between East and West was drawn most graphically; the iron curtain was, in fact, an ugly cement block wall. The dramatic breaching of the Berlin Wall last November 9, and now its permanent dismantling, marks the end of the cold war as we have known it.

During our four day visit to East Berlin, West Berlin and Bonn, the Committee had a series of meetings with government officials, representatives of the business community and foreign policy analysts. We will briefly describe our findings and recommendations with regard to the two major elements of the process of unification, the internal and the external.

### **Internal Aspects**

We were told that the March 11 elections in the German Democratic Republic (GDR) effectively settled the matter of the future of the Germanies; the East Germans voted overwhelmingly for rapid unification. The first step will consist of monetary, economic and social union via state treaties between the GDR and the Federal Republic of Germany (FRG), with July 2 as the deadline for ratifying these treaties. Without getting into the details, they consist of a monetary union, with generous terms for converting the East German currency into Deutschemarks, and the wholesale application of West German social and economic legislation to East Germany. While the process is moving ahead rapidly, both the speed and the terms of union have generated considerable apprehension and controversy.

Some East Germans fear that positive features of their society, such as certain social programs and forms of solidarity, may be lost in the merger with a very different and much larger West German society. Their greatest fear is of massive unemployment and other economic dislocations that may follow unification because, as we heard repeatedly, East German industry is far less efficient than West German. Dr. Rudiger Puf of the German

Federation of Industries estimated that GDR productivity is at most 50% of the FRG rate, its infrastructure (transport, communications etc.) is in very bad shape and its environment is in crisis. Dr. Puf remarked: "Our overall impression is that the whole system would have broken down in two or three years". Given this perception of the relative weakness of the GDR, it is understandable that East German workers fear that West German business will essentially take over the economy of the East and, in the course of doing so, scrap a large part of it. When asked how productivity would be raised in the East German economy, Dr. Puf acknowledged that "the quickest way to do it will be to put people out of jobs."

For their part, a sizeable number of West Germans fear the costs of unification to the Federal Republic, a matter which has been left rather undefined. We heard estimates ranging from \$35 to \$100 billion (US) per year over the next several years and were told that the West German Government has insisted all along that these monies will come from a combination of economic growth and borrowing, not tax increases. There are indications that the West German people may not be entirely reassured. We note, for example, that the CDU, the party of rapid unification, recently lost elections in a Länd (state) where it had long held power. As a result, the balance of power in the Bundesrat, the chamber of the German legislature which represents the Länder, and must approve the unification treaties, has shifted from the CDU to the opposition Social Democrats who have, all along, questioned rapid unification.

Notwithstanding these and other concerns, which have led to intense negotiations between the two German governments, virtually everyone to whom we spoke believed that economic union would take place quickly. The reason given was starkly simple: if it did not, the mass migrations from East Germany of the past year, particularly of young skilled workers, would start up once again. Harold Schreiber, Chairman of the Foreign Affairs Committee of the East German Volkskammer (parliament) remarked: "If we take too long with this process, one thing is sure — people will vote with their feet again."

Most Germans acknowledged that the second step in the internal process of unification — political union — was less certain, or at least its timetable was. The dream of some East Germans that the GDR might have a future as a separate state had been shattered by the March 11th elections and the debate about how political union would occur seems to be "last week's snow", to use the expression of West German historian Michael Sturmer. The two German Governments have agreed that political union will take place by using Article 23 of the West German constitution, which provides that new Länder may be admitted to the federation. It is now expected that five East German Länder will be formed and be admitted *en bloc* to the Federal Republic of Germany.

While all of this is pretty much settled, it is also recognized that the process of political union will be significantly slower than economic union because it is not a purely internal matter for Germans to decide. It depends critically on the external aspects of unification, and specifically on the outcome of the 2 + 4 talks involving the two Germanies and the four occupying powers — France, Great Britain, the Soviet Union and the United States. Before turning to those issues, however, we would offer a few comments on Canada's role in the internal process of German unification.

Apart from wishing the process well, Canada has little or no say in these internal matters, but it is possible for Canadians to participate and benefit. To be specific:

*Canada's Presence in the GDR*, Rudiger Puf of the German Federation of Industries said that East Germany needs so much that West Germany cannot do it alone. "There is plenty of room for foreign investment." Furthermore, he predicted that those who invested now would reap very handsome profits not so far down the road and also "gain cheap entry into the European community, as well as a base for reaching into Eastern Europe and the Soviet Union." We would add that if Canadian business is to take advantage of these opportunities, they had better move quickly. Our strong impression is that the opportunities in the new Germany will not wait upon a cautious, slow and faint-hearted response. In addition to pursuing fast-changing economic opportunities, Canada should also be in a position to effectively monitor the momentous political developments taking place in both Germanies. While we are well-equipped to do that on the West German side, we believe there is an urgent need to upgrade the Canadian presence in the GDR during this transitional period to economic and political union. While impressed with the calibre of the Canadian officials we met, we are not satisfied with the current arrangements whereby the Embassy in Warsaw — a post of immense importance in its own right — is also made responsible for covering events in the GDR. Accordingly, **the Committee recommends that the Government urgently investigate alternative means of upgrading Canada's diplomatic and trade presence in the German Democratic Republic, so as to achieve the essential objective of having Canadian officials continuously present in the GDR during the transition period to German unification.**

*Democratic Development*, Among the most pressing problems in unifying the two Germanies is that of "de-Stalinizing" the East, to use a common term in East Germany. This means building new, democratic structures from the ground up and in particular ridding the country of the scattered but well-entrenched remnants of the "stasi", the former communist state police. Dr. Sabine Bergmann-Pohl, President of the Volkskammer, told us this was a problem with which the parliament would have to deal for a long time. While the West German governments at both the federal and Länder levels, as well as the various party foundations, are already active in extending assistance, this might be another area in which Canada's help would be welcomed.

## External Aspects

As we noted earlier, the political unification of the Germans is tied to external questions being negotiated in the 2 + 4 talks that got underway last month. There are a wide range of highly complex issues involved in this process but we would limit ourselves here to reporting on three that were discussed during our visit to the Germans; the Poland-German border, Germany and the EEC, and Germany in NATO.

### 1. The Poland-German Border

During our visit to the West Berlin Parliament, Committee members had the rather chilling experience of seeing the flags of the German Reich of 1937 hanging along one side of the House of Representatives. Black ribbons trailed from the flags of the territories lost during the Second World War. It was later explained to us that the flags and the ribbons were there to commemorate Germans from those territories who had died in the War, and that in no way did they represent territorial claims. Nonetheless, it was a powerful reminder of some of the memories and tensions that are stirred, particularly in Eastern Europe and the Soviet Union, by German unification.

All Germans to whom we spoke were absolutely unequivocal that a united Germany would recognize and respect the border with Poland, although some were resigned to the fact that mistrust of Germany would remain. Michael Sturmer said that Polish mistrust was so deep that he advised West German business against investing in Poland on the grounds that it would only provoke suspicion. The only specific suggestion we heard during our trip for countering this mistrust was made by Dr. Messelwitz of the East German Foreign Ministry. "We think we would should provide whatever assurances the Poles want. We think it would be best to have treaties with both the German Democratic Republic and the Federal Republic of Germany before unification so that the guarantees will be seen as our choice, a German choice, and not forced upon us by the 2 + 4 process." Since returning to Canada, we have learned that the parliaments of both East and West Germany will pass a declaration on June 21, prior to economic union, that German territory will include the present West Germany, East Germany and Berlin, and no more. This would be formal recognition that the German-Poland border is fixed and that Germany does not covet or claim the land lost to Poland.

Apart from such assurances, the long-term guarantee of Germany's respect for the border probably lies in an entirely different direction, namely the anchoring of a united Germany in the European Community. One of the most powerful themes repeated over and over again by the Germans we met was that their destiny now lies in being part of, not in

dominating, Europe. No one has expressed the ideal more directly than Hans-Dietrich Genscher, Minister for Foreign Affairs of the Federal Republic of Germany.

“It is my firm conviction that both German states will bring about this unification in the awareness of their responsibility for freedom, democracy, stability and peace in Europe. That is in keeping with our aim of creating not a German Europe but a European Germany.”

In light of these considerations,

**“The Committee welcomes the strong evidence of German commitment to peaceful and constructive membership in the community of Europe. In that connection, we declare that respect for the Poland-German border is, and must remain, a cornerstone of German unification.**

## **2. Germany and the European Economic Community**

An essential element in the anchoring of a united Germany in Europe is its membership in the European Economic Community, which is itself pushing ahead with further economic and political union. Lutz Stavenhagen, State Minister in the Government of the Federal Republic Germany, told us that the EEC would adjust to accommodate the enlarged Germany but that he did not think there would be other new members admitted before 1992. He envisaged the following sequence: first, completion of the internal market, then political union and, only then, the admission of new members, beginning with Austria, Turkey and the EFTA countries. As for Eastern Europe, he thought there would be closer association but no consideration of membership for at least five years because of the comparative weakness of those economies. He put the Soviet Union still further down the list.

Clearly, Germany's economic vision is turned westwards but there is also a recognition that East Germany is an important part of Comecon and remains integral to the economic relations among the countries of Eastern Europe. It was taken for granted by virtually everyone we met in the Germanies that Comecon was essentially finished but it was also stressed that the transformation of its state-centered networks of economic exchange and inter-dependency could only occur gradually. The Government of the Federal Republic has stated on more than one occasion that a united Germany would honour contracts entered into by the GDR and otherwise seek to promote economic cooperation with its neighbours to the East. While there was considerable scepticism about the potential of these markets in the near term, it was also suggested that East Germany might prove to be a very useful launching pad for a powerful and united Germany to extend its economic presence and influence throughout Eastern Europe.

The Committee would underscore the recommendation made earlier that Canada should strengthen its trade and diplomatic presence in Germany. A united Germany will become one of the main bridges over which East-West commerce will pass and Canada should be in a position to take advantage of this development.

### 3. Germany and NATO

There was fairly general agreement among the Germans we met that a united Germany should be a member of NATO, at least for a transitional period. The basic arguments are, first, that given its twentieth century history, a neutral Germany is in no one's interest; and, second, that in this period of rapid change it is essential not to upset the stabilizing influence of NATO. At the same time, many Germans, in both the GDR and the FRG and at various points on the political spectrum, insisted that unification must occur as part of a process of creating a pan-European security system. Dr. Messelwitz, a member of the East German SPD and Parliamentary State Secretary for Foreign Affairs in the German Democratic Republic, remarked that many East Germans asked why they should go from the Warsaw Pact into NATO when the money was needed for other things. Nonetheless, he thought that NATO would be necessary for a period of time but that it would have to change profoundly to reflect the new reality and to accommodate the security interests of the Soviet Union. On the latter point he remarked:

“In general, they are very supportive of the wider European approach to security, but they have no idea how to do it. The West should give them constructive ideas, to help the Soviets feel at home. They know that the old system does not work. They are on the losing side, but the West should give them the chance not to feel like losers.”

Two concessions to Soviet security interests that were widely proposed in both the Germanies were that no NATO troops be stationed on what is now East German soil and that, conversely, the 350,000 Soviet troops in the German Democratic Republic be allowed to stay for a transitional period. As Dr. Messelwitz remarked, “we need unconventional solutions or else the divisions of Europe will only be repeated further east.” The argument in favour of Soviet troops remaining in East Germany for a time is especially revealing of the changing East-West relationship. Analysts at the German Institute for Foreign Policy pointed out that, besides reassuring the Soviet's, this would lessen the massive problems associated with the troops and their families returning to an economically depressed Soviet Union. One analyst told us that the return during the past year of Soviet troops from other parts of Eastern Europe, though far fewer in number than the troops based in East Germany, had created serious housing shortages and other problems in some Soviet cities.

It was suggested that part of the Soviet price for their finally accepting a united Germany in NATO might be that Germany pay for the resettlement of their East German troops.

Notwithstanding proposed concessions of this sort, we detected considerable uncertainty within Germany about whether the Soviet Union would in the end accept Germany's NATO membership. While Lutz Stavenhagen, State Minister in the West German Government was confident the USSR would eventually come around, both Eberhardt Schultz and Michael Sturmer, two of Germany's leading foreign policy analysts, were less sure. Sturmer remarked: "We have assumed they will play our game, but will they? They did not lose the war and in the end we have no way of forcing them out. Unity will occur but the Red Army is sitting on the assets."

We were struck by a remark made by the Foreign Minister of West Germany, Hans-Dietrich Genscher, who had appeared before the Committee in April. In response to a question about the various designs for re-forming NATO, he remarked: "The plans are what people think the future will be but I think we are now on the right way in our negotiations." Accepting the distinction between designs for the future and a clear course of direction, the Committee's purpose here is not to add to the list of blueprints but to offer our thoughts on the goals that should guide this work. As we see it, there are two major long term objectives in building the new Europe:

#### Cooperative Security

The question of a united Germany in NATO may prove to be a very hard nut to crack in the 2+4 talks, as the results of the recent superpower summit would indicate. The Soviet Union has steadfastly refused to accept the proposition, argued earlier for participation of a united Germany in both NATO and the Warsaw Pact or a neutral Germany. Neither of these options seems very practical or attractive, the former because the Warsaw Pact appears to be dissolving, the latter because it would isolate Germany by leaving it in a kind of security no-man's-land. Failure to resolve this issue might result in another unhappy outcome, namely the indefinite maintenance of 350,000 Soviet troops on East German soil.

We would not rule out the possibility that some creative, ad-hoc arrangements might satisfy Soviet concerns and that they would then accept a united Germany in NATO. There

It was reported that the Soviet Union had decided to send a mission to West Germany in order to discuss the possibility of a German-German dialogue.

The mission was led by a high-ranking official and was expected to be a significant step towards a more open relationship between the two Germanys. The Soviet Union had long been a vocal supporter of the German Democratic Republic (DDR) and had often criticized the Federal Republic of Germany (FRG) for its policies towards the East. However, in recent years, there had been a noticeable shift in Soviet foreign policy, with a growing emphasis on détente and dialogue with the West. This new mission was seen as a clear signal of this shift.

The mission was expected to discuss a wide range of issues, including trade, cultural exchange, and the possibility of a German-German dialogue. It was also expected to be a key moment in the process of normalizing relations between the two Germanys.

The mission was expected to be a key moment in the process of normalizing relations between the two Germanys. It was also expected to be a key moment in the process of normalizing relations between the two Germanys. It was also expected to be a key moment in the process of normalizing relations between the two Germanys.

## BUILDING THE NEW EUROPE

*"If 1989 was the year of revolution, 1990 marks the beginning of a decade of reconstruction."*

*Rt. Hon. Joe Clark*

*Secretary of State for External Affairs*

We began the previous section on the unification of the Germanies by quoting the words of the German foreign policy analyst, Michael Sturmer, that "all this is repair work of the cold war." It is certainly that, but it is a great deal more besides. In addition to the repairs, we are now launched on the design and construction of wholly new structures for East-West relations, new to the point that the very term East-West takes on an entirely different meaning. The walls, both physical and psychological, dividing East and West must now be progressively dismantled so as to open up rooms of common interest. Unless this occurs, it may prove impossible to complete the repairs of the cold war, let alone build new structures.

We were struck by a remark made by the Foreign Minister of West Germany, Hans-Dietrich Genscher, when he appeared before the Committee in April. In response to a question about the various options for reforming NATO, he remarked: "Blueprints are what people think the future could be but I think we are now on the right way in our negotiations." Accepting the distinction between designs for the future and a clear sense of direction, the Committee's purpose here is not to add to the list of blueprints but to offer our thoughts on the goals that should guide this work. As we see it, there are two main long term objectives in building the new Europe.

### **Cooperative Security**

The question of a united Germany in NATO may prove to be a very hard nut to crack in the 2 + 4 talks, as the results of the recent superpower summit would indicate. The Soviet Union has steadfastly refused to accept the proposition, arguing either for participation of a united Germany in both NATO and the Warsaw Pact or a neutral Germany. Neither of those options seems very practical or attractive, the former because the Warsaw Pact appears to be dissolving, the latter because it would isolate Germany by leaving it in a kind of security no-man's land. Failure to resolve this issue might result in another unsatisfactory outcome, namely the indefinite maintenance of 350,000 Soviet troops on East German soil.

We would not rule out the possibility that some creative, ad-hoc arrangements might satisfy Soviet concerns and that they would then accept a united Germany in NATO. There

has been the suggestion, for example, that Germany might have the same relationship to NATO as France, namely participation in its political affairs but not in its integrated military structure. But this approach is really only a variant of a neutral Germany and leaves the question of the country's security regime up in the air. As these discussions wear on, it is becoming increasingly apparent that ad-hoc solutions will not work, that the question of Germany in NATO is more than the last great item of repair work of the cold war. Instead, it is the first great item in building a new cooperative security system for Europe. To understand why, it is necessary for the West to appreciate the Soviet Union's security concerns about German unification.

As we see it, Soviet concerns are of two kinds, fears of the past repeating itself and fears of a future in which the Soviet Union is excluded from Europe. We got some sense of the former during a visit to the Soviet war memorial in Leningrad. The German siege of Leningrad lasted 3 1/2 years, during which time some 1.5 million out of a total city population of 2.5 million were killed. We were told there was not a family that was unaffected by the war, a story that was repeated on a still vaster scale throughout the Soviet Union. Considering this history, our Intourist guide surprised us when she remarked that, while her mother could not think or talk about the Germans, she regarded unification as a natural and normal thing. "What was done was done by the fascists."

From this incident, we infer that the memory of the war has a powerful influence in colouring Soviet thinking about German unification but is perhaps not the determining factor. The real Soviet fear, we suspect, is that the settlement of the German question could have the effect, or be interpreted as having the effect, of excluding the Soviet Union from Europe. Mr. Gorbachev's central foreign policy objective, declared in his book *Perestroika* and repeated endlessly since, is to bring the Soviet Union into Europe and the wider world community as quickly and completely as possible. The opening of the Soviet Union to the world, and of the world to the Soviet Union, are not peripheral objectives, to be pursued as a distraction from the real problems at home, but rather integral parts of the goal of transforming the Soviet Union economically and politically.

If we recognize this, then the West should also understand why apparent concessions, like the willingness to have Soviet troops remain in East Germany for some time after unification, may be unattractive from the Soviet point of view. What such a concession amounts to is reinforcement of the old image of the USSR as occupier of Eastern Europe, an image Mr. Gorbachev has done so much to dispel. If, in addition, those troops were to be paid for by the west, the USRR might fear acquiring an unattractive new image of mendicant.

We think the impasse over the relationship between a united Germany and NATO will only be resolved by the West wholeheartedly embracing the Soviet Union's long-term goal of participation leading to full membership in the European community, what Mr. Gorbachev has evocatively described as "the common European home." It is time to begin thinking of the USSR as ally, not adversary, and of constructing systems of cooperative security based on that central proposition. We are greatly encouraged that this is the basic direction in which negotiations are now beginning to move.

There are two tracks in the evolution of a cooperative security system, the reform of the existing alliances and the institutionalization of new pan-European structures. Concerning the alliances, we don't know at this point whether they will eventually disappear, merge or transmute into something entirely different. In any case, it is essential to begin building cooperative security relations between them. On the NATO side, we warmly welcome the observation made in a recent speech by the Secretary of State for External Affairs.

"It is important that NATO become even more actively engaged in the dynamic security dialogue now emerging between East and West. Those security questions involve NATO's members and NATO's interests; the Alliance should turn outwards to embrace its old adversaries and new friends."

Mr. Clark also made a number of practical suggestions to give effect to a policy of cooperative security, including regular meetings between Soviet and NATO Foreign Ministers and the regular dialogue between the leaders of the alliance and the USSR. To these suggestions has been added a further proposal from the recent meeting of NATO foreign Ministers at Turnberry, Scotland, that the alliance sign a non-aggression treaty with the Warsaw Pact, in return for Soviet agreement that a united Germany be a member of NATO. It seems to us that such a proposal is desirable in any case and might be more persuasive as a stand-alone proposition.

Meanwhile, the recent Warsaw Pact meeting in Moscow pronounced an end to the notion of the west as the "ideological enemy" and has commenced serious study of transforming the pact into a democratic alliance to help stabilize Europe. In their statement, pact members spoke favourably of the possibility of "constructive cooperation" with NATO and appointed a commission to draw up proposals for altering the "character, functions and activities" of the pact. The significance of these developments is that the Warsaw Pact may have a more important role to play in the transition to a cooperative security system than has been commonly assumed. The countries of Eastern Europe may

see it as a device for transforming their security relations with the Soviet Union and as a way of stimulating NATO's interest in building pan-European security institutions.

While transforming the alliances is one track leading towards such a system, we think it cannot and should not be expected to carry all the freight. The limitation and even danger of an alliance-led security policy is that it remains susceptible to old ways of thinking based on the assumptions of the past; institutions originally designed for deterring enemies are not necessarily well-suited for building new friendships. Even if the alliances continue to demonstrate their recent capacity for new thinking, we should start building alternative structures of cooperative security that will, in all likelihood, eventually replace the alliances. This is where the Conference on Security and Cooperation in Europe (CSCE) comes in to play.

There are those who believe that through its further "institutionalization" the CSCE (whose membership includes the countries of western and eastern Europe as well as the Soviet Union, the United States and Canada) might become the new overarching structure for European security, both in its military and, to a degree, in its economic dimensions. We must report that some of the Germans to whom we spoke threw cold water on the idea. Michael Sturmer was particularly caustic on the subject: "CSCE cannot provide security. In many ways it is a dreamland. It can put some oil in the machinery and make things work easier, but it cannot supply the muscle. Every time there is a real crisis, the CSCE hides its head in the sand. After all, it doesn't even have a night porter."

We hasten to add that others were more positive. Dr. Weileman of the Konrad Adenauer Foundation suggested there is already "a fair degree of consensus" on 3 elements of CSCE's security role: 1) Arms Control Monitor, 2) Conflict Resolution Centre, and 3) Council of Foreign Ministers. We belong to the bullish camp on the CSCE, and not only because it represents an important avenue for continued Canadian participation in Europe. Above and beyond regular dialogue between the alliances, it is essential that the CSCE immediately begin to construct the pan-European security institutions of the future. These would serve as East-West confidence building devices and be equipped to address new security concerns, such as local conflicts, for which the alliances are ill-equipped.

The Committee believes that the CSCE can be the locus of those institutions, which might well include an arms control monitoring function and a conflict resolution centre. We would add, however, that a main purpose of these activities should be to encourage the further transformation of the alliances and, accordingly, there should be close cooperation

between the CSCE and the alliances. Failing that, we would be concerned that efforts to institutionalize the CSCE might generate endless "turf battles" and the neutering of CSCE as nothing more than a talk shop.

*In light of the foregoing, we would ask how CSCE might best be developed as a creative and flexible institution for building confidence between the alliances and, at the same time, constructing new pan-European security arrangements? We would ask whether, in addition to having a Council of Foreign Ministers, the CSCE would be strengthened by having a parliamentary wing, such as might be provided by linking it to the Council of Europe?*

### **Economic Security**

The urgency of getting on with building a cooperative security system in Europe is underscored by the fact that, whereas the danger of east-west military confrontation is a much diminished if not altogether disappeared threat, new dangers are rapidly emerging on the European horizon. We refer here to the threat of economic and political instability in Eastern Europe and the Soviet Union. To take only one example of the possible dangers, Eberhardt Schultz of the German Institute for Foreign Affairs warned that the rise of nationalism exacerbated by economic failure could result in mass migrations from the East to the West. "Everywhere we are arriving too late to prevent these situations from developing. The tragedy is that in the West we are creating a world of mobility and in Eastern Europe there is a renaissance of nationalism. There will be a long-lasting crisis in the USSR with huge emigrations. As many as one million ethnic Germans may leave and there may be more than 500,000 Jewish emigres to Israel."

If anything approaching problems on this scale were to develop, one can well imagine that Western Europe's preoccupation with its own economic integration might be deflected somewhat towards the east, raising the issue of major new sources of funding for economic development in Eastern Europe and the Soviet Union. Thus far, the international community has managed to agree on plans for the European Bank for Reconstruction and Development in Eastern Europe, with proposed paid-in capital of about Cdn.\$ 14 billion. It is estimated that it will lend about \$850 million (U.S.) to Eastern Europe and the Soviet Union in its first year of operations. To put this into perspective, it is estimated that West Germany will invest \$35-40 billion a year in East Germany alone, a country of only 16 million people. One can well imagine what the combination of an economic miracle in East Germany and economic failure in much of the rest of Eastern Europe and the Soviet Union might add up to. More than once during our trip, we were reminded that in future the threatening divide between East and West is more likely to be economic than military and that, accordingly, we must build a new doctrine of security based on economic

development. In this area, too, the CSCE may have a role to play, by serving as a political catalyst in the promotion of East-West economic cooperation.

*The urgency of shifting the focus of East-West relations from military security to economic development raises for western Europe, as well as Canada and the United States, two issues of major importance. Is it possible to generate in the 1990s a substantial peace dividend from the demilitarization of East-West relations and, if so, will a substantial part of it have to be invested in the economic development of Eastern Europe and the Soviet Union?*

## CANADA AND THE FUTURE OF EUROPE

*"We simply could not conceive of the pan-European process without the closest and most direct involvement of Canada and the United States of America."*

*Eduard Shevardnadze*

*Minister of Foreign Affairs of the Soviet Union.*

We would report the almost universal opinion that Europe wants and needs continued Canadian participation in its affairs, and we found this to be true in both Eastern and Western Europe. Dr. Messelwitz, the Parliamentary State Secretary for Foreign Affairs of the German Democratic Republic, told us why.

*"It is important that North America continue to play a role or we will wind up with a Europe from Poland to Portugal that will also exclude the USSR. We want the USSR in Europe, but this also requires the balance of North America. The United States and Canada belong to the balance of the European landscape."*

Europe may need Canada's peacekeeping capacities and our talent for helping to construct new multilateral institutions. For example, Canada, in the person of Lester Pearson, was one of the countries instrumental in developing Article 2 of the North Atlantic Treaty, which provides for political, economic and social cooperation among the NATO allies. During this transitional period, it may prove to be an important vehicle for transforming the alliance and for structuring the new dialogue with the Warsaw Pact.

If Europe needs Canada, some of the Europeans to whom we spoke also insisted that Canada needs Europe. Michael Sturmer remarked, "I would say that such an Atlantic role is essential to Canada's future. Without it, I don't see much future for Canada. The United States is so overwhelming." He also urged a "catalytic" and more "aggressive" role for Canada. We agree and think that Canada should — and can — be more independent than was possible in the era of the cold war. Canadian troops in Europe will no longer be the litmus test of Canada's commitment. At this point, we envisage a major conversion in the Canadian military presence in Europe and, specifically, think that our military could make its greatest contribution in developing the confidence-building security institutions of the CSCE. At the same time, Canada should shift the focus of its relationship with Europe towards ensuring close relations with and access to the European Economic Community and becoming an effective player in the economic development of Eastern Europe and the Soviet Union.

*In light of this rapidly changing situation, the Committee would ask how quickly and in what ways Canada should transform its military presence in Europe so as to support the building of pan-European security institutions, while, at the same time, seizing an historic opportunity to refocus Canada's enduring economic and other relations with Europe. In cooperation with the House of Commons Defence Committee, we will continue to pursue answers to these questions.*

## APPENDIX A

### LIST OF WITNESSES

#### Ottawa

- |  |                   |
|--|-------------------|
| Eduard Shevardnadze,<br>Minister of Foreign Affairs<br>Union of Soviet Socialist Republic                                      | February 15, 1990 |
| Andrew Sarlos<br>Financier<br>Central European Development Corporation   | March 15, 1990    |
| John Lackowicz<br>Vice-President<br>East Africa and Eastern Europe<br>Lavalin International Inc.                               | March 15, 1990    |
| George Haynal<br>Director General<br>Economic Policy Bureau<br>External Affairs and International Trade Canada                 | March 15, 1990    |
| David Horley<br>Director<br>U.S.S.R. and Eastern Europe Trade Development Division<br>External Affairs and International Trade | March 15, 1990    |
| Bohdan Czarnocki<br>Coordinator for North America<br>Foundation for Local Democracy  | March 20, 1990    |
| Professor Yakov Rabkin<br>Faculty of History<br>University of Montreal   | March 20, 1990    |
| Professor Donald Schwartz<br>Faculty of Political Science<br>University of Toronto   | March 20, 1990    |
| Hector Cowan<br>Director of Refugee Affairs<br>Employment and Immigration Canada   | March 20, 1990    |
| Dr. Fred Roots<br>Science Advisor<br>Canadian Environmental Advisory Council   | March 22, 1990    |

Joan de Bardeleben Professor of Political Science	March 22, 1990
David Crenna Consultant from Ottawa	March 22, 1990
Peter Burnet Advisor Circumpolar Affairs Department of External Affairs	March 27, 1990
Mary Simon President Inuit Circumpolar Conference	March 27, 1990
Franklyn Griffiths Faculty of Political Science University of Toronto	March 27, 1990
Fen Osler Hampson Associate Professor of International Relations	March 29, 1990
John G. Halstead Consultant on International Affairs	March 29, 1990
Dr. Hans-Dietrich Genscher, Minister of Foreign Affairs Federal Republic of Germany	April 5, 1990
<b>Moscow</b>	
Five members of a Lithuanian parliamentary delegation led by Ceslovas Stankevicius	April 23, 1990
Vladimir Alekseevich Kravets Deputy Chairman, Supreme Soviet Committee on International Affairs	April 23, 1990
Rafik Nishanovich Nishanov Chairman, Council of Nationalities of the Supreme Soviet	April 23, 1990
Georgy Arbatov, Director Institute for U.S.A. and Canada	April 23, 1990
Vladimir Popoff, Economist Institute for U.S.A. and Canada	April 24, 1990
Igor Abakumov, Agricultural journalist "Izvestia"	April 24, 1990

Aleksei Obukhov, Head  
U.S.A. and Canada Administration  
Ministry of Foreign Affairs April 24, 1990

Vladimir Nazarkin, Protodeacon  
Russian Orthodox Church April 24, 1990

Olzhas Suleimenov,  
Member, Supreme Soviet and  
Chairman of the "Nevada" anti-nuclear group April 25, 1990

Dmytro Pavlychko,  
Ukraine Member of the Supreme Soviet and founder of RUKH April 25, 1990

### **Leningrad**

Representatives of the Arctic and Antarctic Research Institute April 26, 1990

Teachers and students of the State Pedagogical Institute April 26, 1990

Representatives of the Leningrad City Soviet April 27, 1990

### **Kiev**

Leaders of the Peoples' Movement  
of Ukraine (RUKH) and Green World Ecological Movement April 28, 1990

Vitold Fokin, Chairman.  
Ukraine State Planning Committee April 28, 1990

Volodymyr Ivashko, First Secretary  
Communist Party of Ukraine April 29, 1990

Five members of the Supreme Soviet of Ukraine April 29, 1990

### **East Berlin**

Johann Bolke, Editor of a West German daily April 30, 1990

Michael Potschke,  
International Department of the Party of Democratic Socialists  
(PDS) April 30, 1990

Dr. Messelwitz,  
Parliamentary State Secretary for Foreign Affairs May 2, 1990

Dr. Sabine Bergmann-Pohl,  
President of the Volkskammer May 2, 1990

Harold Schreiker, Chairman (CDU)  
Volkskammer Foreign Affairs Committee May 2, 1990

Johann Willerding, Deputy Chairman (PDS)  
Volkskammer Foreign Affairs Committee May 2, 1990

Four other members of the Volkskammer Foreign  
Affairs Committee May 2, 1990

### **West Berlin**

Reinhard Fuher, Chairman  
Inter-German Affairs Committee  
Berlin House of Representatives May 2, 1990

Rudolf Kendzia, Member  
Inter-German Affairs Committee May 2, 1990

Ingrid Holzhuter, Member  
Inter-German Affairs Committee May 2, 1990

Wolfgang Wetzke, Representative  
Berlin Chamber of Commerce May 2, 1990

### **Bonn**

Hans Stercken, Chairman  
Foreign Affairs Committee of the Bundestag May 3, 1990

Gunter Verheugan, Member  
Foreign Affairs Committee of the Bundestag May 3, 1990

Philip Jenniger, Member  
Foreign Affairs Committee of the Bundestag May 3, 1990

Petra Kelly, Member  
Foreign Affairs Committee of the Bundestag May 3, 1990

Gustav Wakro, State Secretary  
Baden-Wuerttemberg, Chamber of Europe of the Bundesrat May 3, 1990

George Berndt, Director of the President's Office of the Bundesrat May 3, 1990

Walter Kolbow, Member  
Inner-German Relations and  
Defence Committee of the Bundestag May 3, 1990

Berndt Witz, Member  
Inner-German Relations and  
Defence Committee of the Bundestag May 3, 1990

Uwe Ronneburger, Member Inner-German Relations and Defence Committee of the Bundestag	May 3, 1990
Karitas Hensel, Member Inner-German Relations and Defence Committee of the Bundestag	May 3, 1990
Lutz Stavenhagen, State Minister Government of the Federal Republic of Germany	May 3, 1990
Dr. Eberhardt Schultz, Director German Institute for Foreign Policy	May 4, 1990
Dr. Weileman, Representative Konrad Adenauer Foundation	May 4, 1990
Dr. Karl-Heinz Kamp, Representative Konrad Adenauer Foundation	May 4, 1990
Dr. Rudiger Puf, Head Political and Economic Section German Federation of Industries	May 4, 1990
Dr. Michael Sturmer Executive Secretary International Affairs Research Institute	May 4, 1990

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Uwe Konradt, Member  
 Inter-German Relations and  
 Defence Committee of the Bundestag  
 Karin Hansel, Member  
 Inter-German Relations and  
 Defence Committee of the Bundestag  
 Peter Strömgren, State Minister  
 Government of the Federal Republic of Germany  
 Dr. Eberhard Schön, Director  
 German Institute for Foreign Policy  
 Dr. Werner, Representative  
 Konrad Adenauer Foundation  
 Dr. Karl-Helmuth, Representative  
 Konrad Adenauer Foundation  
 Dr. Rüdiger Paul, Head  
 Political and Economic Section  
 German Federation of Industries  
 Dr. Michael, Secretary  
 Executive Secretary  
 International Affairs, Foreign Relations

MINUTES OF PROCEEDINGS

THURSDAY, JUNE 7, 1966

(67)

**REQUEST FOR GOVERNMENT RESPONSE**

In accordance with Standing Order 109, the Committee requests that the Government provide a comprehensive response to this Report within one hundred and fifty (150) days.

A copy of the relevant Minutes of Proceedings and Evidence (*Issues nos. 37, 42, 43, 44, 46, 52, 53 and 54, which includes this Report, of the Standing Committee on External Affairs and International Trade*), is tabled.

Respectfully submitted,

Honourable John Bosley, P.C.  
Chairman

REQUEST FOR GOVERNMENT RESPONSE

In accordance with Standing Order 10, the Committee requests that the Government provide a comprehensive response to this Report within one month and that it provide a copy of the relevant Minutes of Proceedings and Evidence (pages 32 to 43, 46, 52, 53 and 54 which include the Report of the Standing Committee on External Affairs and International Trade) is tabled.

Respectfully submitted,

Honourable John Harty, PC  
Chairman

## MINUTES OF PROCEEDINGS

THURSDAY, JUNE 7, 1990

(67)

[Text]

The Standing Committee on External Affairs and International Trade met *in camera* at 9:37 o'clock a.m. this day, in Room 112-N, Centre Block, the Chairman, John Bosley, presiding.

*Members of the Committee present:* Lloyd Axworthy, David Barrett, Bill Blaikie, John Bosley, Jesse Flis, Jean-Guy Guilbault, Francis LeBlanc, Walter McLean, Marcel R. Tremblay, Walter Van De Walle.

*Other Members present:* Dan Heap and Christine Stewart.

*In attendance: From the Library of Parliament:* Gerry Schmitz. *From the Parliamentary Centre for Foreign Affairs and Foreign Trade:* Bob Miller, Michael Kalnay, Consultants.

*Witnesses: From the Centre for Trade Policy and Law:* Michael Hart, Director. *From Common Frontiers:* Scott Sinclair, Project Director. *From the Ecumenical Coalition for Economic Justice:* John Dillon.

In accordance with Standing Order 108(2), the Committee commenced an examination of the status of Canada-U.S.-Mexico trade relations.

The witnesses made statements and answered questions.

At 11:03 o'clock a.m., the sitting was suspended.

At 11:11 o'clock a.m., the sitting was resumed.

The Committee resumed consideration of the draft report on its visit to the Soviet Union and the Germanys and the report of the Sub-Committee on International Debt.

By unanimous consent, it was agreed,—That an Editing Committee composed of: the Chairman; the Vice-Chairman; Lloyd Axworthy; Bill Blaikie and Walter McLean, as well as the Clerk and the responsible researchers be authorized to edit the report of the Sub-Committee on International Debt and the report of the Standing Committee on its visit to the U.S.S.R. and the two Germanys.

By unanimous consent, it was agreed,—That the Committee adopt the draft report entitled “Report of the Committee on its Visit to the Soviet Union and the German’s” as its Fourth Report to the House subject to changes made by the Editing Committee, and that the Chairman present it to the House.

It was agreed,—That in accordance with Standing Order 109, the Committee request a comprehensive response to its Fourth Report.

On motion of Lloyd Axworthy, it was agreed,—That the Committee authorize the printing of an additional 500 copies of its Fourth Report, and that the Fourth Report be printed with a special cover.

It was agreed,—That the Committee engage the services of a French text reviser to revise the French text of the Fourth report at an amount not to exceed \$2500.

On motion of Walter McLean, it was agreed,—That the Committee adopt the report of the Sub-Committee on International Debt entitled “Securing Our Global Future: Canada’s Stake in the Unfinished Business of Third World Debt” as its Fifth Report to the House, subject to changes made by the Editing Committee, and that the Chairman present it to the House.

By unanimous consent, it was agreed,—That in accordance with Standing Order 109, the Committee request a comprehensive response to its Fifth Report to the House.

On motion of Lloyd Axworthy, it was agreed,—That the Committee authorize the printing of 2000 extra copies of its Fifth Report and that, the Fifth Report be printed with a special cover.

At 12:35 o’clock p.m., the Committee adjourned to the call of the Chair.

Carol Chafe  
*Clerk of the Committee*