

A C D I S

ACDIS KAN:12  
1992  
ACDIS Library

Program in Arms Control, Disarmament, and International Security

University of Illinois at Urbana-Champaign

607 South Mathews Street Urbana IL 61801 217/333-7086

## *Occasional Paper*

### **Center-Periphery Relations: The Soviet Union East-Central Europe, and the Union Republics**

**Roger E. Kanet**

Director, International Programs and Studies  
Program in Arms Control, Disarmament,  
and International Security, and  
Department of Political Science

and

**Brian V. Souders**

Department of Political Science

**August 1992**

**Roger E. Kanet** is associate vice chancellor for academic affairs and director of International Programs and Studies at the University of Illinois at Urbana-Champaign. He received a Ph.D. from Princeton University in 1966, taught at the University of Kansas, and was a senior fellow at Columbia University before joining the faculty of the University of Illinois in 1973. Since 1978 he has been a professor of political science and served as head of the department from 1984 to 1987; he is also a member of the Russian and East European Center and the Program in Arms Control, Disarmament, and International Security. Kanet has won a number of teaching awards, including both the Campus and LAS awards for undergraduate teaching in 1981, the Department of Political Science award in 1984, and the Burlington Northern Foundation Award for Faculty Excellence in 1989. His research and publications have focused on the foreign and security policies of the Soviet Union and Eastern Europe. He has authored more than one hundred scholarly articles and edited a dozen books, the most recent of which have been *The Soviet Union, Eastern Europe and the Third World* (Cambridge, 1987), *The Limits of Soviet Power in the Developing World: Thermidor in the Revolutionary Struggle* (Macmillan, London, and Johns Hopkins University Press, 1989, with E. A. Kolodziej), and *The Cold War as Cooperation: Superpower Cooperation in Regional Conflict Management* (Macmillan, London, and Johns Hopkins, Washington, DC, 1991, with E. A. Kolodziej).

**Brian V. Souders** is a doctoral candidate in political science at the University of Illinois at Urbana-Champaign, specializing in nationality issues in Soviet and East European politics.

## Center-Periphery Relations The Soviet Union East-Central Europe, and the Union Republics<sup>1</sup>

Roger E. Kanet and Brian V. Souders

The policy of *perestroika* introduced with such fanfare and confidence in the mid 1980s as the mechanism for reform and revitalization of the USSR in the end accelerated the collapse of the centrally planned, Moscow centered empire by the end of 1991. While few will mourn the death of this colossus its passing presents the region with new problems and concerns unanticipated only a few months earlier. The creation of new relations among the successor states of the Soviet Union and the states of East-Central Europe and the Balkans will greatly complicate the nature of the interstate system in the region as is already evident from the friction that has emerged in some of those relations.<sup>2</sup>

Between the collapse of the communist led states in late 1989 and the failed Soviet coup of August 1991 a pattern of nationalist dissent leading to the demand for independence emerged among non Russian groups in the USSR—and even in Russia itself. One of the objectives of this essay is to show the differences in the responses of the central Soviet government toward events in East-Central Europe and those occurring on Soviet territory prior to the dissolution of the Soviet state in December 1991. In East Central Europe the message of *perestroika* and *glasnost* was taken up by people whose governments had either proved incapable of implementing reform or had resisted all efforts at reform. Those governments were toppled during the tumultuous summer and fall of 1989. Recognizing the illegitimacy of the regimes that had been installed and propped up by previous Soviet leaders and the costs that would be involved in attempting to keep these regimes in power Gorbachev and his advisors realized the irreversibility of changes in these states and the necessity of establishing more realistic relations with their former clients.<sup>3</sup>

However no comparable response emerged concerning relations between the Soviet central government and the union republics. Though domestic economic policies of restructuring and self financing the republics were encouraged demands for political separation that were influenced by both domestic political change and by the successful revolutions in East Central Europe were discouraged. In fact, they were often suppressed by the all Union government. For their part, the leaderships of the union republics saw in the policies of Mikhail Gorbachev a chance to exert the sovereignty theoretically guaranteed them by the Soviet Constitution. In the case of the Baltic states this led to an active campaign—that succeeded in the wake of the August coup—to restore the national independence that had been suppressed at the outset of World War II.

By 1989 the policy of the Soviet authorities on the issue of regional security and national security became contradictory. At the international level they were willing to accept the loss of their dominant position in Eastern Europe and to work with their former allies as much as possible given the weakened economic position of all the states in the region to establish a new relationship that permitted them the freedom to conduct their own affairs.

However this Soviet understanding of the desire for national independence in East Central Europe was not extended to the national republics of the USSR itself. Prior to summer 1991 calls for sovereignty for union republics were met with almost unanimous agreement concerning the republics' generic right to national self

- 
- 1 The research for this paper was supported by the Program in Arms Control, Disarmament and International Security of the University of Illinois at Urbana-Champaign through funds provided by the John D. and Catherine T. MacArthur Foundation. It is scheduled for publication in a special issue of *Crossroads: An International Socio-Political Journal* that will be devoted to domestic foreign linkages in Soviet policy.
  - 2 On the foreign relations of the region see "Foreign Policy in 1991," *Report on Eastern Europe* (hereafter REE) 11 no. 51/52 (1991) pp. 1-38 and *East Central Europe and the USSR*, ed. by Richard F. Staar (New York: St. Martin's Press, 1991).
  - 3 See the comments of Mikhail Gorbachev at the Malta Summit, *Pravda*, 5 December 1989 and the speech of Eduard Shevardnadze to the European Parliament, *Pravda*, 20 December 1989. See also Alexander C. Pacek and Roger E. Kanet, "Revolutionary Change in Eastern Europe: The Societal Basis of Political Reform," in Ilpyong Kim and Jane Shapiro Zacek, eds., *Reform in Communist Countries* (Washington: The Washington Institute, 1991) pp. 187-217.

However this Soviet understanding of the desire for national independence in East Central Europe was not extended to the national republics of the USSR itself. Prior to summer 1991 calls for sovereignty for union republics were met with almost unanimous agreement concerning the republics' generic right to national self-determination. However when the issue of self-determination meant the probable loss of central authority over the republics or the loss of Soviet territory that understanding was replaced with concerns about the challenge to central power that resulted in strained all Union republic relations and in some cases violence. However despite the efforts to hold on to central authority by spring 1991 in the words of Seweryn Bialer

it was no longer a question of Gorbachev's granting concessions to the most important republics but rather the reverse whether they would make concessions to him to preserve some diluted central institutions. By April when agreement was reached on the idea of a union treaty legitimate power flowed not from Gorbachev to the republics but from the republics to the center and they were delegating only limited authority.<sup>4</sup>

### The Soviet Union and Eastern Europe Post Socialist Interstate Relations

The collapse of the communist governments in East-Central Europe in 1989 led to a major reformulation of Soviet thinking about former allies and of views of the effect of the collapse of socialism in the region on the continued existence of the USSR as a state actor. The catalyst for the collapse of the forty five year old arrangements in East-Central Europe came in the form of Mikhail Gorbachev's policy of political renewal which followed the region's deteriorating economic conditions. While encouraging reform in the USSR Gorbachev also encouraged his conservative allies in Eastern Europe to reform their socialist systems. This policy of reform and renewal was coupled with a cessation of Cold War confrontation with the West and, thus a decreased need for the "limited sovereignty" of the postwar era. In a speech to the European Parliament in summer 1989 Gorbachev renounced the right to direct Soviet intervention in the domestic affairs of his socialist allies which had been the Soviet approach to resolving inter-bloc disputes for more than forty years.<sup>5</sup>

In the wake of the rapid collapse of communist governments in the region Soviet leaders chose not to mourn the loss of their unwilling subjects and instead urged a transformation to normal state-to-state relations with their former allies. In choosing a possible model for these new ties Gorbachev cited Soviet relations with Finland as the ideal type for states with differing social systems.<sup>6</sup>

The implications of the "loss" of Eastern Europe led to a series of acrimonious debates between the two main organizations responsible for foreign policy the Ministry of Foreign Affairs (MFA) and the Communist Party of the Soviet Union (CPSU) International Department.<sup>7</sup> This split between the two organizations with responsibility for Soviet international affairs echoed the more general split between conservative and reformist forces. Although by summer 1991 the CPSU International Department had already lost much of its influence on the formulation of foreign policy it continued to voice strong opposition to any ties between former Warsaw Treaty Organization members and NATO or the Western European Union on the grounds that it would turn these countries into potential staging areas for a Western military presence. It also supported the continued dominance of the USSR as the main economic and political force in the region. An official policy statement also calls for the "neutralization or at least the weakening of anti-Soviet tendencies" in these countries. Overall CPSU officials were seemingly committed to maintaining a *cordon sanitaire* between NATO and the borders of the USSR.<sup>8</sup> Conservative forces also accused officials of the MFA especially Foreign Minister

4 Seweryn Bialer "The Death of Soviet Communism" *Foreign Affairs* LXXII, no 5 (1991 2) p 175

5 M. S. Gorbachev "Obshcheevropeiskii protsess idet vpered" *Pravda* 7 July 1989 p 2. On the shifts in Soviet policy see Roger E. Kanet, *Superpower Cooperation in Eastern Europe* in Roger E. Kanet and Edward A. Kolodziej eds *The Cold War as Cooperation* (London: Macmillan 1991) pp 90-120

6 M. S. Gorbachev "Ukrepleniia fundamenta obshche-evropeiskogo protsessa" *Pravda* 26 October 1989 pp. 1-2.

7 See Suzanne Crow "International Department and Foreign Ministry Disagree on Eastern Europe" *Report on the USSR* (Hereafter *R USSR*) III, no 25 (1991) pp 5-6

8 V Sekretariate TsK KPSS "O razvitiu obstanovki v Vostochnoi Evrope i nashet politike v etom regione" *Izvestia TsK KPSS* no 3 (1991) pp 15-16 see, also Crow "International Department," p 6

Shevardnadze of betraying long term Soviet security interests and abandoning the interests of socialism in order to appease Gorbachev's Western supporters.<sup>9</sup>

Hard liners rallied around the argument that the loss of Eastern Europe served as a tremendous challenge to Soviet security. On the other hand moderates including foreign ministry officials viewed the policy of establishing new relations with the post socialist successor states quite differently. They saw the changes in Central Europe as logical and more beneficial extensions of the policy of a "common European home." They saw the Soviet border as more secure now that the Soviet Union was conducting genuine state to-state relations with its former clients. The loss of the *cordon sanitaire* was not viewed as a loss since the West had no military designs on either Eastern Europe or the Soviet Union.<sup>10</sup> While the Warsaw Pact still existed some reformers argued for its preservation as the main security organization in the region based on relations that would demonstrate that independent development and membership in the Warsaw Pact were compatible.<sup>11</sup>

Prior to the August coup and the ensuing collapse of the Soviet state efforts were pushed by the Soviets to replace the relationships formerly subsumed within the Warsaw Treaty Organization by a series of bilateral treaties that included restrictions on the foreign policy behavior of the East Europeans. Only Romania actually agreed to such limitations and after the coup treaties were signed with other countries that excluded such language.<sup>12</sup>

The new realities of the collapse of the traditional patterns of economic relations in the region led to major displacements on many levels. While the Soviet Union had been the source of seemingly limitless supplies of cheap crude oil throughout 1991 difficulties of supply and the collapsing domestic economy produced a drastic drop in trade relations. The hope did not materialize that a swift transfer to hard currency trading of goods among the former Council for Mutual Economic Assistance (CMEA) members would result in an influx of convertible currency into the Soviet treasury. Rather because of the collapse of the Soviet consumer industry and problems with oil and gas production the USSR was unable to pay for imports resulting in a drop of more than fifty percent in trade with Eastern Europe and the loss of a potential instrument of influence in the region.<sup>13</sup>

The decline in trade with Eastern Europe had a catastrophic effect on these states' developing market economies. The near collapse of the Soviet economy during 1991 led to a sharp decline in entire segments of East-Central European industry that had produced specifically for the Soviet market. Moreover the problem of economic stagnation in the region with growing unemployment and factory closings added to the staggering difficulties of the shift to a market based economy. In addition the collapse of the CMEA has left the region with no effective mechanism to channel even barter agreements while corresponding institutions in the West have so far been unwilling to open their markets to East European goods.<sup>14</sup>

The essential point to be noted about the policy of the USSR toward Eastern Europe after 1988 was the growing recognition that Soviet dominance over the region as it had existed for more than four decades was no longer tenable. Despite new frictions and problems that arose in relations with former Soviet clients

9 See for example Anatoly Saluzki, in the discussion "Kakoi byt Rossii? *Sovetskaya Kultura* no 8 (24 December 1990) p 4 Aleksandr Prokhanov "Tragedia tsentralizma" *Literaturnaya Rossiya* no 1 (5 January 1990) pp 4-5. See also Suzanne Crow "Who Lost Eastern Europe?" *R USSR* III, no 15 (1991) pp 1-5 for an excellent summary of the opposing arguments about Eastern Europe.

10 See Sergei Karaganov "Problemy evropeiskoi politiki SSSR" *Mezhdunarodnaya zhizn* (hereafter *MZ*) no 6 (1990) p 91. See also Igor Orlik "From Eastern Europe into a United Europe" *International Affairs* no 10 (1991) pp 132-141.

11 Deputy Foreign Minister I. Abomov cited in D. Makarov "We are Neighbors and Allies Like Before" *Argumenty i Fakty* no 7 (17-23 February 1990) p 5 translated in *Foreign Broadcast Information Service Soviet Union* (hereafter *FBIS SOV*) 14 March 1990 p 37.

12 See Suzanne Crow "Negotiating New Treaties with Eastern Europe" *R USSR* III, no 29 (1991) p 4. Jan Obman "[Czechoslovak] Treaty signed with the Soviet Union" *REE* II no 44 (1991) pp 1-4.

13 See Vlad Sobell, "In Search of a New CMEA" *REE* II, no 6 (1990) John M. Kramer "East Europe and the Energy Shock of 1990-91" *Problems of Communism*, XL no 3 (1991) pp 91-93. Patrice Dabrowski, "East European Trade (Part 1) The Loss of the Soviet Market," *REE* II, no 40 (1990) pp 28-37.

14 *Ibid.* See also Stephen Engelberg, "Eastern Europe's Hardships Grow as Trade with Soviets Dries Up" *New York Times* 6 May 1991 pp A1-C3.

Gorbachev Shevardnadze and other Soviet leaders accepted the reality of independence of the states of East Central Europe. By the time of the August coup and the disappearance of the Soviet Union in December 1991 the framework of a future relationship based on mutual respect for sovereignty had been established. This development was not extended to relations between the Soviet central government and the union republics.

### The Soviet All Union Government and the Union Republics

The willingness of the Gorbachev leadership to accept dramatic changes in the successor states of East Central Europe was matched to only a small degree by shifting views about the status of the union republics. While the Kremlin accepted the need for national revitalization and lauded the abstract concept of self-determination, it stressed repeatedly the fact that revitalization must occur within the framework of a unified Soviet state. By spring 1991, as his power was visibly waning, Gorbachev had agreed that the terms of the relationship between the Center and the republics should be renegotiated, but he stressed repeatedly the need to maintain unity within a new Union of Sovereign Socialist Republics. The overriding area of discussion in the USSR—both before and after the attempted coup of August 1991—concerned the need for a continued political and economic union with republic leaders granted greater authority to determine their people's future, so long as they remained within the Union.<sup>15</sup>

The acceptance of independent states throughout Eastern Europe did not result in a comparable view in Moscow concerning the independence of the union republics. The inflexibility on the issue of independence for Soviet republics was most visible in 1990 and early 1991 in the Baltic republics. Although the three republics eventually achieved their goal of independence from the USSR in the aftermath of the failed coup, all three had to put up a bitter and often violent struggle for the right to self-determination.

The right of self-determination was the focal point of the argument for more self-government for the union republics. Though many Soviet analysts agreed to the inherent rights for independence for the states of East Central Europe and accepted that the federal structure of the Soviet state was a facade for a tightly controlled unitary government, they had more varied opinions on the right to self-determination for Soviet nationalities. Concern was raised about the specter of Balkanization<sup>16</sup> even "Lebanonization" of the Soviet Union.<sup>16</sup>

Though it was increasingly evident by 1990 that all efforts to reform and democratize the Soviet political system depended on a solution of the nationalities question,<sup>17</sup> the leadership in Moscow did not understand the seriousness of the problem. For example, on the issue of self-determination for the union republics, official Soviet spokesman Gennadi Gerasimov noted that "it is a domestic issue for us. If one or two republics want to get out, they can get out, but it is not for us, not for Moscow, to encourage this kind of separation."<sup>18</sup> In what turned out to be prophetic comments on the state of nationalist movements in the USSR, several Soviet analysts noted that the collapse of communist regimes in Eastern Europe had exercised catastrophic effects on inter-ethnic relations in the USSR and had, in fact, encouraged separatist tendencies.<sup>19</sup>

---

15 On the nationality issue in the USSR see Hélène Carrère d'Encausse *Decline of an Empire: The Soviet Socialist Republics in Revolt* (New York: Newsweek Books, 1979) and Bohdan Nahaylo and Victor Swoboda *Soviet Disunion: A History of the Nationalities Problem in the USSR* (New York: Free Press, 1989). For discussions of the crisis in Soviet nationalities policy and federalism see Gerhard Simon "Die Desintegration der Sowjetunion durch die Nationen und Republiken" *Berichte des Bundesinstituts für ostwissenschaftliche und internationale Studien* no. 25 (1991) and Stephan Kux *Soviet Federalism: A Comparative Perspective* (New York: Institute for East West Security Studies, 1990) respectively.

16 See Vladimir Pustagorov "Sovetskie respubliki v mirovom soobshchestve" *MZ* no. 4 (1991) p. 6 and Iuri Borko and Boris Orlov "Nazad k Versahu ili vpered k Khel sinku 2" *Mirovaia ekonomika i mezhdunarodnaia otnosheniia* no. 3 (1991) pp. 65.

17 See Milovan Djilas "Eastern Europe: The Revolution and Its Future" *Global Affairs* V no. 2 (1990) p. 88.

18 Gennadi Gerasimov on "Panorama," BBC TV, 13 November 1989, in *FBIS SOV*, 15 November 1989, p. 27.

19 One analyst asserted that "Without a doubt the collapse of the East European alliance coincided with the separatist tendencies of the USSR. And the rather serious general psychological impact caused by the breakaway of our allies remains. Another added: "The revolutions in Eastern Europe made for a worsening of the political situation and inter-ethnic relations in the Soviet Union, primarily in the Baltic republics and Moldova, which, in turn, created difficult problems for Soviet foreign policy." Valeri Mustasov "Vostochnaia Evropa: Taifun peremen" *Prawda*, 18 March 1991, p. 5. Orlik in "From Eastern Europe into a United Europe" p. 136.

The disintegration of central authority in the Soviet Union had spread already by late 1989 to the point where the issue was raised of negotiating a new Treaty of the Union to update the original agreement. Proposed policies of self financing republics and limited republic home rule were coupled with the acceptance of central control over several key areas—the military and defense—the energy grid (especially nuclear energy)—the transportation system and foreign policy.<sup>20</sup> However, the claim for a monopoly to conduct foreign policy by the center alone countered not only the Soviet Constitution—but also the realities of the past.<sup>21</sup> In addition, the responsibilities of a self financing republic toward the center or toward other republics remained unclear.<sup>22</sup>

Other problems found in the eventual draft treaty included the vague handling of the issue of non signatories of the treaty. The distribution of all Union assets and debts remained largely a matter for later negotiations—as did the plans for a shift to a market economy. Vladimir Kusin and other analysts noted that the creation of any form of federal or confederal government requires time to develop—to become part of the national political culture. Kusin argued that the proposed new union treaty would be more likely than not, a stopgap measure meant to prevent the further disintegration of the Union.<sup>23</sup>

The sometimes rancorous debates over the right to national self-determination and the creation of a new federal (or confederal) unit on the territory of the Soviet Union led to an increased awareness of the massive problems presented by the growth at the republic—and even sub-republic—level of nationalism and feelings of exploitation by the center. Despite the formal federal structure of the Soviet state—the de facto unitary and hierarchical nature of the political system gave little effective decision making authority to the union republics. Some reformers saw the drive for sovereignty as a logical step in putting the federal system enshrined in the USSR Constitution of 1977 into operation.<sup>24</sup> One such argument went as follows:

Yes—we are for the self-determination of nations even as far as the creation of new states—therefore we positively accept the sovereignty of all nations—even those on USSR territory. Only a full and unconditional recognition of the right of each nation to independence will be able to stop the centrifugal process and establish the beginnings of integration tendencies in the USSR.<sup>25</sup>

In this debate, conservatives tended to view the disintegration of the Union as infringing on the rights of ethnically mixed populations within each of the union republics. One representative of the CPSU International Department characterized the drive for Baltic sovereignty as an unnatural separation of what was an historic part of both Europe and Russia. He claimed that the representatives of the drive for independence of the Baltic states did not portray accurately the interests of all members of the local population.<sup>26</sup>

- 
- 20 For an example of the self financing plans of Estonia, the republic that led the drive for economic independence see "Law of the Estonian Soviet Socialist Republic. The Foundations of Economic Accountability of the Estonian SSR" and "Summary of Cost Accounting in the Estonian SSR." *Sovetskaya Estoniya* 23 May 1989 translated in *FBIS SOV* 12 VI 1989 pp 62-67 and 19 June 1989 pp 101-110 respectively.
- 21 The long standing presence of Ukrainian and Belorussian seats in the United Nations and the growing foreign policy ties between individual union republics and other states were evidence of the erosion of such a monopoly. See Tamara J Resler "National Assertiveness and Foreign Policy in the USSR," paper presented at the annual meetings of the International Studies Association Vancouver BC Canada, March 1991. Jan Arvedis Trapans "Baltic Foreign Policy in 1990." *R USSR* III, no 2 (1991) pp 15-18 and Jan S Adams "One Foreign Policy or Twelve?" *R USSR* III no 48 (1991) pp 16-19.
- 22 Sergei Cheshko "Ekonomicheskii suverenitet i natsionalnyi vopros." *Kommunist* no 2 (1989) p 90.
- 23 Vladimir Kusin "The Confederal Search." *REE* II, no. 27 (1991) pp 35-47.
- 24 According to the 1977 Constitution the rights guaranteed to the union republics grant each one the right to conduct foreign policy to have foreign diplomatic representation and to join international organizations and the right to leave the Union freely. See *Konstitutsiia SSSR* (Moscow: Iuridicheskaya Literatura, 1986) pp 21-25.
- 25 Vladimir Stupishin "Svoboda vybora i pravo natsii na samoopredelenie." *MZ* no. 2 (1991) pp 13-16.
- 26 Valentin A Aleksandrov "Pribaltika—v zerkale odnoi diskussii," *MZ* no 1 (1990) p 63. Aleksandrov's argument was countered by those members of the Russian minority in the region who would prefer either to return to Russia or remain willingly in the newly independent Baltic states. See Vladimir Lebedev "Peame valja tšötama vene kogukonna laksumise programmi," (We Must Work out the Program for the Departure of the Russian Community) *Reede* Tallinn no 34 (24 August 1990). According to opinion polls taken in Estonia, as early as 1989 nearly forty percent of non Estonians supported parties that favored independence. See "Mainor Public Opinion Research Center Reports." *Noorte Haal* 11 November 1989 translated in *FBIS SOV* 20 November 1989 pp 89-92.

Until summer 1991 the government in Moscow tended to follow a conservative even reactionary policy toward the republics, rather than adopting a more reformist attitude toward the independence of its territorial units. The attacks by the Soviet military during 1989-91 on civilians in Georgia, Lithuania, and Latvia who were protesting various forms of central authority brought to mind similar interventions in Budapest and Prague. This is especially true of the military crackdowns in Vilnius and Riga in early 1991 even though the level of coercion and the degree of cohesion among the supporters of the crackdowns was nowhere near so strong as had been the case in Eastern Europe.<sup>27</sup>

In addition to the use of military force to deter the drive to independence, central authorities also used various forms of political pressure. The CPSU organs condemned the splits in each of the Baltic states communist parties as well as the growth of republic level non-communist parties. Political groupings which favored continued linkage with the Union contributed to political unrest in each of the Baltic states with representatives of the conservative Russian-dominated Intermovement attempting to storm the Estonian Parliament in Tallinn during the unrest there. Pro-Union radio stations such as Estonia's Radio Nadezhda, broadcast their messages from the safety of Soviet military bases.

Economic pressure was perhaps the most effective of weapons far more so in the Baltics than would have been possible in Eastern Europe. The blockade of Lithuanian energy supplies following its March 1990 declaration of independence left the republic largely at an economic standstill. Not only did this pressure affect the Lithuanian Parliament's decision to negotiate independence with the central authorities it also probably played a role in the form of both Estonia's and Latvia's decisions to announce "periods of transition" to independence instead of following Lithuania's lead.<sup>28</sup>

#### The Republics and the Center Towards Full Independence

The republics took the weakening of the central government as the opportunity to develop their own political movements such as breakaway communist parties separate from the CPSU and individual republican national fronts and also their own political institutions and foreign ministries independent of the MFA.<sup>29</sup>

The rejection of the old ways of doing business led to major problems and dislocations for the leadership of the union republics and especially for those seeing actual independence from the Soviet Union. Some writers argued that the Baltic states were capable of self-financing largely as a result of the comparatively high level of socio-economic development of the region.<sup>30</sup> However, the lineage of the all-Union economy and the all-Union budget with those of the republics led to major dilemmas concerning supplies of raw materials, finished products, and capital. The problems of countries in East-Central Europe in shifting to convertible currency trading has been dramatically compounded at the level of the Soviet Union republic because of the acute shortage of hard currency at the republic level. As former Estonian prime minister Edgar Savisaar pointed out shortly before the coup, the Baltic states had "less to fear from tanks than from banks."<sup>31</sup>

Because of the Soviet Union's highly centralized and inefficient system of production, the union republics were also saddled with inefficient industries and enterprises whose loyalties lay outside the republic with the central ministries. For the most part these enterprises relied for a major portion of their raw materials on sources distant from that particular production facility. Given the hostile reaction of the central government to

27 See Vladimir K. Kusin "Patterns of Intervention: Budapest, Prague, Vilnius and Riga," *RUSSIA* III, no. 4 (1991) p. 4. On the attack in Tbilisi see Marina Pavlova-Silvanskaya, cited in E. Kaladina, "A Pit Instead of a Crystal Castle," *Komsomolskaya Pravda* 3 January 1990; translated in *FBIS SOV* 5 January 1990 p. 28.

28 See Stephen Foye "Gorbachev Denies Responsibility for Crackdown," *RUSSIA* III, no. 4 (1991) pp. 1-3 and John Tedstrom "Baltic Independence: The Economic Dimension," *RUSSIA* III, no. 6 (1991) pp. 22-28.

29 See Toomas Ilves "The Congress of Estonia," and Runa Kionka "The Congress Convened," *RUSSIA* II, no. 12 (1990) pp. 31-32 and 32-35 respectively for discussion of the initial meeting of the successor parliament of the interwar Republic of Estonia.

30 Česko "Ekonomicheski suverenitet i natsionalni vopros" p. 88.

31 Remarks at a U.S. Helsinki Commission hearing, Washington 7 V 1990; cited in Runa Kionka, "Hard Currency and High Politics in the Baltic Republics," *RUSSIA* III, no. 27 (1991) p. 22.



overt attempts to achieve independence the Baltic states refusal to sign or even consider the new all Union treaty resulted in even more severe disruptions of supplies to these enterprises and to others that supplied the local market.<sup>32</sup>

The issues facing the union republics on the economic front had many similarities with the situation in East Central Europe The industries established in many republics were inefficient consumers of energy and producers of low quality goods However the lack of hard currency with which to acquire more efficient Western technology or alternative energy sources forced the republics to retain their trade ties with the Soviet Union Also the lack of funds on the part of the center resulted during 1990-1991 in a drastic drop in the amount of goods that the center could purchase from the republics In addition, adherence to old managerial practices with the fulfillment of the plan coming first and quality somewhere far down the list of priorities has only gradually begun to change Finally even at the time of the dissolution of the Soviet Union in December 1991 the breakdown of the centralized system of distribution of goods had yet to be replaced with anything even vaguely resembling a market.

On the other hand, the spread of economic chaos had potential benefits for some of the union republics With centralized control over resources vanishing regions with deficit goods were able to strike deals with other republics and, indeed other countries to sell their products on their own rather than relying on the center either to sell their goods or to supply them with the consumer goods that they require

The union republics and the Baltic states in particular took the opportunity of their calls for independence to begin establishing contacts outside the Soviet Union The foreign ministers of the Baltic republics logged many miles traveling in search of official recognition of their independence from the USSR and of the monetary support to finance it Polish and Lithuanian leaders exchanged visits though Poland withheld official recognition of Lithuania's independence until after the coup Estonia's foreign minister traveled throughout Scandinavia in search of similar recognition All three Baltic foreign ministers arrived in Paris for the continuation of the Conference on Security and Cooperation in Europe (CSCE) talks in April 1991 as observers but at Soviet insistence were not permitted to attend the meetings<sup>33</sup>

To a certain extent the all Union government accepted and even encouraged the development of economic autonomy among the union republics<sup>34</sup> This support had its limits however Ukrainian attempts to issue their own coupons for the rationing of goods were met with strong resistance from Moscow as were the initial attempts to reintroduce the kroon as the legal currency in Estonia and to reestablish separate postage stamps for Lithuania and Latvia More importantly the blockades strikes and general lack of supplies affected the entire chain of production The collapse of the command economy led to decreases in expected deliveries to many state run enterprises that relied on goods from throughout the Union These bottlenecks sent ripples throughout the entire economy for as one area slowed production it stopped its export of goods thus leading to a never ending series of shortages throughout the system

On the political front events were just as disruptive for the all Union system of management and control The political instability of 1991 led some to claim that it would be possible for republics to "buy" their independence According to the Estonian foreign minister a Gosplan document dated 8 May 1991 offered the following possibility All Union industries would be sold by the center to the governments of the new states and then leased back to the center The all Union debt would be divided proportionately among the fifteen union republics and Soviet troops would be withdrawn from the territory of those republics which fulfilled these

32 See Runa Kionka "How Will Estonia Cope After the Union Treaty?" *R USSR* III no 30 (1991) pp 27-29

33 See Stephen R Burant, "Polish Lithuanian Relations Past, Present, and Future" *Problems of Communism* XL no 3 (1991) p 78 Richard J Krickus "Lithuania's Polish Question" *R USSR* III, no 48 (1991) pp 20-23 Nils Muiznieks "The Emerging Baltic Foreign Policy Establishment," *R USSR* II no 35 (1990) pp 17-19 relevant chapters in *Soviet Foreign Policy in Transition* ed. by Roger E. Kanet, et al. (Cambridge New York Cambridge University Press 1992) and Trapans "Baltic Foreign Policy in 1990"

34 See Chesko "Ekonomicheskii suverenitet i natsionalnyi vopros"

requirements. The foreign minister fixed the cost of such a policy to Estonia at about one billion U S dollars but noted that Estonians would sacrifice in order to pay this price for independence.<sup>35</sup>

### The Coup and Its Aftermath The Dissolution of the USSR

The failed coup of 19 August 1991 accelerated the multifaceted process of disintegration of the Soviet Union and culminated in its formal dissolution four months later. The three Baltic states regained their national independence already in the first half of September and, much as their neighbors in East Central Europe now faced the uncertainties of establishing independent economic and political systems. Eleven of the remaining twelve former union republics—all but two of which declared their independence from the Soviet Union in the weeks immediately following the collapse of the coup and have now gained formal international recognition—have established an as yet amorphous Commonwealth of Independent States through which they have agreed to cooperate in areas of mutual concern—military security transportation etc.

The coup represented a desperate attempt by a handful of hard liners to stem the tide of the changes that had been unleashed by Gorbachev's reform program and were now sweeping the Soviet Union and threatening its collapse. Chief among these changes were those associated with the nationality question and with the relationships between the central authorities in Moscow and the union republics. Though Gorbachev had fought assiduously to suppress secessionist demands and to retain central authority over the entire country, his personal authority and that of the central state and party apparatus were in serious decline. The new Union Treaty that had been negotiated in spring 1991 and was to be signed on 20 August, recognized the changed political relationships between the center and the republics. The draft agreement illustrated the growing power of republic level officials—such as Boris El'tsin in Russia and Nursultan Nazarbaev in Kazakhstan—and of the fact that political initiative had shifted from the center to the republics. The timing of the coup was meant to forestall the signing of the new Treaty of the Union which would have legalized further decentralization of state power.

Rather than salvaging centralized authority, the coup speeded up the process of disintegration. The three Baltic republics left the Union while eleven of the remaining twelve declared their independence but continued discussions about future cooperation. In the ensuing months the signing of the Treaty was put on hold while the republics jockeyed to strengthen their demands for greater authority. A treaty of economic community between eleven of the remaining republics and the center was signed in October with Ukraine acceding to the treaty on 4 November 1991. All the while President Gorbachev fought to maintain the authority of the central government.<sup>36</sup> In a televised speech on 3 December 1991 he repeated his plea to the republics not to leave the Union and warned of dire consequences—even war—should his arguments not be heeded.<sup>37</sup>

The impasse between President Gorbachev and the presidents of the union republics was broken on 8 December 1991 with the announcement that the presidents of the three Slavic republics—Belarus, Russia and Ukraine—had agreed to form a Commonwealth of Independent States, thereby undercutting Gorbachev's efforts to retain a confederate state with a strong central presidency. Within a week all the remaining republics except Georgia agreed to join the Commonwealth. On 25 December 1991 Gorbachev resigned as president of the Soviet Union and a rump session of the Supreme Soviet dissolved the USSR, bringing to an end the seven decade experiment in centralized federalism.<sup>38</sup>

In addition to the accelerated deterioration of the Union in the aftermath of the August coup, the conservative forces that had grudgingly accepted the collapse of socialism in East-Central Europe were now

35 Foreign Minister Lennart Meri, cited in Harald Hamrin, "Estland kan köpa sin frihet. Sovjetiskt dokument ger nya möjligheter för delrepublikerna att lämna unionen." *Dagens Nyheter*, Stockholm, 28 May 1991, p. 9.

36 See for example Ann Sheehy, "The Union Treaty: A Further Setback," *RUSSIA*, III, no. 49 (1991), pp. 1-4.

37 *RUSSIA*, III, no. 50 (1991), pp. 31-2.

38 Alexander Rahr, "Is Gorbachev Finished?" and Stephen Foye, "From Union to Commonwealth: Will the Armed Forces Go along?" *RUSSIA*, III, no. 51/52 (1991), pp. 1-7. Gorbachev, "Last Soviet Leader Resigns: US Recognizes Republics Independence," *New York Times*, 26 December 1991, p. A1.

forced to watch it being dismantled in their own country. The CPSU was shut down and in some republics outlawed altogether. The KGB was disbanded in its old form and its functions were placed under control of the military and a civilian board of control. Investigations of treason and abuse of power began already in fall 1991. While the opponents of decentralization and of the granting of a gradual increase in republican self-determination may have thought that they were saving the Soviet multiethnic state and socialism by their actions during the coup and in the two years prior to it, in the end they managed to contribute to the sudden and cataclysmic dissolution of the Soviet Union.

The parallels between the collapse of the Soviet central government in the months following the coup and the collapse of the Soviet bloc in Eastern Europe two years earlier are readily apparent—primarily the loss of legitimacy of the communist system and the growing demand for national independence. In both cases the failure of Soviet leaders, including President Mikhail Gorbachev, to understand the strength of the nationalist revival that had been unleashed by the reforms contributed to the collapse. After Gorbachev's acceptance of full independence for the client states of East-Central Europe, it became increasingly difficult to deny similar claims in the Baltics and the Caucasus. By summer 1991, Gorbachev and the central authorities in Moscow had already lost most of their authority over the republics. The coup, which represented an attempt in part to redress the balance of power between center and periphery, actually destroyed whatever authority and legitimacy the center retained.

As the events of the next four months played out, it became increasingly clear that the life span of the multiethnic Soviet state had run its course. What is not evident at the time of writing in mid 1992 is the degree of success that Russia and the other successor states will have in establishing stable political systems and functioning economies. The transformation to market economies, the search for new markets, and the quest for security in a period of lively regional instability will possibly force the successor states to develop new forms of cooperation within the framework of the Commonwealth of Independent States. However, it is also possible that regional groupings of the newly independent states will be established or that growing tensions will lead to conflict among the Soviet successor states.

**This publication is supported in part by a grant from the John D and Catherine T MacArthur Foundation and is produced by the Program in Arms Control, Disarmament, and International Security at the University of Illinois at Urbana Champaign**

**The University of Illinois is an equal opportunity/affirmative action institution**