By the grace of God, America won the Cold War.

G. H. W. Bush, January 1992

In 1984, President Reagan was still referring to the Soviet Union as an evil empire. The American defense budget had ballooned to $1.6 trillion, the Pentagon was planning to “prevail” in a protracted nuclear war, and the Soviets were fighting a massive war in Afghanistan. The arms race was intensifying and the Cold War was heating up. The Iron Curtain was as impenetrable as ever. Anyone who claimed that within five years Eastern Europe would shake off communist rule with hardly any blood spilled would have been widely derided as a simpleton. And anyone who claimed that within seven years the Soviet Union would be no more would have been dismissed as a crackpot.¹ And yet this is precisely what happened: in only a

¹The American government was aware that the Soviet Union was in trouble. From the late 1970s, the CIA was noting the economic stagnation, the fall in consumption, and the deteriorating social conditions, and had predicted increasing domestic tensions and an internal political crisis. These analyses could not have forecast the timing of such a political confrontation or the form it would take. In fact, it was usually assumed that the Soviet regime would use violence to keep itself in power and maintain the integrity of the union and the empire. It would have been impossible to predict the emergence of a leader like Gorbachev and the reforms — along with their mistakes — that he would undertake or how the East European governments would react. For a sober assessment of what the CIA did and did not predict in that regard, see Douglas J. MacEachin, CIA Assessments of the Soviet Union: The Record versus the Charges. Center for the Study of Intelligence, CSI 96-001, May 1996. https://www.cia.gov/library/center-for-the-study-of-intelligence/csi-publications/books-and-monographs/cia-assessments-of-the-soviet-union-the-record-versus-the-charges, accessed January 31, 2016. The National Intelligence Estimate of May 1988, NIE 11/12-9-88, Soviet Policy Toward Eastern Europe Under Gorbachev, put the likelihood of popular upheaval “leading to serious challenge to party control” or of regime-led sweeping reform in East Germany, Bulgaria, and Czechoslovakia between remote and low, and for the others around low. See Figure 2, “Potential Challenges to Soviet Control, Probabilities Over the Next Five Years,” p. 18. https://www.cia.gov/library/center-for-the-study-of-intelligence/csi-publications/books-and-monographs/at-cold-wars-
few short months at the end of 1989 all communist governments in Eastern Europe fell, giving way to free multi-party elections, and the state-controlled command economies began rapid transitions to markets. The Chinese government managed to cling to power through bloody repression but in Europe only Romania saw some fighting, and even that was brief and minor. Astonishingly, and thankfully, the Cold War ended with a whimper instead of a bang. Even more astonishingly, the global superpower opponent of the United States did not survive the collapse of its empire for long either. In 1991, the Soviet Union ceased to exist and fragmented into fifteen independent states with varying degrees of democratic and popular governments. Many of these, too, embarked on economic transitions to market capitalism. The ideological struggle between Marxism-Leninism and capitalist liberalism ended with the demise of the former’s main exponent. How these momentous events unfolded and why nobody predicted that they would is the subject of this lecture.

1 Economic Stagnation in the USSR

When Reagan accelerated the arms race in the early 1980s, the Soviet Union had to follow suit. The problem was that it was fighting a costly war in Afghanistan and its economy had stagnated. The entrenched bureaucracy was corrupt and proving resistant to reform, consumer goods had begun to disappear from the shops again, and the apathetic citizens had turned to alcoholism in fearful numbers. The standard of living was steadily falling and life expectancy shrinking — the only place in the industrialized world where this was happening. When the goods produced on orders of the central planners failed to meet the demand and tastes of consumers in ever larger numbers, people turned to black markets. A parallel grey economy emerged and since the activities in that shadow world were illegal, they could only be sustained by ensuring that the organs of state did not interfere with it; i.e., by corrupting the state structures. Networks of acquaintances and favors connected people to goods and services, involving both officials and private citizens. This mutation of developed socialism — the term introduced by Brezhnev to denote the period that was supposed to eventually lead to communism — deprived the command economy of whatever minimal organizational advantages it possessed. Worker morale, even it had ever been high to begin with, now plumbed new depths and without the heavy-handed repression of the past, shirking and theft increased.

The oil shock engineered by OPEC in 1973 to punish the West for its involvement in the Yom Kippur War hit the West and Japan hard, and should have benefitted the Soviet Union, an oil exporter that now enjoyed higher oil prices. Soviet foreign earnings went up but economic activity did not follow suit. A reform was attempted in 1979 when another hike in oil prices — this time due to a fall in pro-
duction because of the Iranian Revolution — created an energy crisis in the U.S., but it, too, failed. The vastly expanded income in hard currency simply covered up the worsening performance of the economy. Instead of improving production (there was a nascent food crisis in the 1970s), the money was used to import both food and consumer goods in increasing quantities. The Soviets imported 69 million tons of corn and 64 million tons of wheat between 1976 and 1981. Forty percent of that came, ironically, from the U.S. Some of the hard currency paid for the arms race with the U.S. and the fighting in Afghanistan, not to mention the expensive subsidies for the similarly inefficient and corrupt Soviet satellites in Europe. But it was not enough; the Soviet Union began to borrow from the West, mostly from West Germany, to cope with its dire needs. The government was aware of these problems: the sinister KGB (the secret police) even created an entire department for economic analysis in the 1970s.

By 1980, the Soviet Union had fallen very far behind in computers — they had chosen to copy IBM’s designs from the 1960s but were unable to improve upon them. Of 290 million citizens only 9 million owned cars (and that had been a dramatic improvement under Brezhnev). In the United States, 250 million citizens owned 122 million cars. The U.N. estimated that the Soviet economy was barely 36% that of the United States. In 1990, the Soviet Union had a little over 1 million miles of roads of which about 814,000 miles were paved. The United States had 3.9 million miles of highways alone. And while it is true that road transportation did not play as major a role in the Soviet economy as it did in the American, the Soviets had only 91,600 miles of rail (only about a third of which was electrified) compared to the 170,000 miles in the United States.

In 1980, oil prices hit their peak of about $107 per barrel (inflation adjusted) and then began an inexorable decline: falling to $59 in 1985 and plummeting to $35 in 1991. The game was up: with revenue from oil sales in a nose-dive, there was nothing that could conceal the decrepit state of the oil-addicted Soviet economy any longer. The East European satellites, which were also in serious trouble, went from bad to worse. As their economies stagnated, trade with the West declined sharply

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2Indeed, in his radio broadcasts during the late 1970s, Ronald Reagan argued that the West should stop propping the Soviet regime and instead allow its own flawed system to be finish it off. George Kennan, who had predicted precisely such an implosion in his 1947 “X” article, would have had to agree with this analysis.


and the tense negotiations with their financial creditors in the West revealed that fundamental domestic reforms might be necessary. As the price of food went up, social discontent became overt. Poland imposed martial law in December 1981 to deal with the opposition represented by the trade union **Solidarity**.

The help the communist regimes could traditionally expect from Moscow did not materialize. In fact, the prices they had to pay for Soviet oil increased in 1982–83, leading to more shortages and political instability. The Warsaw Pact began to wobble: in 1984 the Soviet Union and Czechoslovakia opposed the push from East Germans and Hungarians for better relationship with the West. The East European regimes were casting about for reform policies that could jump-start their economies and stem the tide of rising discontent without encouraging internal challenges to communist rule or provoking an intervention from the Soviet Union.

However, as the Soviet reliance on foreign borrowing went up, its ability to finance an aggressive foreign policy rapidly deteriorated. By the late 1980s it was becoming impossible to mount an invasion in Eastern Europe in the 1956 or even 1968 style. Not only would it have been difficult for the economy to cope with massive military outlays but the West would have probably cut off the loans in response. Without financial aid to bolster the regimes or the threat of intervention to discipline the opposition, the East European regimes began to falter — especially as it became increasingly clear that economic recovery would require the introduction of markets and some political liberalization — posing a serious challenge for Moscow.

The system was in desperate need of reform but all attempts to implement anything meaningful ran into the stolid opposition of entrenched **apparatchiks** (communist party officials who held bureaucratic positions), members of the **nomenklatura** (communist party members at the highest levels of management and administration), none of whom wanted to risk their positions of privilege, as well as members of the grey economy who did not want to jeopardise their lucrative, illegal activities. In the context of the worsening economic conditions, these small elites had every interest to protect their perks. When Brezhnev died in November 1982, his successor, the former head of the KGB, Yuri Andropov targeted corruption aggressively: it was necessary to break the grip of the old guard on the system. But he died in early 1984 and was replaced by Brezhnev’s close associate, the ailing Konstantin Chernenko. When he died in early 1985, the party finally elected someone who might survive more than a couple of years in office: on March 11, **Mikhail Gorbachev** became the General Secretary of the Politburo at the tender age of 54 (he was its youngest member).

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5The communist parties in the various states remained fairly elite organizations, whose membership ranged from a very low of about 2.7% of the population in Vietnam to a high of 15.6% in Romania. The Soviet Union figure was 6.6%, the Eastern European average was 9.8% in 1986. See Table 3.1 in János Kornai, *The Socialist System: The Political Economy of Communism*. Princeton University Press, 1992.
2 Gorbachev’s Reforms

Gorbachev was a serious Marxist and although he was absolutely convinced that serious reforms were of vital necessity of the Soviet Union would to keep its superpower status and recover its economic growth, he certainly had no intention of overhauling its political system or fundamentally altering the state-controlled planned economy. His immediate call for uskorenie (acceleration) at the April party plenum was vague in practical detail but aimed at increasing economic growth and improving the social development in the USSR. He became the first Soviet leader to publicly admit that the economy had stagnated and that living standards had fallen in a speech a month later. In February 1986, he proposed to the 4,993 delegates to the 27th Congress of the Communist Party a fundamentally Marxist program of reform where uskorenie was going to be achieved by technocratic improvements in planning, scientific progress, stricter labor discipline, and improved accountability of the apparatchiks. The term perestroïka made an appearance here, but not in the sense of a fundamental restructuring of the economy it would later denote. He also spoke of glasnost (publicity, openness), although merely in terms of increased transparency of government institutions and larger participation of citizens to reduce corruption, identify failures, and suggest improvements. This involved loosening of censorship and greater access to information, but all within the context of the existing system. The mantra was to fix the system and improve it, not to abolish it. Even though Gorbachev spoke of “radical reform,” his proposals, vague and ill-defined as they were, did not amount to more than ideas about reshuffling of resources to improve allocative efficiency and providing people with incentives to work harder.

Within a year, however, Gorbachev had come to the conclusion that tinkering with the economic and managerial system was not going to be a solution to the woes that beset the USSR. The principal impediment to reform was the political leadership of the party and its pervasive control over all aspects of administrative and economic institutions of the country. In most socialist countries the constitutions reserved the leading political role for the communist party. Although never really spelled out what it meant, in practice the party and the state became closely intertwined. The party controlled all major political, administrative, and managerial offices at the local, regional, and national level. Elections were uncontested, with only the party-nominated candidate for the position. No important state policy could be made before the party organizations had decided what it was going to be. The caused an interesting parallel system of governance where the party developed specific bodies that shadowed government institutions in industry, agriculture, education, foreign affairs, and the like. These small bodies were not only decisive but were tasked with monitoring of implementation. Even though there was no law forcing state officials to obey the party’s instructions, it would have been a professional suicide to ignore them, especially since the office-holders were party
members themselves. The state and the party had become so intertwined as to be practically synonymous.\(^6\)

The old apparatchiks had stymied all reforms by maintaining their positions in local and regional legislatures and distributing all state posts to their clients. Conservatives were blocking reforms and their criticism of Gorbachev had become more vocal. To break their stranglehold on the country and allow for more progressive liberal elements to assume positions of leadership in the party, in January 1987 Gorbachev called for demokratizaciya (democratization), meaning the introduction of multi-candidate elections. This was not meant to challenge the Communist Party’s monopoly on political power — after all, it was not a call for multi-party elections — but merely to infuse fresh blood into the Party itself. Almost simultaneously, he pushed for separation of the government apparatus from party control. This was somewhat inconsistent: if he succeeded in loosening the party’s grip on that apparatus, then even a successful rejuvenation of the party would have little impact on it, defying the notion of a party-led change from above.

The main impediment to any such reform was Article 6 in the Constitution, which enshrined the supremacy of the Communist Party over all institutions in society. Repealing this article, however, could not be contemplated with the Party in full control of the main legislative body of the land.

By the summer of 1987, perestroika had become radical. The Law on State Enterprise stripped Gosplan (the institution that planned the production of the economy) of the right to formulate production plans — state enterprises would determine their own production based on demand from the state, other enterprises, and consumers; it also made them self-financing, forcing them to cover wages, debt payments, and purchases of supplies through revenues so that unprofitable enterprises would face bankruptcy.\(^7\) The Join Venture Law allowed foreign investment in the Soviet Union. Although initially these ventures had to have majority Soviet shares and be in the hands of Soviet citizens at the top, the law was quickly revised to make them more attractive to foreigners who were to supply capital and technological know-how. In May 1988, the Law on Cooperatives made for a drastic break with the past as it permitted the unthinkable — private ownership of businesses in manufacturing, trade, and services. People could now lease land and housing from the government and keep the profits.

As opposition to these sweeping changes within the party was intensifying, Gorbachev moved to reduce the influence of the conservatives. At the 19th Party Conference in July, he managed to obtain approval for a new governing body, the

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\(^7\)The state still owned the capital used in production and negotiated the prices for supplies. This distorted the true costs of operating these enterprises and so prevented the emergence of a market-based accounting of their relative efficiency. The upshot was that these incomplete reforms allowed uncompetitive enterprises to survive.
Congress of People’s Deputies, to replace the Supreme Soviet which had been dominated by the old guard. In September, he called for an emergency meeting of the Party’s Central Committee and ousted three powerful members of the Politburo. The Supreme Soviet then elected him chairman of its Presidium, implemented the necessary amendments to the 1977 Constitution, set the election date for March 26, 1989, and dissolved itself.

The elections for the 2,250 deputies for the new Congress held in March 1989 were the first competitive elections in the Soviet Union. The old system of one party-nominated candidate for each set gave way to one where several candidates, who could range from traditional communists to radical reformers, competed with each other. Soviet citizens could vote for 1,500 delegates (the remaining were voted in by public organizations), and among the new delegates was Boris Yeltsin, who had resigned from the Politburo in 1987, and had now won 92% of the Moscow district vote. The unprecedented resignation over the slow pace of reform, the leaked rumors of the bold and abrasive manner in which he had tendered it, the ritual denouncement and dismissal that apparently led him to attempt suicide, and the subsequent public smear campaign, all made him very popular in Moscow and earned him the label “Man of the People”. In May he was elected by the Congress to the new Supreme Soviet whose chairmanship went (unopposed) to Gorbachev. In July Yeltsin formed the radical pro-reform faction in the Congress. He quickly emerged as Gorbachev’s main political opponent and demanded drastic changes in the political structure of the Soviet Union.

3 The Revolutions of 1989

The widely televised political changes in the Soviet core could not but have a strong impact on the Eastern European periphery. Also important was the abrupt reversal of long-standing Soviet military policy: in December 1988 Gorbachev had gone to the United Nations in Washington and announced the unilateral reduction of Soviet conventional forces in Europe by 500,000 men and 10,000 tanks over two years. Could that also mean a repudiation of the Brezhnev Doctrine of 1968 that was used to justify military intervention in satellites whenever reforms threatened Soviet communist control there? The Doctrine had made official what three invasions — in East Germany (1953), Hungary (1956), and Czechoslovakia (1968) — had abundantly demonstrated in practice before: any threat to the communist party monopoly on power or to the Soviet security arrangements and its foreign policies would be quashed by force.9

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8 Curiously, under the new election rules candidates who ran unopposed could still lose if over half the votes showed no confidence in them. Still, the new Congress ended up dominated by Communists. Only about 300 members could be identified as genuine reformers.

9 Brezhnev was quite non-specific when it came to expounding the doctrine’s triggering conditions: “When forces that are hostile to socialism try to turn the development of some socialist
The first to stir were the Hungarians. Their ailing reactionary General Secretary János Kádár had resigned in May 1988 over his inability to cope with the deteriorating economy. His conservative successor was the Prime Minister Grósz, who resigned from that post in order to focus on the party and possibly enable it to evade blame for any subsequent policy failures. The new Prime Minister was a reformer, Miklós Németh, who quickly distanced himself from the old guard and managed to form a “government of experts” in which other reformers figured prominently. In January, a package of reforms was adopted by Parliament. Among these were changes in the electoral law and various freedoms. Before liberalization could proceed, however, Németh had to ensure that it would not provoke a Soviet military intervention. When Gorbachev indicated that it would not, the Hungarian government rehabilitated the participants in the 1956 Revolt in a solemn state ceremony. Mass demonstrations in March led the regime to open negotiations with non-communists. In May, Hungary began to dismantle its border fence with Austria, the first breach in the Iron Curtain. Suddenly, thousands of East Germans began to stream into Hungary to try to escape to the West.

It was the Poles, however, who broke the levee. A series of strikes in 1988 convinced the leaderships of the United Workers’ Party (the ruling communists) that they had to open negotiations with Solidarity, the trade union Wojciech Jaruzelski had banned in 1981 after declaring martial law. In February 1989, the government began Round Table talks with Solidarity and its most recognizable leader, Lech Wałe¸sa, about the legalization of the union, and reached an agreement about semi-free parliamentary elections to be held on June 4. This agreement ended the Communist monopoly on power by establishing a bicameral legislature, the Sejm and Senate, and an office of the President as a chief executive. In the upcoming elections, all seats in the Senate were open to contestation, but only 35% (161 seats) of those in the Sejm were. The remaining 65% were reserved for the communist party and its various affiliates. Unlike the Soviet Union, where elections were only multi-candidate, the elections in Poland were multi-party as the recently legalized Solidarity could participate along with communist candidates competing amongst themselves. Solidarity was allocated only 23% of the time on TV, and the communists were concerned that with 65% guaranteed seats they might win so many of the contested ones that the new government would not be legitimized. The Central Committee even discussed what to do should Solidarity fail to win a single seat.

The electoral outcome stunned both sides. Solidarity won all contested seats in the Sejm and 99 out of 100 seats in the Senate (1 went to an independent). The election had taken place just one day after the Chinese government had violently suppressed the nascent pro-democracy movement in Beijing during the Tiananmen Square protests.10 Hard-liners now urged Jaruselski to reverse the political

country towards capitalism, it becomes not only a problem of the country concerned, but a common problem and concern of all socialist countries.”

10The protests broke out upon the death of former General Secretary Hu Yaobang, who had been
setback with repression, but Gorbachev refused to support any violent measures. Abandoned by Moscow and demoralized by the humiliating defeat, the communists were in for another surprise. Although the Sejm duly elected Jaruselsi for president, the communist party, which held 38% of the seats, was abandoned by its satellites who instead formed a coalition government with Solidarity. In August, Jaruselsi was forced to appoint Tadeusz Mazowiecki Prime Minister, and the new government immediately set about to carry out fundamental reforms that changed the system to a multi-party one and began the rapid transition to a free market economy.

The Polish reforms far exceeded anything Gorbachev had done in the USSR, but the Soviet tanks did not roll in. The Round Table talks in Hungary finally concluded in September. Despite several breakdowns of negotiations, the parties reached an agreement that altered the constitution, allowed for multiparty elections for parliament, separated the party from the state. Meanwhile, the East Germans were arriving in the thousands and petitioning the be allowed to leave Hungary for Austria. West German Chancellor Helmut Kohl worked out a deal with Gorbachev and the Hungarians: Germany would pay for Hungary’s reforms if the East Germans were permitted to leave and the Soviet Union agrees to let it happen. On September 11, Hungary began allowing East Germans to leave for the West. This infuriated the DDR leader Erich Honecker and he, together with the party leaders of Czechoslovakia and Romania, pressed the Warsaw Pact to intervene in Hungary and Poland but Gorbachev flatly refused. The East German government tried to stop its citizens from traveling to Hungary, but as a result thousands fled to Prague and Warsaw where they sought refuge in the West German embassies. Another deal with Kohl got them out, although with a bizarre compromise that required them to travel in seal trains through the DDR where they had to surrender their identity cards so that the East German government would claim that it had expelled them. This charade, of course, fooled no one, and massive demonstrations broke out in several cities across the DDR while the exodus continued.

In desperation, East Germany sealed even its borders with Warsaw Pact states and attempted a cracked down on demonstrations in October. Security forces clashed violently with protesters in Saxony (especially Dresden) as the DDR celebrated the fortieth anniversary of its founding. Gorbachev, who was visiting for the occasion, was invited to the parade in Berlin, where hand-picked citizens were to show their support for the regime. Instead, the marchers suddenly began to chant “Gorby! ousted from his post for advocating economic reforms and anti-corruption measures. The government had initially decided to tread carefully but when protesters neared a million in Beijing alone and the demonstrations spread to over 400 other cities, the Deng Xiaoping and the hard-liners changed their stance and resolved on forcible suppression. Over 300,000 troops were mobilized in Beijing, and the crackdown started on July 3. It is unclear how many people were killed, but some estimates run as high as 3,000. Widespread arrests followed and officials suspected of sympathies with the protesters were purged. All reforms were halted and would not resume until 1992.
Gorby! Help us! Stay here!” Honecker pretended not to hear it and resolved on a Chinese-style suppression. In Leipzig, over 70,000 people went out in the streets despite fears that the authorities were planning a massacre. The police could not cope with such numbers so the army and paramilitary units were mobilized. Honecker had issued a “shoot and kill” order. The Soviet Ambassador ordered all Soviet troops to remain in their barracks and not to assist the regime. But then the local communist leadership lost its nerve and pulled back its forces, ending the threat of violence.

On October 17, Egon Krenz overthrew Honecker at a Politburo meeting in the hope that this would appease the crowds. Gorbachev signalled that non-intervention was now policy. The Brezhnev Doctrine was officially put to rest in late October when the Soviet Foreign Minister Eduard Shevarnadze said that the USSR now recognized the freedom of Warsaw Pact states to make their own choices. Flippantly dubbed the Sinatra Doctrine by a spokesman of the Foreign Ministry (after the song “My Way”), the new policy was to allow satellites to make their own decisions. When pressed for clarification, the spokesman indicated that this specifically meant that the Soviet Union would not intervene even if these decisions ejected the communists from power.

The “Sinatra” Doctrine dashed any hopes for a Soviet intervention in defense of wobbly communist governments in Eastern Europe. On November 1, East Germany allowed travel to Czechoslovakia resume only to witness another wave of its citizens seeking refuge in the West German embassy in Prague. Three days later, 500,000 people marched in Berlin and the government tried to appease them with a new travel law. It was too little too late: another 500,000 march in Leipzig on the 6th, demanding more. On November 9, a government official told journalists that travel to the West would be allowed. When asked whether this policy was effective immediately, he responded affirmatively even though this had neither been decided nor details worked out. But the signal proved electrifying: hundreds of thousands of East Germans descended on the Berlin Wall and clamored to be let through in accordance with the supposed new law. The border guards had no orders to do anything like that. In fact, they had been just as heavily armed as always, and had come to work in the morning under the usual orders to shoot anyone who tried to cross the border without a permit. After several attempts to contact the authorities for clarification failed, the guards at one of the checkpoints let the people through. The jubilant crowds rushed through the opening to meet equally enthusiastic welcome on the other side — the West Germans had come out to meet them. Thus, on the night of November 9, the Berlin Wall fell without an order from the East German government, without consultation with the Soviets, and without the help of the Americans.11

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11Gorbachev only found out about the breach in the wall on the next morning when the East German authorities called to inform him. He told them that opening the wall was the right thing to do. For all their fiery rhetoric about the wall, the Americans tread very carefully and avoided
Events now gathered steam as communists governments tumbled one after another. On November 10, the communist leader of Bulgaria was forced out by the Politburo, and a moderate reformist government was formed. On the 13th, the DDR government resigned and was also replaced by a considerably more liberal one. On the 19th, mass demonstrations broke out in Czechoslovakia and on the 24th the entire Communist Party leadership resigned. On the 28th, the Communist Party of Czechoslovakia relinquished its monopoly on power, followed by the East German Communist Party (December 1), and the Bulgarian Communist Party (December 11). Dates for free multi-party elections were set for early 1990 in all three countries. By mid December, the communist governments in East Germany, Poland, Czechoslovakia, Hungary, and Bulgaria had fallen and given way to liberalizing non-communist movements without a single casualty.

The pattern of bloodless transitions from communist rule was broken in Romania.

4 The Fall of the Soviet Union

The dramatic changes in Eastern Europe had rendered the Communist Party monopoly on power in the USSR an anachronism. In February 1990 Gorbachev, with the backing of the opposition, got Article 6 repeated. He then proposed the creation of a new office of President of the Soviet Union to be elected by the Congress, and in March he became its first occupant. Gorbachev now became the head of state without having to depend on his position in the Communist Party to hold it. The Party had been deprived of its hold on government and its role in the economy. Without the perks associated with its power it quickly lost its appeal and began to disintegrate. Many of its former members becoming prominent in the new institutions. Regional branches split between pro-sovereignty and pro-union factions, and the Party became unable to implement centralized policy. The political arena was thrown open to independent and pro-democracy candidates, environmentalists, and dedicated reformers.

Fresh elections brought noncommunists to power, including Boris Yeltsin, who became the president of the Russian federation, the largest of the USSR’s 15 republics. The reformers began pushing for more reforms and additional autonomy of the Russian Federation. The Baltic republics stirred as well but in January 1991, Interior Ministry troops killed several people in Lithuania—the USSR seemed to revert to its old ways of using force to keep it all together. Gorby tried to placate the hardliners with appointments and by slowing the pace of reforms. Yeltsin nevertheless forged ahead.

In July 1991, Gorby agreed with 9 republics to create a new loose union, where they would no longer be “socialist” but “sovereign.” Hours before the treaty was making any statements or moves that could even remotely be construed as provocative so as to not upset either the DDR leadership or the Soviets into a violent response.
signed, on August 19, the hard-liners, fed up with the anti-Soviet reforms, struck. They seized Gorby, placed him under house arrest, proclaimed martial law, and attempted to clamp down on the press in Stalinist style. Yeltsin defied them. He held out and, because he was elected unlike his opponents (and even unlike Gorby), he retained the popular support and, more importantly, the support of the army. When the hardliners ordered the army to take control of Yeltsin’s building and disperse the demonstrators who had gathered to support him and Gorby, the army refused.

The White House, amid all the confusion, nearly recognized the right-wing plotters because Bush was afraid that the refusal to do so might freeze the reforms. He was saved by Gorby, who declined to join the plotters. Without him and the army, the coup failed, and Gorby assumed his command again. . . well, almost. His position was now seriously weakened for it was obvious that the only thing that had saved him was Yeltsin’s support during the critical first hours of the coup.

The U.S. still didn’t get it. The White House issued stories designed to make Yeltsin appear a boorish alcoholic. Bush threw the Ukrainian legislature in desperation on August 1, 1991 by telling it that Ukraine should stay part of the USSR when it had gathered to declare independence. But neither Bush nor Gorby could reign in the forces of nationalism and ethnicity, and these were pushing the Soviet constituent parts from the center.

In December 1991, Russia, Ukraine, and Belarus agreed to form the Commonwealth of Independent States (CIS) along loose lines and declared independence. By the end of the month, 11 of the 15 former Soviet republics joined them (without the Baltic states, which wanted complete separation, and Georgia, which had a reactionary government). On December 25, 1991, Gorby went on national TV and resigned—there was no longer a country to rule. The Soviet Red Flag which had flown above the Kremlin for over 70 years was pulled down and in its place the traditional white-blue-red Russian flag was raised. The Soviet Union, one of the world’s greatest empires, the only other global superpower, was no more. In February 1992, Bush welcomed Yeltsin in Washington as the leader of new Russia. The Cold War was over.