Chapter

18 Continuing communism, collapse and aftermath, 1953 to the present

SUMMARY OF EVENTS

This long period falls into four phases:

1953–64
After Stalin's death, *Nikita Khrushchev* gradually emerged as the dominant leader. He began a de-Stalinization policy and introduced new measures to strengthen the Soviet economy and reform the bureaucracy. In 1962 the USSR came to the brink of war with the USA over the Cuban missiles crisis. Khrushchev's colleagues turned against him and he was forced to retire into private life in October 1964.

1964–85
This was a period of stagnation and decline, during which *Leonid Brezhnev* was the leading figure.

1985–91
Mikhail Gorbachev tried to reform and modernize Russian communism and to encourage similar progress in the satellite states of eastern Europe. However, he proved unable to control the rising tide of criticism directed at communism, and in 1989–90, non-communist governments were established in most of the states of eastern Europe (see Section 8.7). When Gorbachev failed to keep his promises of economic reform and higher living standards, the people of the USSR turned against communism and he lost power to *Boris Yeltsin*. The Communist Party was declared illegal, the USSR broke up into 15 separate states and Gorbachev resigned as president of the USSR (December 1991).

1991–2012
Boris Yeltsin was president of Russia, which was now a separate state, from 1991 until his resignation at the end of December 1999. After the collapse of communism, Russia was plunged into chaos as successive governments tried desperately to introduce new economic and political systems. The problems were vast: inflation, unemployment, poverty, trouble in Chechnya and clashes between Yeltsin and parliament. In 2000, *Vladimir Putin* became president and was re-elected for a second term in March 2004. The constitution did not allow a president two terms, so in 2008 Putin's close supporter, Medvedev, was elected president with Putin as prime minister. In the 2012 elections, in spite of declining popularity and allegations of electoral fraud, Putin was elected president for a third term.

18.1 THE KHRUSHCHEV ERA, 1953–64

(a) The rise of Khrushchev, 1953–7

With the departure of Stalin, the situation was similar to that after Lenin's death in 1924: there was no obvious candidate to take charge. Stalin had allowed no one to show any initiative in case he developed into a dangerous rival. The leading members of the Politburo, or Praesidium, as it was now called, decided to share power and rule as a group. Malenkov became chairman of the Council of Ministers, Khrushchev party secretary, and Voroshilov chairman of the Praesidium. Also involved were Beria, the chief of the secret police, Bulganin and Molotov. Gradually Nikita Khrushchev began to emerge as the dominant personality. The son of a peasant farmer, he had worked as a farm labourer and then as a mechanic in a coalmine before going to technical college and joining the Communist Party. Beria, who had an atrocious record of cruelty as chief of police, was executed, probably because the others were nervous in case he turned against them. Malenkov resigned in 1955 after disagreeing with Khrushchev about industrial policies, but it was significant that in the new relaxed atmosphere, he was not executed or imprisoned.

Khrushchev's position was further strengthened by *an amazing speech which he delivered at the Twentieth Communist Party Congress (February 1956) strongly criticizing various aspects of Stalin's policies*. He:

- condemned Stalin for encouraging the cult of his own personality instead of allowing the Party to rule;
- revealed details about Stalin's purges and the wrongful executions of the 1930s, and criticized his conduct of the war;
- claimed that socialism could be achieved in ways other than those insisted on by Stalin;
- suggested that peaceful coexistence with the west was not only possible but essential if nuclear war was to be avoided.

Why did Khrushchev make this attack on Stalin? It was a risky step to take, bearing in mind that he and most of his colleagues owed their positions to Stalin and had gone along with his worst excesses without protest. Khrushchev genuinely believed that the truth about Stalin's crimes would have to come out sooner or later, and that it would be better if the Party took the initiative itself and confronted the issue before it was forced into it by public pressure. This argument enabled him to secure the approval of his colleagues for him to deliver the speech, and then he used the opportunity cleverly for his own political ends. He emphasized that he had only joined the Politburo in 1939, giving the clear impression that his seniors – Malenkov, Molotov, Kaganovitch and Voroshilov – were all infinitely more responsible for the bloodletting than he was. His publicly condemning Stalin's behaviour in this way made it more difficult for any future leader to attempt to imitate him. Khrushchev genuinely felt, too, that Stalin's system had held up progress and stifled initiative; he wanted to get things back on the track that Lenin would have followed, and rule as an enlightened dictator.

Khrushchev was not quite supreme yet; Molotov and Malenkov believed his speech was too drastic and would encourage unrest (they blamed him for the Hungarian revolution of October 1956), and they tried to force him out of office. However, as party secretary, Khrushchev, like Stalin before him, had been quietly filling key positions with his own supporters, and since he could rely on the army, it was Molotov and Malenkov who found themselves compulsorily retired (June 1957). After that, Khrushchev was fully responsible for all Russian policy until 1964. But he never wielded as much power as

grain output was down to 110 million tons, mainly because of the failure of the virgin lands scheme. Critics in the Party complained that too much was being spent on agriculture to the detriment of industry; Khrushchev had to give way, and the supply of agricultural equipment dwindled. But the main problem was that much of the land was of poor quality, not enough fertilizers were used, because they were expensive, and the exhausted soil began to blow away in dust storms. In general there was still too much interference in agriculture from local party officials, and it remained the least efficient sector of the economy. The Russians had to rely on grain imports, often from the USA and Australia; this humiliation contributed to Khrushchev's downfall in October 1964.

3 Political, social and cultural changes

There were important changes in all these areas. Khrushchev favoured a more relaxed approach in general and the period became known as the 'thaw'. In politics this included a return to party control instead of Stalin's personality cult. Khrushchev was careful not to act too much like a dictator for fear of laying himself open to similar charges. There was a reduction in secret police activities; after the execution of the sinister Beria, sacked politicians and officials were allowed to retire into obscurity instead of being tortured and shot. The labour camps began to empty and many people were rehabilitated. Unfortunately this was too late for some people: Nadezhda Mandelstam received a letter addressed to her husband Osip, informing him that he had been rehabilitated; sadly, he had died in a labour camp in 1938.

There was more freedom for ordinary people, and a higher standard of living. It was estimated that in 1958 at least 100 million people were living below the poverty line, but in 1967 this had fallen to about 30 million; the improvement was due mainly to the introduction of a minimum wage.

There was more freedom for writers, for whom Khrushchev had great respect. Ilya Ehrenburg caused a stir with the publication of *The Thaw*, a novel full of criticisms of the Stalin era (1954). Anna Akhmatova, Bulgakov and Meyerhold were rehabilitated. Alexander Solzhenitsyn's novel *One Day in the Life of Ivan Denisovich*, about an innocent man sentenced to hard labour, drew on his own experiences of eight years in a camp. The simple test of Khrushchev's reaction to a new work was: if it attacked Stalin and his system, it would be approved; if it attacked the Party or present aspects of Soviet life, it would be denounced and banned. Some writers overstepped the mark and found themselves disgraced and expelled from the writers' union. But at least they did not end up in labour camps.

The 'thaw' also had its limits in other areas; for example, Khrushchev decided that the Orthodox Church was gaining too much influence in Soviet life. Thousands of churches were closed down and it was illegal to hold gatherings in private houses without permission; since this was never granted for religious meetings, it became extremely difficult for Christians to worship. In 1962 when some factory workers at Novocherkassk went on strike and organized a demonstration in protest against increases in meat and dairy prices, tanks and troops were called in. Troops fired into the crowd, killing 23 people and injuring dozens more; 49 people were arrested and five of the ringleaders were executed.

4 Foreign affairs

Following his Twentieth Party Congress speech, Khrushchev aimed for *peaceful coexistence and a thaw in the Cold War* (see Section 7.3), and seemed prepared to allow different 'roads to socialism' among the satellite states of eastern Europe. However, these departures from strict Marxist–Leninist ideas (including his encouragement of profit and wage incentives) laid him open to Chinese accusations of *revisionism* (see Section 8.6(d)). In addition, encouraged by his speech, Poland and Hungary tried to break free from Moscow's grip. Khrushchev's reaction to the developments in Hungary, where the 'rising'

was brutally crushed, showed how limited his toleration was (see Sections 9.3(e) and 10.5(d)). The greatest crisis of all came in 1962 when the USSR clashed with the USA over the question of the Russian missiles in Cuba (see Section 7.4).

(c) Khrushchev's fall

In October 1964 the Central Committee of the Party voted Khrushchev into retirement on the grounds of ill health; in fact, although he was 70, his health was perfectly good. The real reasons were probably the failure of his agricultural policy (though he had been no less successful than previous governments in this), his loss of prestige over the Cuban missiles crisis (see Section 7.4(b)), and the widening breach with China, which he made no attempt to heal. He had offended many important groups in society: his attempts to make the Party and the government more efficient and decentralized brought him into conflict with the bureaucracy, whose privileged positions were being threatened. The military disapproved of his cuts in defence spending and his attempts to limit nuclear weapons. Perhaps his colleagues were tired of his extrovert personality (once, in a heated moment at the United Nations, he took off his shoe and hammered the table with it) and felt he was taking too much on himself. Without consulting them he had just tried to win the friendship of President Nasser of Egypt by awarding him the Order of Lenin at a time when he was busy arresting Egyptian communists. Khrushchev had become increasingly aggressive and arrogant, and at times seemed to have developed the 'cult of personality' almost as much as Stalin.

In spite of his failures, many historians believe that Khrushchev deserves considerable credit; his period in power has been described as 'the Khrushchev revolution'. He was a man of outstanding personality: a tough politician and yet at the same time impulsive and full of warmth and humour. After Stalin's grim remoteness, his more approachable and human style was more than welcome; he deserves to be remembered for the return to comparatively civilized politics (at least inside Russia). Alec Nove believed that the improvement in living standards and his social policies were perhaps his greatest achievements. Others see his 'peaceful coexistence' policy and his willingness to reduce nuclear weapons as a remarkable change in attitude.

Martin McCauley sees Khrushchev as a kind of heroic failure, a man with a noble vision, whose success was only modest because he was let down by the greed and concern for their own positions of those in authority. Powerful vested interests in the Party and the state administration did everything they could to delay his attempts to decentralize and 'return power to the people'. Dmitri Volkogonov, who was not a great admirer of any of the Soviet leaders, wrote that Khrushchev had achieved the virtually impossible: as a product of the Stalinist system, 'he had undergone a visible change in himself and in a fundamental way also changed society. However much his successor, Brezhnev, may have sympathized with Stalinism, he could not bring himself to restore it; the obstacles placed in his way by Khrushchev proved insurmountable.'

18.2 THE USSR STAGNATES, 1964–85

(a) The Brezhnev era

After Khrushchev's departure, three men, Kosygin, Brezhnev and Podgomy, seemed to be sharing power. At first Kosygin was the leading figure and the chief spokesman on foreign affairs, while Brezhnev and Podgomy looked after home affairs. In the early 1970s Kosygin was eclipsed by Brezhnev after a disagreement over economic policies. Kosygin pressed for

more economic decentralization, but this was unpopular with the other leaders, who claimed that it encouraged too much independence of thought in the satellite states, especially Czechoslovakia. Brezhnev established firm personal control by 1977, and he remained leader until his death in November 1982. Reform disappeared from the agenda; most of Khrushchev's policies were abandoned and serious economic problems were ignored. Brezhnev and his colleagues were less tolerant of criticism than Khrushchev; anything that threatened the stability of the system or encouraged independent thinking was stifled, and this applied to the states of eastern Europe as well. Brezhnev's main concern seems to have been to keep the *nomemklatura* (the ruling elite and the bureaucracy) happy.

1 Economic policies

Economic policies maintained wage differentials and profit incentives, and some growth took place, but the rate was slow. The system remained strongly centralized, and Brezhnev was reluctant to take any major initiatives. By 1982 therefore, much of Russian industry was old-fashioned and in need of new production and processing technology. There was concern about the failure of the coal and oil industries to increase output, and the building industry was notorious for slowness and poor quality. Low agricultural yield was still a major problem – not once in the period 1980–4 did grain production come anywhere near the targets set. The 1981 harvest was disastrous and 1982 was only slightly better, throwing Russia into an uncomfortable dependence on American wheat. It was calculated that in the USA in 1980 one agricultural worker produced enough to feed 75 people, while his counterpart in Russia could manage only enough to feed 10.

The one section of the economy which was successful was the production of military hardware. By the early 1970s the USSR had caught up with the USA in numbers of intercontinental missiles, and had developed a new weapon, the anti-ballistic missile (ABM). Unfortunately, the arms race did not stop there – the Americans continued to produce even more deadly missiles, and at each step, the USSR strained to draw level again. *This was the basic problem of the Soviet economy – defence spending was so vast that the civilian areas of the economy were deprived of the necessary investment to keep them up to date.*

2 The Eastern bloc

The Eastern bloc states were expected to obey Moscow's wishes and to maintain their existing structure. When liberal trends developed in Czechoslovakia (especially the abolition of press censorship), a massive invasion took place by Russian and other Warsaw Pact troops. The reforming government of Dubcek was replaced by a strongly centralized, pro-Moscow regime (1968) (see Section 10.5(e)). Soon afterwards Brezhnev declared the so-called *Brezhnev Doctrine:* according to this, intervention in the internal affairs of any communist country was justified *if socialism in that country was considered to be threatened.* This caused some friction with Romania, which had always tried to maintain some independence, refusing to send troops into Czechoslovakia and keeping on good terms with China. The Russian invasion of Afghanistan (1979) was the most blatant application of the doctrine, while more subtle pressures were brought to bear on Poland (1981) to control the independent trade union movement, Solidarity (see Section 10.5(f)).

3 Social policy and human rights

Brezhnev genuinely wanted the workers to be better-off and more comfortable, and there is no doubt that life improved for most people during these years. Unemployment was almost eliminated and there was a full programme of social security. The increasing amount of accommodation enabled millions of people to move from communal apartments to single-family flats.

However, personal freedom became more limited. For instance, by 1970 it was impossible to get any writings published which were critical of Stalin. Historians such as Roy

Medvedev and Viktor Danilov had their latest books banned, and Alexander Solzhenitsyn, after the success of *One Day in the Life of Ivan Denisovich*, found that his next two novels, *The First Circle* and *Cancer Ward*, were rejected. He was expelled from the writers' union, which meant that it was impossible for him to publish in the USSR.

The KGB (secret police) were now using a new technique to deal with 'troublemakers' – they were confined in psychiatric hospitals or mental asylums, where some were kept for many years. In May 1970 the biologist and writer Zhores Medvedev, Roy's twin brother, was locked up in a mental hospital and diagnosed as suffering from 'creeping schizophrenia'; the real reason was that his writings were considered to be anti-Soviet. This sort of treatment made reform-minded intellectuals more determined to persevere. A Human Rights Committee was formed by the physicists Andrei Sakharov and Valeri Chalidze, to protest about conditions in labour camps and prisons, and to demand free speech and all the other rights promised in the constitution. Writers began to circulate works in typescript around their little groups, a practice known as *samizdat* – self-publishing.

The Human Rights Committee gained a new weapon in 1975 when the USSR, along with the USA and other nations, signed the Helsinki Final Treaty. Among other things, this provided for economic and scientific cooperation between East and West, as well as full human rights. Brezhnev claimed to be in favour of the treaty, and appeared to make important concessions about human rights in the USSR, but in fact little progress was made. Groups were set up to check whether the terms of the agreement were being kept, but the authorities put them under intense pressure. Their members were arrested, imprisoned, exiled or deported, and finally the groups were dissolved altogether. Only Sakharov was spared, because he was so internationally renowned that there would have been a worldwide outcry had he been arrested. He was sent into internal exile in Gorky and later in Siberia.

4 Foreign policy

'Peaceful coexistence' was the only Khrushchev initiative which was continued during the Brezhnev period. The Russians were anxious for detente, especially as relations with China deteriorated almost to the point of open warfare in 1969. But after 1979 relations with the West deteriorated sharply as a result of the Russian invasion of Afghanistan. Brezhnev continued to advocate disarmament but presided over a rapid increase in Soviet armed forces, particularly the navy and the new SS-20 missiles (see Section 7.4(c)). He stepped up Soviet aid to Cuba and offered aid to Angola, Mozambique and Ethiopia.

(b) Andropov and Chernenko

After Brezhnev's death in 1982, Russia was ruled for a short period by two elderly and ailing politicians – Yuri Andropov (November 1982–February 1984) and then Konstantin Chernenko (February 1984–March 1985). Head of the KGB until May 1982, Andropov immediately launched a vigorous campaign to modernize and streamline the Soviet system. He began an anti-corruption drive and introduced a programme of economic reform, hoping to increase production by encouraging decentralization. Some of the older party officials were replaced with younger, more go-ahead men. Unfortunately Andropov was dogged by ill health and died after little more than a year in office.

The 72-year-old Chernenko was a more conventional type of Soviet politician; he owed his rise to the fact that for many years he had been Brezhnev's personal assistant, and he was already terminally ill when he was chosen as next leader by the Politburo. Clearly the majority wanted somebody who would abandon the anti-corruption campaign and leave them in peace. There was no relaxation in the treatment of human rights activists. Sakharov was still kept in exile in Siberia (where he had been since 1980), in spite of

appeals by western leaders for his release. Members of an unofficial trade union, supporters of a group 'for the establishment of trust between the USSR and the USA' and members of unofficial religious groups were all arrested. This was how Dmitri Volkogonov (in *The Rise and Fall of the Soviet Empire)* summed up Chernenko's 13 months in power: 'Chernenko was not capable of leading the country or the party into the future. His rise to power symbolized the deepening of the crisis in society, the total lack of positive ideas in the party, and the inevitability of the convulsions to come.'

18.3 GORBACHEV AND THE END OF COMMUNIST RULE

Mikhail Gorbachev, who came to power in March 1985, was, at 54, the most gifted and dynamic leader Russia had seen for many years. He was determined to transform and revitalize the country after the sterile years following Khrushchev's fall. He intended to achieve this by *modernizing and streamlining the Communist Party* with new policies of *glasnost* (openness) and *perestroika* (restructuring – of the Party, the economy and the government). The new thinking soon made an impact on foreign affairs, with initiatives on detente, relations with China, a withdrawal from Afghanistan and ultimately the ending of the Cold War in late 1990 (see Section 8.6).

Gorbachev outlined what was wrong at home in a speech to the Party Conference in 1988: the system was too centralized, leaving no room for local individual initiative. It was a 'command' economy, based almost completely on state ownership and control, and weighted strongly towards defence and heavy industry, leaving consumer goods for ordinary people in short supply. *Gorbachev did* ***not*** *want to end communism; he wanted to replace the existing system, which was still basically Stalinist, with a socialist system which was humane and democratic.* He sincerely believed that this could be achieved within the framework of the Marxist–Leninist one-party state. He did not have the same success at home as abroad. His policies failed to provide results quickly enough, and led to the collapse of communism, the break-up of the USSR, and the end of his own political career.

(a) Gorbachev's new policies

/ Glasnost

Glasnost was soon seen in areas such as *human rights and cultural affairs.* Several well-known dissidents were released, and the Sakharovs were allowed to return to Moscow from internal exile in Gorky (December 1986). Leaders like Bukharin, who had been disgraced and executed during Stalin's purges of the 1930s, were declared innocent of all crimes. *Pravda* was allowed to print an article criticizing Brezhnev for overreacting against dissidents, and a new law was introduced to prevent dissidents from being sent to mental institutions (January 1988). Important political events like the Nineteenth Party Conference in 1988 and the first session of the new Congress of People's Deputies (May 1989) were televised.

In cultural matters and the media generally, there were some startling developments. In May 1986 both the Union of Soviet Film-makers and the Union of Writers were allowed to sack their reactionary heads and elect more independent-minded leaders. Long-banned anti-Stalin films and novels were shown and published, and preparations were made to publish works by the great poet Osip Mandelstam, who died in a labour camp in 1938.

There was a new freedom in news reporting: in April 1986, for example, when a nuclear reactor at Chernobyl in the Ukraine exploded, killing hundreds of people and releasing a massive radioactive cloud which drifted across most of Europe, the disaster was discussed

(b) What went wrong with Gorbachev's policies?

1 Opposition from radicals and conservatives

As the reforms got under way, Gorbachev ran into problems. Some party members, such as Boris Yeltsin, were more radical than Gorbachev, and felt that the reforms were not drastic enough. They wanted a change to a western-style market economy as quickly as possible, though they knew this would cause great short-term hardship for the Russian people. On the other hand, the conservatives, like Yegor Ligachev, felt that the changes were too drastic and that the Party was in danger of losing control. This caused a dangerous split in the Party and made it difficult for Gorbachev to satisfy either group. Although he had some sympathy with Yeltsin's views, he could not afford to side with Yeltsin against Ligachev, because Ligachev controlled the party apparatus.

The conservatives were in a large majority, and when the Congress of People's Deputies elected the new Supreme Soviet (May 1989), it was packed with conservatives; Yeltsin and many other radicals were not elected. This led to massive protest demonstrations in Moscow, where Yeltsin was a popular figure, since he had cleaned up the corrupt Moscow Communist Party organization. Demonstrations would not have been allowed before Gorbachev's time, but *glasnost* – encouraging people to voice their criticisms – was now in full flow, and was beginning to turn against the Communist Party.

2 *The economic reforms did not produce results quickly enough*

The rate of economic growth in 1988 and 1989 stayed exactly the same as it had been in previous years. In 1990 national income actually fell, and continued to fall – by about 15 per cent – in 1991. Some economists think that the USSR was going through an economic crisis as serious as the one in the USA in the early 1930s.

A major cause of the crisis was the disastrous results of the Law on State Enterprises. The problem was that wages were now dependent on output, but since output was measured by its value in roubles, factories were tempted not to increase overall output, but to concentrate on more expensive goods and reduce output of cheaper goods. This led to higher wages, forcing the government to print more money to pay them with. Inflation soared, and so did the government's budget deficit. Basic goods such as soap, washing-powder, razor-blades, cups and saucers, TV sets and food were in very short supply, and the queues in the towns got longer.

Disillusion with Gorbachev and his reforms rapidly set in, and, having had their expectations raised by his promises, people became outraged at the shortages. In July 1989 some coal miners in Siberia found there was no soap to wash themselves with at the end of their shift. 'What kind of a regime is it', they asked, 'if we can't even get washed?' After staging a sit-in, they decided to go on strike; they were quickly joined by other miners in Siberia, in Kazakhstan and in the Donbass (Ukraine), the biggest coalmining area in the USSR, until half a million miners were on strike. It was the first major strike since 1917. The miners were well disciplined and organized, holding mass meetings outside party headquarters in the main towns. They put forward detailed demands, 42 in all. These included better living and working conditions, better supplies of food, a share in the profits and more local control over the mines. Later, influenced by what was happening in Poland (where a non-communist president had just been elected – see Section 10.6(c)), they called for independent trade unions like Poland's Solidarity, and in some areas they demanded an end to the privileged position of the Communist Party. The government soon gave way and granted many of the demands, promising a complete reorganization of the industry and full local control.

By the end of July the strike was over, but the general economic situation did not improve. Early in 1990 it was calculated that about a quarter of the population was living below the poverty line; worst affected were those with large families, the unemployed and

pensioners. *Gorbachev was fast losing control of the reform movement which he had started,* and the success of the miners was bound to encourage the radicals to press for even more far-reaching changes.

3 Nationalist pressures

These also contributed towards Gorbachev's failure and led to the break-up of the USSR. The Soviet Union was a federal state consisting of 15 separate republics, each with its own parliament. The Russian republic was just one of the 15, with its parliament in Moscow (Moscow was also the meeting place for the *federal* Supreme Soviet and Congress of People's Deputies). The republics had been kept under tight control since Stalin's time, but *glasnost* and *perestroika* encouraged them to hope for more powers for their parliaments and more independence from Moscow. Gorbachev himself seemed sympathetic, provided that the Communist Party of the Soviet Union (CPSU) remained in overall control. However, once started, demands got out of hand.

- *Trouble began in Nagorno-Karabakh,* a small Christian autonomous republic within the Soviet republic of Azerbaijan, which was Muslim. The parliament of Nagorno-Karabakh asked to become part of neighbouring Christian Armenia (February 1988), but Gorbachev refused. He was afraid that if he agreed, this would upset the conservatives (who opposed internal frontier changes) and turn them against his entire reform programme. Fighting broke out between Azerbaijan and Armenia, and Moscow had clearly lost control.
- *Worse was to follow in the three Baltic soviet republics of Lithuania, Latvia and Estonia,* which had been taken over against their will by the Russians in 1940. Independence movements, denounced by Gorbachev as 'national excesses', had been growing in strength. In March 1990, encouraged by what was happening in the satellite states of eastern Europe, Lithuania took the lead by declaring itself independent. The other two soon followed, though they voted to proceed more gradually. Moscow refused to recognize their independence.
- Boris Yeltsin, who had been excluded from the new Supreme Soviet by the conservatives, made a dramatic comeback when he was elected president of the parliament of the Russian republic (Russian Federation) in May 1990.

4 Rivalry between Gorbachev and Yeltsin

Gorbachev and Yeltsin were now bitter rivals, disagreeing on many fundamental issues.

- *Yeltsin believed that the union should be voluntary:* each republic should be independent but also have joint responsibilities to the Soviet Union as well. If any republic wanted to opt out, as Lithuania did, it should be allowed to do so. However, Gorbachev thought that a purely voluntary union would lead to disintegration.
- Yeltsin was now completely disillusioned with the Communist Party and the way the traditionalists had treated him. He thought the Party no longer deserved its privileged position in the state. Gorbachev was still hoping against hope that the Party could be transformed into a humane and democratic organization.
- On the economy, Yeltsin thought the answer was a rapid changeover to a market economy, though he knew that this would be painful for the Russian people. Gorbachev was much more cautious, realizing that Yeltsin's plans would cause massive unemployment and even higher prices. He was fully aware of how unpopular he was already; if things got even worse, he might well be overthrown.

one year, beginning with 'price liberalization' and going on to privatize almost the entire economy. It would be difficult for about six months, but he assured Yeltsin that things would then stabilize and people's lives would gradually improve.

This 'shock therapy', as it was called, began in January 1992 with the removal of price controls from about 90 per cent of goods, and the ending of government subsidies to industry. Prices rose steeply and kept on rising after the first six months. By the end of the year prices were, on average, 30 times higher than at the beginning; there were plenty of goods in the shops but most people could not afford to buy them. The situation was disastrous, since wages did not keep pace with prices; as sales fell, factory workers were laid off, and over a million people lost their jobs. Thousands were homeless and were forced to live in tents outside the towns. Many people had to rely on food parcels sent from abroad.

When the privatization programme began, it seemed as though the intention was for all big state industries and collective farms to be transferred to the joint ownership of all the people. Every citizen was given vouchers to the value of 10 000 roubles as their share, and there were plans for workers to be able to buy shares in their enterprise. However, none of this happened; 10 000 roubles was the equivalent of about £35 – a minute amount at a time of rapid inflation; nor could most workers afford to buy shares. What happened was that managers were able to buy up and accumulate enough vouchers to take over the ownership of their plant. This continued until by the end of 1995 most of the former state industry had fallen into the hands of a relatively small group of financiers, who became known as the 'oligarchs'. They made enormous profits, but from government subsidies, which were reintroduced, rather than from the market. Instead of reinvesting their profits in industry, as the government intended, they transferred them into Swiss bank accounts and foreign investments. Total investment in Russia fell by two-thirds.

Long before this stage was reached, Yeltsin's popularity had dwindled. Two of his former supporters, Alexander Rutskoi and Ruslan Khasbulatov, led the opposition in the Supreme Soviet and forced Yeltsin to dismiss Gaidar, replacing him with Viktor Chernomyrdin. In January 1993 he reintroduced some controls on prices and profits, but at the end of 1993, after two years of 'shock therapy', according to one report: 'Our country has been thrown back two centuries to the "savage era" of capitalism.' As a first experience of any kind of 'democracy', it was a grave disappointment for the vast majority of people. In the words of Daniel Beer, 'the Yeltsin government presided over an economic collapse so vast and devastating that for most Russians the term became synonymous with chaos and the plunder of state property (that is, society's) by a small clique of robber barons. ... By 1993 Russians were bitterly referring to *democracy – dermo* being the Russian for "shit".' Sadly, corruption, fraud, bribery and criminal activity became part of everyday life in Russia. Another report, prepared for Yeltsin early in 1994, estimated that *criminal mafias had gained control of between 70 and 80 per cent of all business and banking*. One Russian writer, Alexander Chubarov, recently described the government's policies as 'deformed capitalism'. It was an attempt to create in six months the sort of market capitalism which had taken generations to evolve in the West.

(b) Opposition and the 'civil war' in Moscow

The leading politicians lacked experience of democracy as well as of how to organize a market economy. At first there were no properly organized political parties on the western model, and the constitution, a leftover from the Soviet era, was unclear about the division of powers between president and parliament. However, in November 1992 the Communist Party was legalized again, and other groups began to form, although Yeltsin himself did not have a supporting party. *A majority in parliament strongly opposed Yeltsin's policies and tried to get rid of him*, but in a referendum in April 1993, 53 per cent of voters

withdraw their troops, the Chechens promised to set up a government acceptable to Moscow and there was to be a cooling-off period of five years. However, the Chechens did not drop their demands for independence, and fighting started again long before five years had elapsed.

(d) Elections: December 1995 and June/July 1996

Under the terms of the new constitution, elections for the *Duma* were to be held in December 1995 and the presidential election in June 1996. The results of the *Duma* elections were disappointing for the government, which was still unpopular. Yeltsin and his supporters won only 65 seats out of the 450, whereas the Communist Party, led by Gennady Zyuganov, took 157 seats; together with their allies, they could muster 186 seats, by far the largest grouping. There was obviously much residual support and nostalgia for the old days of the USSR and strong government. In a genuinely democratic system the communists would have taken a leading role in the next government; but this did not happen: Yeltsin remained president for the time being at least. The big question was: would the communist candidate win the presidential election the following June?

Almost immediately, the politicians began to prepare for the June election. Yeltsin's popularity rating was so low that some of his advisers wanted him to cancel the election and resort to force if necessary. However, to his credit he allowed it to go ahead, and over 20 candidates registered for the first round, including the communist leader Zyuganov and Mikhail Gorbachev. Early opinion polls put Zyuganov as the likely winner, causing consternation in the West at the prospect of a return to communism. However, Yeltsin and his supporters rallied well; he had suffered a heart attack in the summer of 1995 but now he seemed to find new energy, and toured the country promising everything to everybody. His greatest boost came when the ceasefire was signed in Chechnya shortly before the election.

Zyuganov also presented an attractive programme, but he lacked Yeltsin's personal charisma and failed to distance himself sufficiently from Stalin. In the first round Yeltsin won a narrow victory with 35 per cent of the votes to Zyuganov's 32 per cent; Gorbachev received barely 1 per cent of the votes. In spite of his ill health, Yeltsin's team continued to campaign vigorously; in the second round he won a decisive victory over Zyuganov, taking 54 per cent of the votes. It was a remarkable victory, considering his low popularity at the beginning of the campaign and the fact that the economic situation was only just beginning to improve. The reason for Yeltsin's victory was not so much that people liked him, but that they liked the alternative even less. If the communists had put forward genuine social democrat policies, Zyuganov might well have won. But Zyuganov was not a social democrat; he made no secret of his admiration for Stalin, and this was a fatal mistake. When it came to the push, the majority of Russians could not bring themselves to vote a Stalinist-type communist back into power. They gritted their teeth and voted for the lesser of two evils.

(e) Yeltsin's second term, 1996–9

As Yeltsin began his second term as president, it seemed that at last things had reached a turning point: inflation had fallen to only 1 per cent a month, and for the first time since 1990, production ceased to fall. *But the promise was not fulfilled.* The great weakness of the economy was lack of investment, without which no significant expansion could take place. In the autumn of 1997, external events had an adverse effect on Russia. There was a series of financial crises and disaster in the Asian 'tiger' economies – Thailand, Singapore and South Korea – which affected stock markets all over the world. There was

dangerous stuff, and his comments on the Beslan crisis proved to be the final straw. In November 2006 Litvinenko was killed in London by a rare radioactive poison, Polonium 210. Investigations suggested that the poison had been administered by Andrey Lugovoy, a Russian security agent, who was charged with the murder. The UK authorities requested his extradition from Russia, but this was refused. Although the UK government did not directly blame the Russian government, there was a clear inference that the murder was indeed sponsored by the Russian state. In 2007 another Russian exile, Alex Goldfarb, with the collaboration of Litvinenko's widow, Marina, published a book containing compelling evidence that Putin himself must have ordered the murder. Nor was this the first time a critic of the Putin regime had been murdered. A few weeks earlier, in October 2006, Anna Politskovskaya, a journalist and writer, was shot dead in the lift of her apartment block. She had been a long-time critic of the Chechen War, and in 2004 had published a book, *Putin's Russia*, in which she claimed that Russia still had elements of the police state, or mafia state. On the more positive side, as Putin began his second term as president, *the economic situation was looking bright.* Oil prices were rising: around £28 a barrel in 2000, they now stood at £40 a barrel, and by the end of 2006 they had reached over £60. By this time Russia was the largest producer of gas in the world, and the second largest exporter of oil after Saudi Arabia. As Europe becomes more dependent on fuel supplies from Russia, this could well strengthen Moscow's influence and leverage. *The economy had grown steadily by over 6 per cent a year since Putin became president in 2000.* Another contributor to the success story was the software-manufacturing industry: in 2006 exports of software were worth $1.5 billion as opposed to only £128 million in 2001. This success was encouraging more foreign investment. There were plans to use some of the increased revenue to improve living standards. In 2005 the National Priority Projects were announced, designed to improve the health system, education, housing and agriculture, including wage increases for health workers and teachers.

However, Putin decided to use much of the cash to build up a large reserve fund to protect against a fall in oil prices. This meant less government investment and stagnation in the economic reform programme. To make matters worse, Russia was hard-hit by the 2008–9 world financial crisis, which cut off the flow of cheap credit and investment from the West. Fortunately Putin's $90-billion reserve fund helped Russia to cope, and by the end of 2009 the economy was growing again. On the downside, the National Priority Projects suffered. Under the Soviet system, universities and academies were well financed, as were the arts – orchestras, theatres, film studios and publishers. Admittedly, there was a price to pay in the form of strict censorship, but following the 1998 economic crisis, this funding had been drastically reduced – for example, the budget for higher education had been slashed to only 12 per cent of the 1989 level. By 2008, in spite of its promises, the government had largely failed to reverse these cuts. Average wages of lecturers and teachers were only two-thirds of the national rate. Even the Ministry of Education reported that only 20 per cent of institutions of higher education had retained the high standards that were the norm under the Soviet system. The state now provides less than a third of their funding. The same is true of the health service: although this is still free, the care is far inferior to that provided under the communists. To get the best and quickest treatment, patients must pay. Probably worst affected are the elderly; although prices have rocketed, pensions have not increased. In most Russian towns and cities, old people can be seen on street corners trying to sell bits of produce, fruit and vegetables, as they struggle to make ends meet. Understandably, many ordinary Russians look back on post-Stalinist Soviet times with nostalgia, in spite of its drawbacks.

During 2007 there were a number of protest demonstrations, known as Dissenters' Marches, in Moscow, St Petersburg, Nizhny Novgorod and Samara, but later demonstrations were met by police, and overt public support soon dwindled. Although by the end of 2008 there was much hostility to the Putin regime, most of it was in private, and there was

very little public criticism. This was partly because the government kept tight control of the media, and journalists and writers were afraid of meeting the same fate as Anna Politskovskaya and Alexander Litvinenko. There was another reason too: according to Perry Anderson:

> it is the knowledge, which can only be half-repressed, that the liberal intelligentsia is compromised by its own part in bringing to being what it now so dislikes. By clinging to Yeltsin long after the illegality and corruption of his rule were plain, in the name of defence against a toothless Communism, it destroyed its credibility in the eyes of the population, only to find that Yeltsin had landed it with Putin.

The constitution did not allow Putin to stand for a third consecutive term, so he chose his close friend and ally, Dmitri Medvedev, as the United Russia presidential candidate. Before the election, Medvedev announced that if he won, he would choose Putin as his prime minister. Their election slogan was 'Together We Win'. In March 2008 Medvedev won a sweeping victory, taking around 70 per cent of the popular vote. His nearest rival, the Communist leader, Gennady Zyuganov, received just under 18 per cent. In spite of the dissatisfaction with falling living standards, it seemed that Putin's personal popularity was still sufficient to win elections. Whatever his faults, he and his United Russia party were still more attractive than any of the alternatives.

(i) Putin and Medvedev, 2008–12

The day after he became president in May 2008, Medvedev duly appointed Putin as prime minister. The State Duma approved the appointment by 392 votes to 56; only the communists voted against. Clearly Putin would continue to be extremely influential, and journalists soon labelled the new government the 'tandemocracy'. They were soon faced with a crisis – *The South Ossetia War*. When the USSR broke up, Georgia became independent. But South Ossetia and Abkhazia soon declared themselves independent of Georgia, and were supported by Russia. Georgia refused to accept this, and the conflict dragged on. In August 2008 Georgian troops suddenly invaded South Ossetia. Medvedev reacted swiftly – Russian forces counter-attacked and after five days of heavy fighting, the Georgians were driven out. Russia officially recognized South Ossetia and Abkhazia as independent states. Medvedev's decisive handling of the crisis was popular with most Russians, though the Western media, especially in the USA, sided with Georgia. Towards the end of 2008 Russia began to feel the effects of the world financial crisis (see Section 27.7). Fortunately the government was able to use the large surplus accumulated earlier to bail out any banks that were in difficulties, and to help struggling companies with generous loans. Even so GDP fell by around 10 per cent in 2009, and the economy only began to move forward again in 2010. The reserve fund had been emptied and this delayed various reform and modernization programmes. Medvedev's main aim was to reduce Russia's dependence on income from oil and gas exports by diversifying into nuclear technology and pharmaceuticals, and by further developing information technology and software production. In January 2011 Medvedev admitted that one of his other key policies – to eliminate corruption – had so far been a failure. As the time approached for the next Duma and presidential elections, there was great speculation as to whether Medvedev would stand for re-election or step down in favour of Putin. There had been rumours of a breach between the two. However, in September 2011, Medvedev announced that he would not stand again and he officially proposed Vladimir Putin as the United Russia party candidate. In the Duma elections held on 4 December 2011, United Russia suffered something of a setback. Their share of the vote was below 50 per cent for the first time; it actually fell

QUESTIONS

1 Khrushchev believed that communism in the USSR could be reformed and modernized and made more efficient. How far had this been achieved by 1970?
2 'The USSR remained politically and socially stable in the years 1964 to 1982 despite the policies of the Brezhnev era.' How far would you agree with this view?
3 Consider the view that if Gorbachev had followed different policies, the USSR could have survived, in the same way that communism survived in China.
4 'It was Gorbachev's reluctance to commit himself to sufficiently radical changes that led to the break-up of the Soviet Union.' Assess the validity of this view.
5 Explain why the collapse of the USSR was followed by serious economic and political problems.
6 'Putin's Russia may well have been a police state, but at least he rescued the country from the chaos of the Yeltsin years.' How far do you think this is a fair comment on both presidents?

 There is a document question about Khrushchev's promises for the future on the website.