Background

International plans for the unification of Germany were made during the early years following the establishment of the two states, but to no avail.

During the Berlin Airlift (separate file), the US and UK took the first steps toward a future German government by creating a central Economic Council for their two zones.

On April 10, 1949, the three-powers passed an Occupation Statue providing for the political and economic merger of the three zones and specifying the roles and responsibilities of a new German government. It also set up a new three-power Allied High Commission in Bonn, replacing the defunct four-power Allied Control Council, and gave it the right to supervise the new state's foreign policy, trade, and civil aviation, as well as the right, under special circumstances, to assume complete control over their own occupation zones.

On May 23, 1949 -- five weeks after the airlift ended -- the three western zones were merged to form the Federal Republic of Germany. The military governors were replaced by civilian high commissioners, whose powers lay somewhere between those of a governor and those of an ambassador. The Basic Law, the constitution of the Federal Republic of Germany, was promulgated.

On Sept. 20, Konrad Adenauer became the first federal Chancellor. The next day, the occupation statute came into force, granting powers of self-government with certain exceptions.

A similar situation occurred in East Germany. The Soviets established the German Democratic Republic (GDR) on 7 October 1949. Limited sovereignty was granted on 11 November 1949.

In March 1952, the Soviet government proposed holding elections for a united German assembly while making the proposed united Germany a neutral state, i.e. a neutral state approved by the people, similar to the Austrians' approval of a neutral Austria. The Western Allied governments refused this initiative, while continuing West Germany's integration into the western alliance system.

The issue was raised again during the Foreign Ministers' Conference in Berlin in January–February 1954, but the western powers refused to make Germany neutral. After that, such initiatives were abandoned by both sides.

On 23 May 1955, the Federal Republic of Germany was declared "fully sovereign." The occupation officially ended, the western zones ceased to exist, and the high commissioners were replaced by normal ambassadors. The three Western Allies retained certain responsibilities for Germany as a whole. The Western troops remained on the ground as part of NATO, which West Germany itself joined. The headquarters of the American military government was the former IG Farben Building in Frankfurt am Main. The British military government was based in Bad Oeynhausen. The headquarters of the French military government was in Baden-Baden.

After the death of Joseph Stalin in March 1953, the Soviet Control Commission was replaced with the office of the Soviet High Commissioner. Sovereignty was granted to the GDR on 20 September 1955.

The two states became known internationally as West Germany and East Germany.
The Wall (separate file)

On 13 August 1961, the Soviets suddenly began building a wall that completely cut off West Berlin from surrounding East Germany and from East Berlin to prevent continued massive emigration and defection from the communist Eastern Bloc. The Berlin Wall was officially referred to as the "Anti-Fascist Protection Rampart."

In the 1980s, under President Reagan, the United States increased diplomatic, military, and economic pressures on the Soviet Union, at a time when the nation was already suffering economic stagnation. At the same time, Soviet President Mikhail Gorbachov introduced the liberalizing reforms of 1989 and reunification.

1989 and reunification

In 1989, revolutions overthrew the communist regimes in various Central and Eastern European countries. In September, protest demonstrations broke out all over East Germany. The Soviets refused to intervene.

On 4 November 1989, half a million people gathered at the Alexanderplatz demonstration, East Berlin's large public square. On 9 November refugees were allowed to exit directly through crossing points into West Germany. In Berlin, at 10:45 pm, guards finally yielded to pressing crowds and opened six checkpoints. The Ossis swarmed through and were greeted by Wessis with flowers and champagne amid wild rejoicing. Soon young people danced atop the wall and began dismantling it with sledgehammers.

During the summer of 1989, rapid changes took place in East Germany, which ultimately led to German reunification. Widespread discontent boiled over, following accusations of large scale vote-rigging during the local elections of May 1989.

Growing numbers of East Germans emigrated to West Germany via Hungary after the Hungarians decided not to use force to stop them. Thousands of East Germans also tried to reach the West by staging sit-ins at West German diplomatic facilities in other East European capitals. The exodus generated demands within East Germany for political change, and mass demonstrations (Monday demonstrations) with eventually hundreds of thousands of people in several cities—particularly in Leipzig—continued to grow.

On 7 October, Soviet leader Mikhail Gorbachev visited Berlin to celebrate the 40th anniversary of the establishment of East Germany and urged the East German leadership to pursue reform, without success. The movement of civil resistance against the East German regime—both the emigration and the demonstrations—continued unabated.

On 18 October, Erich Honecker was forced to resign as head of the SED and as head of state and was replaced by Egon Krenz. But the exodus continued unabated, and pressure for political reform mounted.

On November 4, a demonstration in East Berlin drew as many as 1 million East Germans.

Finally, on 9 November 1989, the Berlin Wall was opened, and East Germans were allowed to travel freely. Thousands poured through the wall into the western sectors of Berlin, and on November 12, East Germany began dismantling it.

(On 13 June 1990, the official dismantling of the Wall by the East German military began. Today only a few short sections and watchtowers were left standing as memorials.)
On 28 November, West German Chancellor Helmut Kohl outlined the 10-Point Plan for the peaceful unification of the two German states, based on free elections in East Germany and a unification of their two economies.

In December, the East German Volkskammer eliminated the SED monopoly on power, and the entire Politbüro and Central Committee—including Krenz—resigned. The SED changed its name to the Party of Democratic Socialism (PDS) and the formation and growth of numerous political groups and parties marked the end of the communist system. Prime Minister Hans Modrow headed a caretaker government which shared power with the new, democratically oriented parties.

On 7 December 1989, agreement was reached to hold free elections in May 1990 and rewrite the East German constitution.

On 28 January, all the parties agreed to advance the elections to 18 March, primarily because of an erosion of state authority and because the East German exodus was continuing apace; more than 117,000 left in January and February 1990.

In early February 1990, the Modrow government's proposal for a unified, neutral German state was rejected by Chancellor Kohl, who affirmed that a unified Germany must be a member of NATO.

Finally, on 18 March, the first free elections were held in East Germany, and a government led by Lothar de Maizière (CDU) was formed under a policy of expeditious unification with West Germany.

The freely elected representatives of the Volkskammer held their first session on 5 April, and East Germany peacefully evolved from a communist to a democratically elected government. Free and secret communal (local) elections were held in the GDR on 6 May, and the CDU again won most of the available seats.

On 1 July, the four Allies of World War II and the two German states negotiated to end Four Power reserved rights for Berlin and Germany as a whole — the “Two-plus-Four” negotiations. Of key importance was overcoming Soviet objections to a united Germany's membership in NATO. This was accomplished in July with the London Declaration on a Transformed NATO -- developing cooperation with NATO’s former Cold War adversaries across a wide spectrum of political and military activities, emphasizing arms control and confidence building with regular diplomatic and military contacts.

On 16 July, President Gorbachev and Chancellor Kohl announced agreement in principle on a united Germany in NATO.

On 12 September 1990, Treaty on the Final Settlement With Respect to Germany, the final peace treaty, was signed by the four powers and the two German governments. It was later ratified by the four powers but only by the single, new united German government in an act of symbolism in the Reichstag building.

The treaty formally ended the Second World War and restored German sovereignty. The Allies give up the powers and duties they had had since the Nazi Surrender in 1945. The treaty allowed West Germany and East Germany to unite with Berlin as its capital. All territory annexed by Germany during the war (from France, Belgium, Luxemburg, Yugoslavia, Austria, Czechoslovakia, Poland and Lithuania) was returned to those countries or annexed by the Soviet Union. It made clear that the current borders (especially the Oder-Neisse line) were final and definitive, and specified the right of a united Germany to belong to NATO. The Germans renounced nuclear, and stated their intention to reduce the German armed forces to 370,000. Germany promised to limit the size of its military force to 370,000, not to make nuclear bombs or biological or chemical weapons, to be peaceful, and not start wars. The USSR was to move all of its troops out of Germany by 1994.
Conclusion of the final settlement cleared the way for unification of East and West Germany. Formal political union occurred on 3 October 1990, executed—not without criticism—via Article 23 of West Germany’s Basic Law as the accession of the restored five eastern Länder (meaning that technically, East Germany was subsumed into West Germany).

On 2 December 1990, all-German elections were held for the first time since 1933. The “new” country stayed the same, and the West German legal system and institutions were extended to the east. The unified nation kept the name Bundesrepublik Deutschland and retained the West German “Deutsche Mark” for currency as well. Berlin would formally become the capital of the united Germany, but the political institutions remained at Bonn for the time being.

On 15 March 1991 the treaty took effect, and Germany became fully sovereign (that is, able to control everything in its own territory.)

On June 21, 1991, after a fierce debate, the Bundestag concluded both government and parliament should move to Berlin from Bonn -- a process that took until 1999 to complete, when the Bundestag held its first session at the reconstructed Reichstag building.

The government of Germany asked the allies to maintain a military presence in Berlin until the complete withdrawal of the Russian forces from the former East Germany. That was completed 31 August 1994. On 8 September 1994, the last Western troops left Berlin.

But as of Jan 1 2011, 17 years after the Russians left and 65 years after the war ended the U.S. still had 52,000 troops in Germany.

Aftermath

To this day, there remain vast differences between the former East Germany and West Germany (for example, in lifestyle, wealth, political beliefs and other matters) and thus it is still common to speak of eastern and western Germany distinctly. The eastern German economy has struggled since unification, and large subsidies are still transferred from west to east.

Reunification

Despite the grants of general sovereignty to both German states in 1955, full sovereignty did not occur until after the reunification of Germany in October 1990. In fact, the Treaty on the Final Settlement with Respect to Germany (the “Two-plus-Four Treaty”) granting full sovereignty did not become law until 15 March 1991, after all of the participating nations had ratified the treaty.

Officially, Berlin was not part of either state and continued to be under Allied occupation until reunification in October 1990. For administrative purposes, the three western sectors of Berlin were merged into the entity of West Berlin. The Soviet sector became known as East Berlin and while not recognized by the Western powers as a part of East Germany, GDR declared it its capital.