

• *Decline of the USSR and the end of the Cold War*

Ineffectiveness of Soviet command economy

→ *Structural weaknesses and their effect on Soviet standards of living*

Weaknesses of the Soviet economy:

- *Structural:*
 - *The Soviet economy became overwhelmed by the increasing demands as it grew and expanded by the 1970s. The Soviet government was not flexible enough to adapt to the many types of Industries and companies making different goods + acted too slowly → made poor decisions like being very slow to bring new technologies into its industries → Soviet industry was left behind as compared to US and Western Europe.*
 - *These weaknesses had significant consequences for the Soviet economy, with industrial output dropping from double-digit growth to a 3-4 percent decline by the late 1970s*
- *Workers:*
 - *Many Soviet workers also became disillusioned with the system → there was much corruption and not much incentives for working hard + fear that those who protested or complained would be arrested by the secret police → overall production capacity fell throughout the 1970s and 80s.*
- *Poor standard of living:*
 - *Soviet people knew that ordinary Americans had cars, telephones, televisions and other devices → BUT in the USSR such items were rare and impossible to afford due to the command economy prioritizing industry and military spending over consumer goods.*
 - *Workers wages were not increasing despite higher living standards in other non-communist countries in WE or US + Over investment in the military took money away from areas such as education, research, and development in universities (sectors that created money in the US) → USSR did not focus on raising standards of living or wages for its citizens.*
- *External economic burdens of the USSR*

- The USSR fought proxy wars and supported its allies with money → technical equipment, advisors, food and medical supplies → financial burden that increased greatly when war in Afghanistan broke out in 1979.
- Soviet troops entered Afghanistan to maintain power of pro-soviet government there but were tied down for the next 10 years by Afghan Fighters

Increased military spending

● The USSR invested too much in its military power (especially the nuclear weapons program and the war in Afghanistan) → estimated 30 to 50% of Soviet resources went to the military.

- Increased resistance within the communist bloc
- Communist regimes in Eastern Europe that were highly dependent on Soviet support borrowed heavily from Western banks in the 1970s → E.E. countries had debt levels that were the highest at that time → Serious protests against communist rule broke out in EE States.
 - Hungarian Revolution 1956: widespread protests against the communist government led to the formation of a new nationalist government under Imre Nagy, who announced that Hungary would withdraw from the Warsaw Pact and introduce multi-party democracy → revolution quickly crushed when soviet forces invaded Hungary, installed a new communist government and executed Nagy.
 - In Czechoslovakia, the Prague Spring period in 1968 saw the communist leader, Dubcek, trying to introduce democratic and human rights reforms as he felt that communist regime policies were not working. Similarly, the other members of the Warsaw pact led by the USSR invaded and crushed the new government.
 - Opposition and resentment increased among civilians, particularly in Poland where the large, independent trade union Solidarity emerged under Lech Walesa.

Although the movements against communism were crushed, they highlighted the failure of communism to provide good living standards, undermined the claim that communism benefited ordinary people and also showed that communism was not indestructible.

Escalation of USA-USSR tensions in the 1980s

Reagan's aggressive policy

- 1981: pursued an aggressive foreign policy against the USSR, which he declared was an "evil empire" → liberal economic policies of cutting taxes and encouraging market freedom contributed to an economic boom in the United States at the same time as the Soviet economy was declining → gave Reagan and his allies the confidence and the money to champion US values of capitalism and democracy.
- supported anti-communist forces in Afghanistan + increased the US defense budget by \$32.6B in his first 2 weeks of office
- 1982: he renewed the arms race by authorising the Strategic Defence Initiative (SDI) ('Star Wars programme')
 - a system that could use satellites and lasers to destroy missiles before they hit their targets, which would have made USSR attacks useless
- Able Archer joint military exercise (US and NATO), 1983: frightened the USSR into preparing its own nuclear forces in preparation for war, bringing the two powers very close to starting a nuclear war
- This renewal of the arms race and continuous military tensions put pressure on the struggling Soviet economy to keep up with American levels of spending and production, which led to the end of the Cold War when the USSR realised that it could not keep up with the US.
- The near-nuclear war that his policy of Containment and Confrontation had brought about shocked Reagan + made him realise that his policy of aggression would only lead to war
- 1985: USSR under Gorbachev took a less confrontational stance → Reagan reciprocated, changing US foreign policy to one of accommodation and cooperation.
 - 1985 and 1988: Reagan and Gorbachev had five summit meetings, and reached agreements to further reduce their nuclear weapons, halting the nuclear arms race → reduced tensions between the US and USSR, reducing suspicion and mistrust.

Impact of Gorbachev's economic and political reforms on the USSR and its fall

Failure to revive the Soviet economy

Perestroika: "restructuring":

- *managers in companies and industries encouraged to innovate and try new approaches without first seeking permission from the government. + Managers also encouraged to involve workers in discussions and decision-making about their businesses → intended to encourage new ideas, increase efficiency and fight the problem of corruption.*
- *It made it no longer illegal to buy and sell for profit.*
- *BUT the policy eventually failed because there was no overall increase in output + there were chronic problems of unemployment, growth of black markets and shortages in basic necessities → meant that small business owners still had to pay high taxes and deal with dishonest officials.*
- *Infrastructure remained inadequate and many Soviet citizens lost interest to set up their own business*
- *→ Though Perestroika allowed for open elections in 1989, it paved the way for rise of opposition groups, particularly the opposition bloc led by Boris Yeltsin.*

Loss of confidence in the Soviet government

- *Glasnost: Meaning “openness”,*
 - *Glasnost allowed open political debate by Communist party members who disagreed with the government and allowed criticism of the government in the media. → backfired as it released resentment against the communist govt + exposed the shortcomings like the govt officials’ inefficiency and corruption → led to decreasing confidence in the party.*
 - *The Soviets were exposed to aspects of the outside world, especially the better quality of life in the US and the WE countries, through popular Western culture → many in the Soviet bloc felt deceived and lost confidence in vision and rule of the communist govts.*
 - *Instead of rallying the people behind the reforms Glasnost → unintentionally created a platform which unleashed criticism of communist rule + Soviet people also were able to learn about the heinous crimes committed during the Stalinist years.*

Collapse of the Eastern European bloc

- *Dramatic collapses of communism across Eastern Europe started to occur:*

- In May, Hungarians began dismantling the barbed wire fence between Hungary and non-communist Austria → dismantling “Iron Curtain”.
- From June to August, protests against communist rule in Poland took place → In September: thousands of East Germans escaped through Austria into West Germany
- Hungary declared itself a democratic republic rather than a communist republic → November: the East German government announced the opening of the border and lifting of the Berlin Wall on November 9th → The wall was dismantled by jubilant crowds
- In Czechoslovakia, huge demonstrations forced communist leaders to resign, resulting in the opening of its borders and free elections.
- In December, massive demonstrations led to the collapse of the communist regimes in Bulgaria and Romania, and later Albania in 1992.
- Basically the “Iron Curtain” was destroyed
- Gorbachev: brought his New Thinking to foreign policy + military in the USSR → cutting spending on defence, shrinking the Red Army and cutting arms spending, effectively ending the arms race with the US.
 - Soviet foreign policy also underwent ‘de-ideologisation’ → ended all ideologically driven engagements meant to promote communism and challenge the United States.
 - To demonstrate his commitment, Gorbachev withdrew troops from military engagements in Afghanistan and Angola alongside Soviet support for communist regimes in Cuba and Vietnam, reducing tensions.
- **Sinatra Doctrine:** Gorbachev made a speech at a Warsaw Pact summit in July 1988 stating his intention to withdraw large numbers of soviet troops, tanks and aircraft from other communist states, and made it clear to Warsaw pact leaders in 1989 that the Soviet Army would no longer prop their countries up → The communist countries of EE who were totally dependent on the Brezhnev doctrine to maintain control over their countries, were now powerless to stop the opposition to communism in their countries
- The USSR quickly disintegrated in the following months, with the Berlin Wall falling, the collapse of communist regimes in Hungary, Czechoslovakia, Bulgaria,

Ukraine, Georgia and many other republics, and finally the coup against Gorbachev in the USSR that in the end led to a new government established by Yeltsin. In December 1991, Gorbachev announced his resignation as president of the USSR and the end of the USSR, signalling the end of the Cold War.

Disintegration of the USSR

- *Boris Yeltsin and the coup:*
 - *became the president of the Russian Federation → Yeltsin led other reformers in demanding an end to the communist party's domination of the government → made it clear that he saw no future for the USSR.*
 - *Yeltsin also said many republics in the USSR should become independent states, including the Russian Federation*
 - *→ struggle for power between Gorbachev and Yeltsin, especially the view that the soviet republic should become independent was another reason which led to the dissolution of the USSR.*
 - *The failed military coup by hard line communists allowed Yeltsin to show his position as leader of the opposition.*
 - *In 1991, communist hard-liners and leading military officers attempted a coup to take over the USSR, led by the prime minister and head of the armed forces → Gorbachev was held prisoner in his holiday home, and the hard line communists sent troops onto the streets → Boris Yeltsin stood up against the coup, eventually leading to its end. The coup proved that the communists would use any means to take power, and Gorbachev had lost his standing as Soviet leader.*
 - *25th of December 1991: Gorbachev announced his resignation as the president of the USSR and the end of the USSR → official dissolution of the USSR.*