

Resilience and Collapse in China and the Soviet Union

Thomas P. Bernstein

INTRODUCTION

The Soviet Union and China represent the largest and most strikingly different cases of communist resilience and collapse. In both countries, new leaders, Deng Xiaoping in 1978 and Mikhail Gorbachev in 1985, rose to power, having inherited crises of varying dimensions. Both leaders were determined to revitalize and reinvigorate the ruling parties and redirect their peoples' energies in new, more productive directions. The Soviet regime failed; its transformative quest unleashed forces that led to the end of communist party rule, the partition of the USSR into its fifteen constituent union republics, and the loss of its superpower status. In contrast, Deng Xiaoping and his successors succeeded in transforming China into a world-class economic and rising military power by maintaining a remarkable growth rate averaging 10 percent for thirty years. Extraordinary social, economic, and cultural transformations took place. Communist rule survived, showing a remarkable capacity to adapt to new circumstances.

This chapter offers four explanations for these drastically different outcomes. The periods covered are 1985–1991 in the Soviet Union and 1978–1992 in China.¹ First, collapse and resilience were largely due to decisions by leaders and their anticipated and unanticipated consequences. The most important difference in the roles of leaders pertains to Gorbachev's support of political liberalization and Deng Xiaoping's decision to suppress it. Political liberalization refers to the opening up of a dictatorship to free political participation, media, and the right to organize autonomous political groups. In the Soviet case, it was closely

This is a complete revision of an earlier paper, "China's Reforms Compared to Those of Mikhail Gorbachev," published in John Wong and Bo Zhiyue, eds., *China's Reform in Global Perspective* (Singapore: World Scientific Press, 2010), 263–298.

¹ For deeper explanations rooted in history, culture, and the two revolutions, see the recent superb analysis by Perry Anderson, "Two Revolutions: Rough Notes," *New Left Review*, no. 61 (January–February 2010), 59–96.

linked to democratization, meaning competitive elections in party and state. In sharp contrast, China's dominant leader, Deng Xiaoping, restricted political reforms to repairing the damage suffered by political institutions during Mao Zedong's Cultural Revolution and adapting authoritarian rule to the requirements of a modern state and of the gradually emerging market economy. The Chinese Communist Party's (CCP's) monopoly of power was preserved. Fending off demands for political liberalization has enabled the CCP to maintain its monopoly to this day.

The breakup of the USSR was also an unanticipated consequence of political liberalization. It enabled some of the country's national minorities to mobilize for greater autonomy and eventually for independence. The latter was facilitated by the institutions of Soviet ethnofederalism in the constituent union republics, which could be adapted to independence. China, in contrast, is a unitary not a federal state and lacks similar institutions. Because Soviet minorities made up around a half of the population, in contrast to China's 8 percent, the weight of the nationalities was much greater in the Soviet Union than in China. Some Chinese minorities have had aspirations for independence, but they have not been able to disrupt the country's unity, if only because of the state's willingness to use massive force, in contrast to Gorbachev's Soviet Union. In both cases, structural opportunities and constraints played important roles.

Second, China's economic reforms were successful but Soviet reforms were not. Structural differences explain a substantial part of the difference. China's economy was much more backward and decentralized than that of the Soviet Union. This enabled the country's leaders to start economic reforms at the periphery by successfully decollectivizing agriculture and attracting foreign investment in coastal provinces. Decentralization made it possible to defer reform of the centrally planned economy, which was the core economy, until the 1990s. Soviet reformers had a much more difficult task of reforming a centralized, complex, and interdependent economy. They probably could not have adopted China's gradual and sequential approach. Soviet economic failure was a major source of popular and elite disillusionment with Gorbachev, thus contributing to collapse.

Third, the objectives of Soviet reformers were far greater than those of China's leaders. Gorbachev aimed at fundamental reforms in three different sectors: the economy, the military-industrial complex and foreign policy, and the political system. Each of these was a major undertaking in its own right, requiring extensive leadership attention. Simultaneous pursuit of all three overloaded the Soviet policymaking agenda and contributed to failure. China's leaders focused tightly on economic reform and growth.

Fourth, the reforms precipitated elite conflict in both countries, but because Gorbachev's objectives aimed at fundamental change in three sectors, the scope of elite opposition was far wider than in China. During much of his tenure, Gorbachev faced strong elite opposition to his reforms. The attempted coup of August 1991 was a manifestation of this opposition. China's reformers also had

opponents, but elite conflict, severe as it was, focused more narrowly on marketization and political liberalization. Soviet bureaucracies were also more unresponsive to reform directives than were the Chinese, since provision of economic incentives secured their compliance with reform policies.

The initial section of this chapter examines the responses of Gorbachev and Deng to the political and economic crises that faced them. Subsequently, the chapter discusses their divergent approaches to economic as well as to military and foreign policy reforms. We then move to a discussion of the failure of political liberalization in China and the process through which it led to regime collapse in the Soviet Union. A conclusion evaluates the differences.

CRISES AND RESPONSES IN BOTH COUNTRIES

The Soviet Agenda for Change

When Gorbachev attained power in April 1985, Brezhnev's long rule came to be called "the era of stagnation" (*zastoi*). Gorbachev inherited a political and economic system that was intact and deeply set in its ways. It had not undergone much institutional change since the Stalin era. During the later Brezhnev era, moreover, the quality of governance greatly deteriorated. Centralized control over the economy increased, further clogging bureaucratic channels and stifling initiative. Even as conservative a Politburo member as Yegor Ligachev complained that "administrative-command methods . . . have taken the [planned economy] to the point of absurdity."² In addition, the military-industrial complex imposed a crushing financial burden on the country, accounting for as much as 40 percent of the budget.³ A related drain on state funds was that of the country's costly international commitments. The Soviet Union subsidized communist Eastern Europe, Cuba, and various radical Third World clients, while also fighting a war in Afghanistan.

Gorbachev was not alone in believing that there was an urgent need for fundamental reform.⁴ He rose to power determined to revitalize the country's hidebound state. Three slogans summarized his goals: *perestroika* (restructuring), *glasnost* (openness or transparency), and democratization, which initially meant greater participation and initiative from below and only later, in 1988, competitive elections. As a Western scholar observed in 1986, these were sweeping goals:

² *Inside Gorbachev's Kremlin: The Memoirs of Yegor Ligachev* (Boulder, CO: Westview Press, 1996), 316.

³ Mikhail Gorbachev, *Memoirs* (New York: Doubleday, 1996), 215. He notes that even he, a Politburo member since 1980, had been kept in ignorance of the true numbers until 1985.

⁴ Jerry Hough goes so far as to claim that "in the mid-1980s, all members of the Soviet elite agreed that decisive steps were needed" to reform the country. See *Democratization and Revolution in the USSR, 1985-1991* (Washington, DC: Brookings Institution, 1997), 106.

His campaign for perestroika is a call for far-reaching departures from prevailing practices and norms across virtually all areas of Soviet life. Its success would entail radical changes not only in the organization of the Soviet economy, but also in social and cultural policy, in the nature of Soviet political life, and ultimately in the allocation of status, power, and rewards throughout the Soviet system.⁵

Early on, Gorbachev added two other ambitious goals, namely, to cut the country's huge military budget and to end the Cold War. Gorbachev hoped to end the arms race and achieve reconciliation with the West, thereby legitimating the allocation of badly needed funds to the civilian sector.

A detailed plan for the achievement of the objectives was not drawn up. Reformers tackled them more or less all at once rather than sequentially – an important contrast to the Chinese case. Under Soviet conditions, however, a multiple approach made sense. Thus, in order to make credible Soviet proposals for ending the Cold War to the West, they had to be linked to liberal domestic reform. But inevitably, some issues took priority over others. For instance, “between the June Plenum of 1987 and the summer of 1989, Gorbachev was less involved in economic policymaking than he had been before and was to be again from the middle of 1989 and especially in 1990. In the interim, foreign policy and the radicalization of political reform had been Gorbachev's major preoccupations.”⁶ This was a major instance of Soviet agenda overload.

Crisis as Impetus for Change in China

Mao Zedong's aspirations to turn China into a utopian society culminated in the Cultural Revolution (1966–1976), the most destructive of his many political campaigns. It severely disrupted political and economic institutions as well as society. When it ended, the elite and the population were exhausted, traumatized, and repelled by years of class struggle and factional and state violence. The public longed for stability and a better life. In short, the country was ready for something new.

Deng Xiaoping and other reformers who held power after Mao's death moved swiftly to substitute authoritarian for Mao's radical totalitarian rule. This was the most important political reform of the entire post-Mao period. It did not, however, extend to political liberalization. Instead, reformers sought to repair the country's battered institutions and to prepare the country for the accelerated achievement of modernization. The catastrophic state of China's science and technology prompted the immediate restoration of competitive university entrance examinations and later the dispatch abroad of tens of thousands of students to study in advanced countries. Deng deliberately exposed key members of the economic and managerial elites to the realities of modern

⁵ Gail W. Lapidus, “Gorbachev and the Reform of the Soviet System,” *Daedalus* 116:2 (Spring 1987), 1–2.

⁶ Archie Brown, *The Gorbachev Factor* (New York: Oxford University Press, 1996), 148.

economies by sending numerous delegations on study trips to Japan, Western Europe, and the United States.⁷ This is something that did not apparently occur to Soviet reformers. The party greatly curtailed its demands on the society and on individuals. Material incentives were reinstated and individual initiative encouraged. The principle of inequality – “some can get rich ahead of others” – was given the imprimatur of legitimacy.

Reformers adapted the ideology to economic development, which became the country’s “central task.” It took priority over most other considerations except maintenance of stability. A revised promotion system rewarded territorial party secretaries primarily for growing their economies. The urgency, determination, and commitment to develop stemmed from recognition of China’s continuing backwardness and poverty. These sentiments were largely shared by society as legitimate and necessary for the restoration of China’s greatness.

In their quest to find new ways to develop, reformers adopted a pragmatic approach. China was defined as being in the “primary stage of socialism,” during which a mixed economy was appropriate. Family-based farming, private enterprise, the hiring of labor, foreign investment, and stock markets were in due course legalized, the justification being that these innovations contributed to the growth of the “productive forces” and were therefore ipso facto socialist. By the turn of the century, this line justified admission of progressive capitalists into the CCP.

The CCP’s continued monopoly of power included maintenance of the basic institutions of party dominance such as appointment of key officials (*nomenklatura*) and the coercive apparatus. The rulers also maintained a monopoly over party history, especially the evaluation of Mao Zedong, which was essential for the preservation of regime legitimacy and was in sharp contrast to Gorbachev’s *glasnost*, in which critics undermined the legitimacy of Lenin and Stalin. Chinese rulers retained the prerogative to decide on the scope of permissible debate. They had the power to choose whether to loosen (*fang*) or tighten (*shou*) its scope.⁸ Within these constraints, China saw the gradual emergence of a consultative political regime characterized by an enlarged scope of policy deliberation and debate, one in which various nondissenting elites were encouraged to participate.

ECONOMIC REFORM IN CHINA: GROWING OUT OF THE PLAN

Two aspects of China’s early post-1978 economic reforms stand out as highly distinctive in terms of Soviet reforms. One was the “opening to the outside

⁷ Ezra F. Vogel, *Deng Xiaoping and the Transformation of China* (Cambridge, MA: Harvard University Press, 2011), chap. 7.

⁸ Richard Baum, *Burying Mao: Chinese Politics in the Age of Deng Xiaoping* (Princeton, NJ: Princeton University Press, 1994), chap. 3, and elsewhere.

world” (*duiwai kaifang*) that began with a 1979 decision to establish special economic zones (SEZs) in China’s coastal southern provinces, initiating a process that culminated in China’s accession to the WTO in 2001.⁹ The other, on which we will focus, was agricultural decollectivization and the creation of rural industry.

Agricultural Reforms and Rural Industry

Decollectivization was China’s first great success. In 1978, some extremely impoverished villages entered a “forbidden zone” by contracting communal land out to the households. Initially skeptical or opposed higher-level leaders regarded the household responsibility system (HRS) as at best an emergency measure suitable only for poverty-stricken villages. But as peasant demand grew and success indicators proved increasingly compelling, amid much controversy, restrictions were gradually removed until HRS became a virtually universal practice by the end of 1982. “Socialist” elements were kept, ensuring support from conservatives, including collective ownership of land – land was not privatized – and continued compulsory state procurements.¹⁰ Peasant autonomy was thus limited and bureaucratic arbitrariness continued to be a long-term problem. Nonetheless, HRS was a major success. It benefited the peasantry and greatly improved the urban food supply, providing a mass base of support for economic reform.

The division of means of production among households was facilitated because China’s agriculture continued to rely heavily on draft animal power. China had also preserved much of its precommunist rural marketing structure. Thus, China enjoyed the advantages of backwardness.¹¹ Most important, underemployed laborers bottled up in the communes were now able to look for remunerative opportunities. Family farming provided incentives to foster the culturally ingrained entrepreneurial talents of the Chinese family. This was a major source of the rise of “specialized households” and of township and village enterprises (TVEs), which Deng Xiaoping in 1987 likened to an “army coming out of nowhere” (*yijun tuqi*).¹² TVEs flourished where there was access to urban markets, transportation, and investment, mainly on the eastern seaboard and less so in the interior. The TVEs grew to the point where their output contributed

⁹ See Scott W. Harold, “Freeing Trade: Negotiating Domestic and International Obstacles on China’s Long Road to the GATT/WTO, 1971–2001,” Ph.D. diss., Columbia University, 2008.

¹⁰ See Thomas P. Bernstein, “Farmer Discontent and Regime Responses,” in Merle Goldman and Roderick MacFarquhar, eds., *The Paradox of China’s Post-Mao Reforms* (Cambridge, MA: Harvard University Press, 1999), 197–219.

¹¹ See G. William Skinner, “Marketing and Social Structure in Rural China,” part III, *Journal of Asian Studies* 24:3 (May 1965), 363–399.

¹² *Deng Xiaoping wenxuan: Di san juan* (Selected Works of Deng Xiaoping: vol. 3) (Beijing: Renmin chubanshe, 1994), 238. After utterly failing during the Great Leap Forward, rural industry actually grew during the late Maoist period.

a major proportion of GDP. As collective industries, TVEs could produce more cheaply because they did not have to provide state-sector-type “unit” (*danwei*) benefits and services to their employees. TVEs were outside the state plan and hence could respond much more quickly to changing market demand. TVEs targeted the enormous unmet needs of urban and rural consumers for light industrial products.¹³ Unlike state-owned industries, which were bailed out by the government when they lost money (the soft-budget constraint), they usually, but not always, had to compete in order to survive. The rise of the TVEs served to spur state industries to greater efficiency in order to compete with their country cousins. Rural party secretaries often led local efforts to establish TVEs, thereby turning themselves into entrepreneurs who benefited both their constituents and themselves. This was a major part of the adaptation of the party to profitmaking enterprise.¹⁴

Rural industry exemplified the Chinese pattern of “growing out of the plan,” in which a market economy developed alongside the planned sector. A dual-price system was adopted for critical state-sector goods in short supply, such as diesel fuel, which was sold at both a lower state price and a higher, market-based price. The cost of this was that officials could engage in arbitrage, fostering corruption. But the dual-price system served its purpose and was eventually replaced by market prices in the 1990s.¹⁵ The dual-track approach of combining plan and market allowed China to avoid “a Soviet-type collapse by disentangling itself gradually from the institutions of the planned economy.”¹⁶

Elite Conflict over Economic Reform in China

In the 1980s, severe opposition arose against markets among conservative senior leaders, the party elders, who by virtue of their seniority had high prestige and influence. The economic reforms undermined old conceptions of central planning as an intrinsic part of socialism. Markets were regarded as fundamentally capitalist, although some conservatives, such as Chen Yun, a top leader and economic planner, agreed that they should have an auxiliary place, as in agriculture and perhaps light industry. But conservatives thought that markets should never dominate. The paramount leader, Deng Xiaoping, also an elder, who was strongly committed to reform, argued that markets were compatible with socialism. He also supported special economic zones and foreign investment as beneficial rather than as forms of imperialist exploitation, as Chen Yun

¹³ There is a huge literature on TVEs. See Jean C. Oi, *Rural China Takes Off: Institutional Foundations of Economic Reform* (Berkeley: University of California Press, 1999).

¹⁴ Andrew Walder, “Local Governments as Industrial Firms: An Organizational Analysis of China’s Transitional Economy,” *American Journal of Sociology* 101:2 (1995), 263–301.

¹⁵ For the classic statement, see Barry Naughton, *Growing Out of the Plan: Chinese Economic Reform, 1978–1993* (New York: Cambridge University Press, 1995).

¹⁶ Barry Naughton, *The Chinese Economy: Transitions and Growth* (Cambridge, MA: MIT Press, 2007), 91.

seems to have thought. Deng believed that without economic reforms, China faced a bleak future.¹⁷

The main fear of the elders and of leftist ideologues was that economic reform would pave the way for “bourgeois political liberalization,” that is, the opening up of the political system to society. Several campaigns against this threat were launched in the 1980s. Deng Xiaoping fully shared his conservative colleagues’ hostility to political liberalization, fearing that it would plunge the country into chaos. But each time, such campaigns were short-lived because they spilled over into the economic realm and endangered the private sector. Those in the leadership who favored economic reform then appealed to Deng to curb such excesses, which he did.¹⁸

After the crushing of the Tiananmen “Democracy Movement” in 1989 (see later discussion), conservatives were able to put further economic reform on hold until 1991. But they were not able to reverse those reforms that had already been introduced. This was due to another Chinese structural factor, namely, the huge surplus labor force. Had foreign investment, SEZs, and private enterprise been severely curbed, millions of workers would have lost their jobs, threatening the vital goal of stability. For his part, Deng kept defending economic reform and opening against “some persons,” that is, conservative leaders. In late 1991 he took the offensive.¹⁹ He vigorously defended his policies during a “southern journey” to Shenzhen and other SEZs. After some protracted maneuvering, Deng’s line fully prevailed in 1992 and a “socialist market economy” was endorsed at the Fourteenth Party Congress. Sniping by leftist ideologues continued but did not prevent further economic reforms. But during the Tiananmen years, the staying power of the economic reform program was by no means assured. From 1993 on, China was able to engage in two decades of continued economic reform accompanied by extraordinary growth rates.

ECONOMIC REFORM IN THE SOVIET UNION

In sharp contrast to China, economic reforms in the Soviet Union failed to improve the economy and people’s lives. This applies to agriculture as well as to industry and commerce. Industrial output grew until 1989, but inflation eroded purchasing power. The reforms increasingly disrupted the economy. In 1991, GDP dropped by 17 percent. Food shortages angered the urban public. In China, economic success contributed to the regime’s resilience; in the Soviet Union, economic failure contributed to its collapse.

¹⁷ For extended analysis, see Vogel, *Deng Xiaoping and the Transformation of China*, chaps. 16 and 19. See also Bao Pu, Renee Chiang, and Adi Ignatius, eds., *Prisoner of the State: The Secret Journal of Premier Zhao Ziyang* (New York: Simon & Schuster, 2009), especially parts 3, 4, and 5.

¹⁸ See, for instance, Bao, Chiang, and Ignatius, eds., *Prisoner of the State*, 159–214.

¹⁹ “Shicha Shanghai shi de tanhua” (Talks While Inspecting Shanghai), January 28–February 18, 1991, *Deng Xiaoping wenxuan*, vol. 3, 366–367.

Agriculture

Given China's success in jump-starting reforms and growth in the agricultural sector, why did the Soviet Union not learn from the PRC? Interest in Chinese reforms among Soviet China specialists, prominent economists, and journalists was quite strong, especially with regard to agriculture. The economist Leonid Abalkin, a Gorbachev adviser, and Tatiana Zaslavskaya, a prominent sociologist, were impressed by Chinese decentralization, including the household responsibility system. In 1987 Academician Oleg Bogomolov returned from a China visit and talked with Gorbachev and Central Committee officials, seeking to convince them to adopt elements of the Chinese approach.²⁰

Although Chinese approaches were not adopted, the Soviet Union did have experience with autonomous small-unit agriculture and did not necessarily have to look to China or other socialist countries such as Hungary for models. For years, experiments had been conducted with small groups, called "normless links" (*beznariadnye zvena*), which resembled the Chinese household responsibility system in that each group was responsible for the entire agricultural cycle on the land that it contractually farmed. The rewards derived from final output. As in China, this meant that tasks performed long before the harvest would be performed conscientiously rather than perfunctorily, a result of the reward systems practiced by collective farms. These experiments had proven successful in raising output. The link system, however, was never generally adopted and not only because of ideological barriers.²¹

First, Soviet collective and state farms were large, highly mechanized units, in which it would have been difficult to divide lumpy inputs among households or small groups. Second, Soviet agriculture depended much more on the industrial sector for inputs than was the case in China, where agriculture was highly labor intensive and used draft animals. Third, Soviet agriculture was at the receiving end of a highly centralized, rigid, and extremely inefficient bureaucratic apparatus, which often was unable to deliver inputs when they were needed and which prescribed farm operations in often irrational detail. Gorbachev, who had a lifetime of experience in agriculture and who was appointed Central Committee secretary for agriculture in 1978, complained that "gladiatorial capacities" were required to overcome bureaucratic barriers to "resolve small and perfectly clear issues."²² During the Stalin period, in order to enforce the harsh exploitation of agriculture, tight controls had to be foisted on that sector.

²⁰ Nancy Bernkopf Tucker, "China as a Factor in the Collapse of the Soviet Empire," *Political Science Quarterly* 110:4 (1995–1996), 501–518, esp. 511.

²¹ For discussion and sources on the link system, see Thomas P. Bernstein, "The State and Collective Farming in the Soviet Union and China," in Raymond F. Hopkins, Donald J. Puchala, and Ross B. Talbot, eds., *Food, Politics, and Agricultural Development: Case Studies in the Public Policy of Rural Modernization* (Boulder, CO: Westview Press, 1979), 73–106, esp. 90–91.

²² Brown, *Gorbachev Factor*, 46

Bureaucratic supervision left a path-dependent legacy, which made itself felt long after the agricultural sector had become the recipient of huge state subsidies and investments during the Brezhnev era.

Gorbachev strongly supported autonomy for Soviet farmers, but appropriate legislation was not adopted until the years 1989–1991. This delay was also due to agenda overload. Because the general secretary's "top priorities were to begin political reform to weaken his conservative enemies and 'to end the Cold War,' he did not or could not devote enough time to agriculture when he still had the power to bring changes about."²³

Groups or individuals who wanted to farm on their own depended on the goodwill of *raion* (county) leaders and farm chairmen, who were often unwilling to allocate good land, suitable mechanical equipment, and other inputs, such as fertilizer, or, after the harvest, storage facilities and transport.²⁴ Because of this continued dependence, the profitability of farming in small groups or on one's own was uncertain. Many villagers were not willing to take such risks, especially since basic security had been provided by Brezhnev – this was one of his major achievements – in the form of guaranteed wages and pensions.²⁵

The state of the rural workforce was also problematic. When queried during a visit to Hungary about why the Soviets did not learn from that country's successful decentralizing experience, Gorbachev replied that "unfortunately, in the . . . last fifty years the Russian peasant has had all the independence knocked out of him."²⁶ Many of the most energetic and ablest rural inhabitants had migrated to the cities, leaving an elderly, often female, and unskilled workforce. At the same time, villagers were industrious and energetic when it came to their private plots, which for decades had produced disproportionate shares of products such as vegetables, milk, and eggs. Expanding private plots might have provided a basis for agricultural reform.

Had it been possible to adopt the link system on a large scale, the impact on the urban food supply would still have been problematic. Soviet grain harvests during the perestroika years were actually better than those of the first five years of the 1980s. Only in 1991 did production plummet. Yet, long before then, the sluggish bureaucracy often had trouble delivering foodstuffs on time, a problem exacerbated by the growing disarray in the economy.²⁷ In other words, without

²³ *Ibid.*, 144, quoting an agricultural specialist.

²⁴ Seweryn Bialer, "Gorbachev's Move," *Foreign Policy*, no. 68 (Autumn 1987), 75.

²⁵ After the collapse of the Soviet Union, there was no sudden exodus from the collective farms. Many large farms remained and privatization did not become widespread. Stephen K. Wegren, "The Limits of Land Reform in Russia," *Problems of Post-Communism* 55:2 (March–April 2008), 14–24.

²⁶ Quoted in Brown, *Gorbachev Factor*, 143.

²⁷ William M. Liefert, "Distribution Problems in the Food Economy of the Former Soviet Union," in R. F. Kaufman and John P. Hardt, eds., *The Former Soviet Union in Transition* (Armonk, NY: M. E. Sharpe, 1993), 491.

successfully reforming the industrial and commercial sectors, agricultural supply could not improve, producing empty shelves, long lines, and discontent.

Reforming Industry

A law adopted in June 1987 called for decentralization of authority to the enterprises so as to reduce the power of central bureaucracies. Central planners were to confine themselves to general guidelines and not issue detailed production plans. Economic incentives were to stimulate enterprise initiative, especially technological innovation. The law allowed establishment of market relations between enterprises. However, obligatory state orders continued to absorb the vast bulk of output.²⁸ Reduction of central control over production decisions led to breakdowns of traditional supply relationships, causing new bottlenecks. In the absence of price reform, which was postponed, managers could not be held to strict standards of profit and loss. A 1989 survey of enterprise directors showed that 59 percent were unprepared to function on their own and needed continued ministerial tutelage.²⁹ As Jerry Hough notes, Soviet reformers failed to think seriously about how to motivate or retrain the “industrial managers . . . who were supposed to become market-oriented actors.”³⁰

Soviet managers did not know how to operate in a market economy, but they quickly learned how to take advantage of new opportunities to enrich themselves. As Solnick put it: “In the brief period from 1989–1991 . . . once it [had become] clear that the ministerial supervisors . . . were unable to stop enterprise managers from claiming de facto ownership rights over assets, the pace of spontaneous privatization accelerated.”³¹

As glasnost got under way, reformers began to be pressured by an increasingly vocal public. “Mass protests,” for instance, resulted in the addition of environmental clauses to the economic reform laws.³² However, on the core issue, market price reform, policymakers were trapped by the intensity of both popular and media criticism, since wage earners and pensioners feared that price reform would make inflation even worse. “Hands off prices” was the first slogan of the emerging radical democratic opposition, which angered Gorbachev, who accused them of seeking cheap popularity. He condemned the irresponsibility of journalists and the “apostasy” of economists. But he heeded warnings that price

²⁸ Marshall I. and Merle Goldman, “Soviet and Chinese Economic Reforms,” *Foreign Affairs* 66:3 (1987/88), 565. See also Richard Sakwa, *Gorbachev and His Reforms, 1985–1990* (New York: Prentice Hall, 1990), 279–280.

²⁹ Sakwa, *Gorbachev and His Reforms*, 281.

³⁰ Hough, *Democratization and Revolution*, 103.

³¹ Steven L. Solnick, *Stealing the State: Control and Collapse in Soviet Institutions* (Cambridge, MA: Harvard University Press, 1998), 228–229.

³² Gorbachev, *Memoirs*, 249.

reform would “kill perestroika.”³³ Price reform was postponed until the disastrous shock therapy of early 1992 under President Yeltsin. Jerry Hough observes that “no one among the reformers seemed to understand that democratization would redouble the political explosiveness of price reform.”³⁴ In 1988, China also had to abandon price reform because of fears of unrest.

Elite Conflict

Gorbachev was able to set the policy agenda and to push through policy changes in the Politburo and the Central Committee by using the “traditional authority . . . and the real powers of the General Secretaryship.”³⁵ Retirements and ousters from the Politburo and the appointment of committed reformers, especially Alexander Yakovlev and Eduard Shevardnadze, enabled Gorbachev to enlarge his support at the top. Still, he had to wage protracted political battles. Despite his great tactical skills, powerful conservative adversaries remained on the Politburo and the Central Committee until 1988, while Yegor Ligachev continued in office until 1990. Gorbachev sought to cooperate with him, perhaps fearing repercussions in the party at large if he were let go. For his part Ligachev did not attempt to oust Gorbachev. He was prepared to reduce planning to “rational limits” but not to introduce markets on a wide scale, since this meant “letting the money changers and Pharisees back into the temple.” He opposed private ownership, that is, capitalism, because it “entails the impoverishment of the majority and the enrichment of the few.”³⁶

Ligachev writes of “fierce fighting” in the Politburo and Central Committee, inter alia, over economic policy. Nikolai Ryzhkov, the chairman of the Council of Ministers, who also stayed in power until 1990, tended to postpone introduction of markets until some time in the future. He was protective of his ministries, at one point responding to a query as to what functions the ministries would relinquish by snapping, “None at all.”³⁷ The slow and cautious moves toward “greater acceptance of market and non-state forms of ownership, reflected the fundamental disagreements within the leadership, in which Gorbachev’s own views did not necessarily prevail.”³⁸

Bureaucratic Obstruction

Already in the fall of 1986, a Central Committee resolution charged that reformist directives issued that year were “not being implemented with sufficient

³³ *Ibid.*, 235–236.

³⁴ Hough, *Democratization and Revolution*, 128.

³⁵ Brown, *Gorbachev Factor*, 67.

³⁶ *Inside Gorbachev’s Kremlin*, 90–91, 318.

³⁷ Gorbachev, *Memoirs*, 223.

³⁸ Brown, *Gorbachev Factor*, 147.

vigor ... the restructuring process is ... encountering various social-psychological and organizational obstacles.”³⁹ A stream of similar complaints emanated from Gorbachev and his staff. He kept urging radical action, yet the response from below was always inadequate. At the time of the Nineteenth Party Conference in June 1988, he complained that “our ideas, even some specific guidelines, run into a wall of resistance that blocks their implementation.”⁴⁰ Two years later, “the party and government apparatus were in widespread covert – and often overt – revolt against Gorbachev.”⁴¹

Gorbachev replaced a great many officials, including two-thirds of the powerful provincial (*obkom*) and county (*raikom*) party secretaries.⁴² Ligachev, in charge of party organization, however, insisted that the replacements for those ousted should be drawn from within the regional and local party committees rather than, as Gorbachev had preferred, from a broader pool of candidates who might be more receptive to perestroika. The replacements thus often shared the same conservative mind-set as their predecessors. Georgii Shakhnazarov, another adviser, thought this had been a “serious mistake.”⁴³

Obstruction in the apparatus was also caused by Gorbachev’s leadership style, which was often characterized by lack of specificity and clarity, indecisiveness, hesitation, stealth, and tactical backtracking to more conservative positions. In January 1987, he had delivered the most stinging critique of the “sorry state of the economy” since Lenin’s times. But his proposals consisted of conventional affirmations of socialism and demands that, according to Chernyaev, amounted to little more than asking everyone “to work better.”⁴⁴ Moreover, his claim that his policies were in line with Lenin’s conception of socialism made it difficult for officials to understand just what it was that he wanted, undercutting his authority.

After long hesitation, Gorbachev finally made a commitment to full-scale marketization in 1990. By then, however, the issue was caught up in the sharpening conflict between the two rival governments of Gorbachev’s USSR and of Yeltsin’s RSFSR, the upshot of which was to leave marketization once more in a state of limbo. In his *Memoirs*, Gorbachev admitted:

We underestimated the odds against us. We allowed the time frame for structural transformation to be dragged out for three or four years and thus missed the most economically and politically favorable time for them in 1987–88... As a result, the situation in the country rapidly worsened and conditions became less and less favorable for successful reform.⁴⁵

³⁹ *Pravda*, October 1, 1986, in *Current Digest of the Soviet Press* (CDSP) 33:40 (November 5, 1986), 1.

⁴⁰ Anatoly S. Chernyaev, *My Six Years with Gorbachev*, 137.

⁴¹ Brown, *Gorbachev Factor*, 150.

⁴² Chernyaev, *My Six Years with Gorbachev*, 156.

⁴³ William E. Odum, *The Collapse of the Soviet Military* (New Haven, CT: Yale University Press, 1998), 92–93.

⁴⁴ Chernyaev, *My Six Years with Gorbachev*, 97.

⁴⁵ Quoted in Brown, *Gorbachev Factor*, 136.

MILITARY OPPOSITION TO REFORM

It will be recalled that Gorbachev and his colleagues were well aware that without a reduction of the military budget and of the Soviet Union's costly international commitments, the civilian economy could not be effectively renewed, while liberal domestic reform was required to dispel distrust abroad.⁴⁶ The "New Thinking" required that the military abandon its deeply embedded offensive war-winning doctrine, adopt one of "defensive sufficiency," and accept sharp cuts in the military budget.⁴⁷ Initially, the military went along with Gorbachev's plans for revitalization, but his policies gradually aroused unease, anxiety, criticism, and ultimately open opposition among military leaders. The prospective Intermediate Nuclear Forces Treaty, in which the Soviet Union accepted an "asymmetrical formula for missile reduction," was seen by Marshal Sokolov as "a state crime."⁴⁸ The Central Committee secretary in charge of the defense industry, Oleg Baklanov, warned Gorbachev that this "unjustified" Soviet arms reduction would fatally break the strategic parity between East and West.⁴⁹

Gorbachev's style of dealing with the military angered military leaders and contributed to the development of bad relations with them. He made decisions on military matters that in their view warranted extended consultations with the high command, such as decisions on strategic doctrine or force structure, e.g., his unilateral declaration at the UN that Soviet forces would be cut by a half a million. Gorbachev had no military background, was seen as lacking an understanding of military culture, and was therefore thought to be unqualified to make such decisions on his own. For his part, Gorbachev lost respect for the military after a young German landed an undetected plane on Red Square in 1987.⁵⁰ He offended the military by inviting civilian academics to discuss military policy.⁵¹ Additionally, his refusal to take full responsibility for the repeated use of troops to put down civilian disturbances, causing deaths as in Baku, Tbilisi, Vilnius, and Riga, elicited "the spirited opposition of the majority of the officer-corps."⁵²

Glasnost further inflamed the relationship. Gorbachev invited the army's rank and file to participate in politics by publicly airing their grievances,

⁴⁶ Andrei Grachev, *Gorbachev's Gamble: Soviet Foreign Policy and the End of the Cold War* (Malden, MA: Polity Press, 2008), 66.

⁴⁷ Dale R. Herspring, *The Kremlin and the High Command: Presidential Impact on the Russian Military from Gorbachev to Putin* (Lawrence: University Press of Kansas, 2006), 29.

⁴⁸ Grachev, *Gorbachev's Gamble*, 96.

⁴⁹ *Ibid.*, 98.

⁵⁰ Herspring, *Kremlin and the High Command*, 23–24.

⁵¹ See the excellent analysis in Robert D. English, *Russia and the Idea of the West: Gorbachev, Intellectuals and the End of the Cold War* (New York: Columbia University Press, 2000), chap. 6.

⁵² Zoltan Barany, *Democratic Breakdown and the Decline of the Russian Military* (Princeton, NJ: Princeton University Press, 2007), 82. Gorbachev states that "the tragic incidents" in Vilnius and Riga in January 1991 "were in no way directed from the presidential office." See *Memoirs*, 651.

voicing their political views, and running for office.⁵³ The media exposed social problems within the military, such as drug use, crime, corruption, and the horrendous practice of *dedovshchina* (brutal hazing of recruits). The result was a sharp drop in public support. According to a poll, by 1990, only 59 percent had confidence in the military.⁵⁴ In response, officers organized assemblies in which they criticized their derogatory media treatment. Barany argues that “independent political participation” precipitated the breakdown of norms and standards. “The habit of insubordination was born in the late 1980s. By 1990, military officers would openly criticize Gorbachev’s policies and his incompetence.”⁵⁵

In August 1991, a group of military, civilian, and KGB leaders staged a coup in order to roll back perestroika and prevent a looser union treaty from being signed.⁵⁶ The participation of elements of the military in the coup was a sign of disillusionment with Gorbachev. “In the end, Gorbachev’s defense and security policies had profoundly damaged the Soviet Army’s social standing, cohesion, effectiveness, and ultimately, hastened its collapse.”⁵⁷ A Gorbachev assistant commented that “of all the tasks that fell to the duty of perestroika, the most complicated was demilitarization of the country.” William Odom, a U.S. specialist, concurred: “Indeed it was, because it required the destruction of the Soviet system.”⁵⁸

The PLA and Deng Xiaoping

The paramount leader did not have to face similar difficulties. Deng’s deep roots in the PLA as a first-generation revolutionary with a record of more than forty years of military-political leadership endowed him with immense authority within the military, an asset that Gorbachev simply lacked. He was able to persuade the military that it would have to accept declining budgets in relation to GNP until economic growth enabled the country to provide the funds for military modernization. As he put it in 1984: “The Army should subordinate itself to the general interest, which is to develop the country.”⁵⁹ PLA budgets rose modestly in the 1980s but lagged far behind the national growth rate and inflation.

Costly modernization also needed to be postponed because of the military’s professional deterioration, a result of its involvement in the Cultural Revolution. Already in 1975, Deng had sharply criticized the state of the PLA as “swollen,

⁵³ Odom, *Collapse of the Soviet Military*, 393, and Barany, *Democratic Breakdown*, 82.

⁵⁴ Herspring, *Kremlin and the High Command*, 39.

⁵⁵ Barany, *Democratic Breakdown*, 105.

⁵⁶ Herspring, *Kremlin and the High Command*, 62.

⁵⁷ Barany, *Democratic Breakdown*, 82.

⁵⁸ Quoted in Odom, *Collapse of the Soviet Military*, 117.

⁵⁹ “Jundui yao fucong zhengge guojia jianshe daju” (The Army Should subordinate Itself to the General Interest, Which Is to Develop the Country), November 1, 1984, *Deng Xiaoping wenxuan*, vol. 3, 98–100 (title quoted in English in text).

arrogant, slack, extravagant, and lazy.”⁶⁰ The PLA needed first to be reduced in size, reorganized, and retrained before it could absorb modern military technology. In addition, China’s increasingly benign security environment justified the delay in reequipping the PLA. Normalization of relations with the United States on January 1, 1979, combined with the first signs of a possible Sino-Soviet rapprochement, which occurred in 1982, enabled Deng to argue that there was a window of opportunity for peaceful construction. Naturally, the military was not happy about this state of affairs. It lobbied for more money and in the later 1980s went into business in order to supplement its income. In sum, the military was not a major obstacle to the priority accorded to civilian economic development. And, from the 1990s on, large increases in military budgets assuaged military discontent.⁶¹

UNSUCCESSFUL POLITICAL LIBERALIZATION IN CHINA

The most fateful difference between China and the Soviet Union was that Gorbachev opened up the political system, whereas Deng Xiaoping resisted demands and pressures to do the same. Political liberalization was a political issue in China in the 1980s until the watershed crisis of Tiananmen in May 1989. One problem was that the line between participation compatible with continued authoritarian rule and participation that might undermine it was not easily drawn. Deng himself spoke out in 1980 and again in 1986 about the stultifying bureaucracy and the unchecked power of “patriarchal” party secretaries, who sought to straitjacket popular initiatives.⁶² In the second half of 1986, some party intellectuals took advantage of what seemed to be a more permissive climate by arguing that the rapid progress of economic reforms and growth had given rise to new societal interests and demands that suggested that interest groups should be allowed to voice their views and the media needed to be freed, thereby propelling economic reform forward.⁶³ In late 1986, several pro-democracy student demonstrations were encouraged by liberal journalists and professors, among them the distinguished astrophysicist and university vice president Fang Lizhi.

⁶⁰ “Junren zhengdun de renwu” (The Military Needs to Be Adjusted), July 14, 1975, *Deng Xiaoping wenxuan, 1975–1982* (Selected Works of Deng Xiaoping, 1975–1982) (Beijing: Renmin chubanshe, 1983), 20. This part of the talk is not reproduced in the English edition.

⁶¹ See Brian Lafferty, “Buildup: Chinese Defense Budgets in the Reform Era, 1978 to the Present,” Ph.D. diss., Columbia University, June 2009, chap. 3.

⁶² “Dang he guojia lingdao zhidu de gaige” (On Reform of the Party and State Leadership Systems), August 18, 1980, *Deng Xiaoping wenxuan, 1975–1982*, 280–302, esp. 287–291; and “Guanyu zhengzhi tizhi gaige de wenti” (On the Question of Political Structural Reform), September–November 1986, *Deng Xiaoping wenxuan*, vol. 3, 176–180.

⁶³ “Su Shaozhi Discusses Political Structural Reform,” *Dushu*, no. 9 (September 10, 1986), in *Joint Publications Research Service*, no. 20 (April 8, 1987), 25–30.

The street demonstrations shocked Deng.⁶⁴ He sided with conservative colleagues who saw them as renewed threats to stability. Hu Yaobang, the party general secretary, deemed too sympathetic to “bourgeois liberalization” and “all-out Westernization,” was dismissed from his post and a campaign to counter these threats was launched in early 1987. But it was short-lived, again because it spilled over into the economic sphere and private businessmen felt threatened. In April 1987, Zhao Ziyang, Hu’s successor as general secretary, informed Deng that “certain people were using the campaign to resist reform.”⁶⁵ Deng supported him but warned him to be vigilant against manifestations of political liberalization.

For the next two years, Zhao Ziyang, who favored economic reform and some political reform, found himself in the uncomfortable position of having to try to please conservative elders, even as he sought to blunt the onslaught of leftist ideologues, but he failed to satisfy them. He writes in his *Prisoner of the State* that he became “enemy number one of the left.”⁶⁶

An aborted price reform in 1988 that had caused panic buying (as in the Soviet Union) was a blow to Zhao’s prestige. In this uncertain environment, intellectuals continued to talk about political reform. At Peking University, students discussed political issues in “democracy salons.” Some liberal reform-oriented research institutes were set up, and some newspapers printed daring articles. In April 1989, the death of the former General Secretary Hu Yaobang precipitated a student movement to mourn his passing, which soon spread to an estimated 170 cities. Adults joined in the demonstrations, including workers. Some private businessmen provided material support. Deng sided with conservatives and took a hard line, charging that counterrevolutionary turmoil was being ignited. In contrast, Zhao and several other leaders took a conciliatory line, arguing for dialogue. Student protesters, aware of the split in the leadership, persisted in the mass protest. A declaration of martial law proved ineffective. During the night of June 3–4, the army forcibly dispersed the demonstrators, causing hundreds or even thousands of deaths in Beijing and elsewhere. Zhao was fired and spent the remaining years of his life under house arrest in Beijing.⁶⁷

The Tiananmen Democracy Movement of May 1989 represented the most significant political challenge from below in the history of the reform period. It showed the ease with which masses of students and adults could be mobilized by grievances over inflation and corruption to demand political change. In addition, workers had set up autonomous trade unions and students established autonomous student groups. Their demands for recognition, however, were harshly rebuffed and repressed. As Andrew Nathan concludes:

⁶⁴ Bao, Chiang, and Ignatius, eds., *Prisoner of the State*, 175.

⁶⁵ *Ibid.*, 194.

⁶⁶ *Ibid.*, 196 and 199.

⁶⁷ See Baum, *Burying Mao*, chap. 11.

Here was the Trojan horse that the regime could not accept. Had this demand been granted, the students would have achieved the legalization of the first completely independent political organization in PRC history.⁶⁸

Using military force against the Democracy Movement showed how far the Chinese rulers were willing to go to maintain their power when they believed that it was threatened. This was in sharp contrast to the unwillingness of Eastern European communist leaders (except in Romania) to use force against democratic forces in 1989. Gorbachev supported their refusal to employ the “Chinese solution.” The collapse of communism in Eastern Europe and the Soviet Union, together with the dissolution of the USSR, deeply shocked Chinese leaders. They sought to understand the sources of what they regarded as a great catastrophe. A multiyear program of academic research was launched. Some analysts identified systemic factors as a major explanation for the collapse, but most blamed Gorbachev. The upshot of these studies is that China must strenuously resist seeking solutions to its problems by taking the route of political liberalization, a principle that is still in effect.⁶⁹

POLITICAL LIBERALIZATION, DEMOCRATIZATION, AND THE SOVIET COLLAPSE

Long before he rose to the top, Gorbachev had been exposed to liberal ideas and was thus predisposed to implementing them as political conditions allowed.⁷⁰ His predispositions were greatly strengthened by the difficulties of implementing perestroika. The nuclear catastrophe of Chernobyl in 1986, which was initially concealed by the bureaucracy, provided a concrete lesson of the failures of the system. It became a “turning point” in glasnost.⁷¹ Openness gradually escalated into a searching examination of what was wrong, not just with the economy but also with the political system. Censorship weakened and collapsed by the end of 1989. Predictably, however, a critical press and public opinion enabled both fervent supporters and opponents of perestroika to speak out in public.⁷² Some

⁶⁸ Andrew J. Nathan, *China's Crisis: Dilemmas of Reform and Prospects for Democracy* (New York: Columbia University Press, 1990), 135.

⁶⁹ See Guan Guihai, “The Influence of the Collapse of the Soviet Union on China's Political Choices,” in Thomas P. Bernstein and Hua-yu Li, eds., *China Learns from the Soviet Union, 1949–Present* (Lanham, MD: Lexington Books, 2010), 505–516. See also David Shambaugh, *China's Communist Party: Atrophy and Adaptation* (Washington, DC: Wilson Center Press; Berkeley: University of California Press, 2008), chap. 4.

⁷⁰ Influences on Gorbachev included the “thaw” under Khrushchev, Eastern European reforms, Western social democracy, extended conversations with liberal Soviet intellectuals, and the influence of Alexander Yakovlev. For details, see English, *Russia and the Idea of the West*. See also Aleksandr Yakovlev, *Omut pamiati* (A Whirlpool of Memories) (Moscow: Vagrius, 2000), chap. 7.

⁷¹ Brown, *Gorbachev Factor*, 163.

⁷² See Sakwa, *Gorbachev and His Reforms*, chaps. 5 and 6.

vociferously defended the old order while others pressed for immediate full-scale democracy and marketization. When Stalin's crimes were denounced, conservatives bitterly complained that the heroic achievements of his era were being ground into the dust.⁷³ As glasnost deepened, even Lenin, the ultimate source of Soviet legitimacy, came under attack as the initiator of communist terror, much to the discomfiture of Gorbachev, who still thought of the later Lenin as a precursor of perestroika.⁷⁴ Like many a reformer, Gorbachev found himself increasingly beset by polarizing forces that he could not control. Given the continued power of conservative adversaries, he had to be more cautious than many of the radical intellectuals who had supported him most strongly, incurring their distrust.⁷⁵

Democratizing the Party and State, 1988–1991

Still, by the time of the Nineteenth Party Conference in mid-1988, Gorbachev embarked on a radical transformation of Soviet political institutions. He launched a major effort to strengthen the government at the expense of the party. The powerful Central Committee departments that had supervised the economy were replaced by less powerful party commissions. As Kotkin points out, Gorbachev “deliberately broke the might of the apparatus.”⁷⁶ Together with the weakening of the ministries, the capacity of the USSR authorities to steer the economy largely disappeared. As lower-level entities refused to transmit taxes to Moscow, its government was financially starved. At the local level, the power of the soviets was increased as economic power was taken away from the all-controlling party committees, who were left in search of a role. But at the same time, as Chernyaev notes, since the soviets had hitherto played only “decorative roles,” they did not know how to fulfill their new duties, adding to the economic disarray.⁷⁷

Gorbachev also sought to democratize the party by subjecting its secretaries to competitive elections, striking a further blow against the self-perpetuating nomenklatura. In the localities, first party secretaries were required to run for election for the chairmanship of the relevant soviet. Failure to win would require the loser to vacate his/her party post.⁷⁸

Amid battles between conservatives and reformers the Nineteenth Party Conference mandated creation of a new Congress of People's Deputies, to be

⁷³ In March 1988, a public controversy broke out over a letter vehemently defending Stalin, allegedly instigated by Ligachev. See his *Inside Gorbachev's Kremlin*, 301ff., and Chernyaev, *My Six Years with Gorbachev*, 153ff.

⁷⁴ See Chernyaev's observations, in *My Six Years with Gorbachev*, 202 and 212–213.

⁷⁵ Brown, *Gorbachev Factor*, 193.

⁷⁶ Stephen Kotkin, *Armageddon Averted: The Soviet Collapse, 1970–2000* (New York: Oxford University Press, 2001), 77.

⁷⁷ Chernyaev, *My Six Years with Gorbachev*, 179.

⁷⁸ *Ibid.*, 158.

chosen in part by nationwide competitive elections. Held in March 1989, the elections constituted a watershed in the democratization of the country. In contested constituencies in Moscow, Leningrad, and elsewhere, communist officials were defeated, striking an enormous blow to both the self-image of the CPSU and Gorbachev's hopes that a democratized communist party would be accepted by the country. As a senior Soviet journalist put it: "We have told ourselves over and over that the party and the people were one, and however hollow we thought these words were, we never suspected that the gap was so wide."⁷⁹

During the first session of the Congress of People's Deputies, full TV coverage of open and free debate astonished the Soviet public, as those who had won in competitive constituencies spoke out against the terrible ills of the system, extending public awareness to the remote corners of the country and beyond the hotbeds of radicalism of Moscow and Leningrad. The realization that Soviet socialism was not superior to Western capitalism provoked shock and anger.⁸⁰

One of the electoral outcomes was the resurrection of Boris Yeltsin, a populist and something of a maverick. He had been demoted from the Politburo in 1987 for violating party discipline by attacking Gorbachev for building a "cult" and for slowness in implementing perestroika. In 1989, he won a landslide victory in a Moscow district. A year later, in March 1990, he won another landslide election to the RSFSR Congress of People's Deputies. And in June 1991, he was elected president of the RSFSR by a popular vote of 57 percent. In contrast, Gorbachev was elected president of the USSR by its congress in 1990, meaning that he lacked the legitimacy conferred by a popular election. He had rejected advice to run in a nationwide election, a misjudgment "of biblical proportions," to quote Timothy Colton.⁸¹ Yeltsin had become Gorbachev's chief rival and threat, emerging as a decisive champion of rapid democratization, market transition, and, most threatening for the survival of the USSR, Russian independence.

In February 1990, a Central Committee plenum voted to delete Article 6 of the state constitution on the party's "leading role," that is, its monopoly of power. The plenum agreed to a multiparty system, which was legally authorized in the fall of 1990. And it agreed to adopt the principle of "humane, democratic socialism." The abandonment of the core premises of the Leninist regime provoked furious debate. The CPSU held its final congress in July 1990 and reelected Gorbachev as general secretary.

The CPSU effectively died after the failed August 1991 coup, having been implicated in the plot. According to one source, numerous subnational party

⁷⁹ "Defeat of Some Party Officials Natural, Gorbachev Says," *Los Angeles Times*, March 30, 1989.

⁸⁰ Stephen Kotkin, "In Search of the Nomenklatura: Yesterday's USSR, Today's Russia," *East European Constitutional Review* 6:4 (Fall 1997), 104–120, at 106.

⁸¹ Timothy J. Colton, *Yeltsin: A Life* (New York: Basic Books, 2008), 180.

committees sided with the coup leaders or took a wait-and-see attitude.⁸² Upon his return from house arrest in the Crimea, Gorbachev promised to remove hard-liners from the party but insisted that there were a good many loyal party members. “Tone-deaf to the end,” Gorbachev affirmed his continued adherence to socialism.⁸³ Yeltsin had already banned party activities in the RSFSR on August 23; six days later, the USSR’s Supreme Soviet took the same step (by a vote of 283 to 29), while also freezing the party’s assets.⁸⁴ Only then did Gorbachev resign as general secretary.

Nationalities and the Breakup of the Soviet Union

As emphasized in the introductory section of this chapter, the disintegration of the Soviet Union was the result of “nationalist mobilization,” which in turn was caused by glasnost and political liberalization.⁸⁵ National grievances and demands were increasingly articulated in public while protest demonstrations on behalf of national causes occurred with growing frequency. While other issues led to demonstrations and protests, as over the environment, work conditions, and the pace of democratization, it was nationalism that gained “a particular force and momentum.” After the liberalizing party conference in mid-1988, protests took on “tidal proportions and increasingly organized forms.”⁸⁶ “Waves of contention” swept over parts of the country, but not all national groups were caught up in them, even as contagion effects made themselves felt. The process was generally characterized by escalating demands, first, for greater autonomy, for instance, with regard to language rights; then for demands for sovereignty and acceptance by the USSR of the proposition that union republic laws should take precedence over USSR legislation; and finally for outright independence.⁸⁷

The CPSU with its unionwide organization and nomenklatura had been the major politically integrative mechanism by which the fifteen union republics were kept under Moscow’s political control. At the same time, under the ethno-federal system, the union republics had had their own governments and representative institutions as well as the constitutional right to secede. These institutions could readily be converted to independence. Gorbachev failed “to

⁸² David R. Marples, *The Collapse of the Soviet Union, 1985–1991* (New York: Pearson Education, 2004), 88.

⁸³ Colton, *Yeltsin*, 185.

⁸⁴ Marples, *Collapse*, 87–88.

⁸⁵ For an excellent analysis, see Mark R. Beissinger, *Nationalist Mobilization and the Collapse of the Soviet State* (New York: Cambridge University Press, 2002).

⁸⁶ *Ibid.*, 49 and 85.

⁸⁷ Beissinger’s analysis is much more complex than indicated here. He examines the cyclical interplay of preexisting structural conditions, institutional constraints, and agency. One of his insights is that the claims to nationhood can suddenly emerge or crystallize; they are not just cause of action but also the consequence of action.

grasp that by undermining the Party Secretariat and enhancing the state (the Supreme Soviets of the Union and of the republics), he was exchanging a unitary structure for a [genuinely] federalized one.”⁸⁸

Even as separatist pressures grew, Gorbachev did not use force on the scale required to hold the country together. There were several cases of state repression in which lives were lost. Sporadic state violence against peaceful protesters caused a political backlash, which then made the central authorities more reluctant to use force.⁸⁹ Kotkin argues that Gorbachev could have mobilized the army and KGB troops against the independence forces.⁹⁰ Whether these troops would have been effective in view of the corrosive impact of the Gorbachev years on the military can, however, be questioned. Most important, Mikhail Gorbachev’s unwillingness to use force on a large scale was rooted in his own belief in the possibilities of a humane, democratic socialism, but also in the realistic calculation that massive military force would jeopardize his goals of ending the Cold War, pursuing detente, and obtaining aid from the West.

The Role of Russia. The demands for separatism and independence did not just arise at the periphery, but from 1990 on, from the RSFSR itself, under Yeltsin’s leadership. As Colton observes, Yeltsin “opted for nation-building over empire-saving.”⁹¹ His Russian nationalist rhetoric sought to inspire the public to think of itself as a separate country and no longer as the core of the USSR. Mobilization of Russian separatism drew support not just from those who defended Russian sovereignty against an “over-bearing, imperial USSR,” but also from liberal intellectuals and workers.⁹² Within the RSFSR, conservative forces bent on defending the USSR lost out as well.⁹³ The decision to dissolve the USSR was made by the leaders of Russia, Ukraine, and Byelorussia. It was passively accepted by the public “as inevitable” if only “out of a sense of a lack of alternatives among its remaining supporters.”⁹⁴

The Chinese Case. The dissolution of the Soviet Union constitutes the most significant difference from China. The majority Han Chinese have always valued unity as an unquestioned good. After 1949, the regime abandoned its earlier espousal of a Soviet-type federal system. Instead, it established a unitary, centralized state, in which provinces with large minorities were designated as “autonomous” regions, as in the case of Tibet, and without a right to secede. Revolts by minorities striving for autonomy or independence were harshly suppressed.

⁸⁸ Kotkin, *Armageddon Averted*, 77.

⁸⁹ Beissinger, *Nationalist Mobilization*, 40 and chap. 7.

⁹⁰ Kotkin, *Armageddon Averted*, 84.

⁹¹ Colton, *Yeltsin*, 208.

⁹² Beissinger, *Nationalist Mobilization*, 394–395.

⁹³ *Ibid.*, 399.

⁹⁴ *Ibid.*, 441.

Were China to liberalize politically, its most restive minorities, the Uighurs and Tibetans, would probably use their new freedom to mobilize for greater autonomy, if not independence. Were this to happen, the regime, backed by the highly nationalistic Han population, would most likely use massive force to crush efforts to divide the motherland. The prospect that minorities would take advantage of freedom to mobilize is the greatest single obstacle to liberalization and democratization in China. It is noteworthy that after the dissolution of the USSR, China hardened its nationality policies by strengthening the unitary elements in the governance of the “autonomous” regions. China now defines itself as a Chinese nation with ethnic diversity (*duoyuan yiti*) rather than a state with multiple national groups.⁹⁵

CONCLUDING REFLECTIONS

Two decisive differences deserve to be highlighted. One was Gorbachev’s promotion of political liberalization and democratization, which undermined and destroyed the Leninist core of the Soviet political system, whereas Chinese leaders fought off attempts to promote liberalization even to the extent of shedding blood to crush the Tiananmen movement. The other was the sheer immensity of the Soviet reform undertaking. After the initial anti-Maoist political reform, China focused on one task: economic reform and growth. The Soviets sought to undertake three major tasks: economic reform; reform of foreign and security policy, including the military-industrial complex; as well as political reform. Moreover, in contrast to China, Soviet reforms were not sequenced. Inevitably, this approach overloaded the agenda, all the more because power was concentrated in the person of the general secretary. This chapter has repeatedly drawn attention to the fact that for long periods, economic reforms were subordinated to the other two tasks.

To be sure, the Soviets did have to cope with the interdependence of the three tasks. The highly centralized Soviet economy would have made a sequential Chinese-type approach very difficult if not impossible. And, in order to bring about reconciliation between East and West, liberalizing domestic political reforms were necessary to demonstrate that the Soviet Union was changing in its political fundamentals.

At the same time, one cannot but wonder whether more careful planning and thinking about the implications of the reforms might have enabled Gorbachev to

⁹⁵ See Minglang Zhou, “The Fate of the Soviet Model of Multinational State-Building in the PRC,” in Bernstein and Li, eds., *China Learns from the Soviet Union*, 477–503, esp. 490–492. The regime, it is worth adding, rejects the examples of Hong Kong and Taiwan as applicable to Tibet and Xinjiang, which had already undergone “socialist transformation.” Theoretically, it is possible for a state to accommodate particularistic religious or cultural demands of territorially distinct minorities. See Alfred Stepan, Juan J. Linz, and Yogendra Yadav, *Crafting State-Nations: India and Other Multinational Democracies* (Baltimore: Johns Hopkins University Press, 2011), chap. 1.

avoid some of the pitfalls of his policies. As Anatoly Chernyaev, a key adviser, put it: “for a reformer of Gorbachev’s magnitude it was a major, perhaps fatal, mistake not to foresee what democratization might mean for national issues.”⁹⁶ Similarly, his failure to understand the importance of electoral legitimacy prevented him from leading in the establishment of a strong democratic state, one that could serve as a replacement for the CPSU, which had been the country’s most important governing institution. Perhaps better strategies and tactics could also have overcome or reduced in weight some of the structural obstacles to which this chapter has drawn attention.

In the final analysis, then, leadership made a fundamental difference. Compared to Deng Xiaoping, Gorbachev was less decisive, less authoritative, beset by more adversaries, and less ruthless. But in evaluating Deng’s legacy, it must be kept in mind that while he played the main role in preserving and boosting economic reform and growth in 1992, he also blocked any opening to political liberalization. His authoritative opposition burdened the country in its later years, when a diversified society increasingly demanded an accountable political system, which continues to be steadfastly opposed by most of the regime.

⁹⁶ Chernyaev, *My Six Years with Gorbachev*, 108.

