CHAPTER IV

SOCIALISM TO SOVEREIGNTY
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TRANSFORMATION, 1989-1990: SOCIALISM TO SOVEREIGNTY

All the seeds for the tumultuous upheaval of the USSR in 1991 were sown by 1988. The years 1989 and 1990 saw the capitulation of the once mighty CPSU to the powerful forces of change lashing the Soviet Union. It was a storm that the CPSU had helped blow and now found itself helpless in coping with the storm as it raged. Gorbachev’s leadership had begun to crack and the fissures began to show. He found himself increasingly hardpressed to cope with the extraordinary situation that was developing in the USSR.

Power had decisively shifted out from the party to the state, so had it shifted from the centre to the republics. Socialism was being redefined, but the country had no patience to wait for the results. It had begun to redefine the Union itself. Aspirations for a free market economy, in the face of the failure of the socialist market, reached its zenith. The country agonised as it slowly but painfully changed.

The shift in power, the redefinition of socialism and the aspiration for free market economy interacted with the
Soviet system and resulted in a rejuvenated demand for a sovereign identity. Too many things happened, and too quickly, in the years 1989 and 1990. However, unlike the radical phase of 1987-1988, in this transition period the USSR was reacting to the emerging situation, rather than initiating change.

We'll begin the analysis of this period with the theme of continuity and change, as in the previous chapters.

CONTINUITY vs CHANGE

For all the changes undergone by the USSR in 1989-1990 it can never be said that no one in the USSR knew where the country was headed. Two eminent Soviet scholars had hit the nail on the head. In an Hungarian television programme, Panorama, noted economist Abel Aganbegyan had said on 3 September 1987, that 1988 and 1989 would be the most difficult period for perestroika. He had said that this would be the period of transition. Similarly, Tatyana Zaslavskaya had clearly seen that perestroika would mean not only a shift in power from the party to the state, but also

from the centre to the republics. Both of them were staunch supporters of perestroika. In fact, through all the tumultuous changes taking place, the party and the state were acutely aware of the problems confronting the country and the solutions needed to be pursued. It's the political cost involved at each stage that made them hesitate.

Ironically, Gorbachev began the year 1989 deriding those "who propagate the idea of political pluralism, a multi-party system and even private property". In the same breathe he had also condemned those who yearned for a Stalin-like strong man at the centre who could accelerate the process of restructuring. Yet, by the end of 1990 Gorbachev had achieved both. Multi-party system and private property became a part of the USSR and Gorbachev had, at least on paper, given himself immense powers as President.

At one stroke one can see that the transformation of the USSR, as it emerged at the end of 1990, was not

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3. 6 Jan. 1989. Speech to senior scientific and cultural figures at the CC. For details see Tass report in SWB, 9 Jan. 1989, SU/0353, C/1 - C/12; quote on C/2.
planned. There were several factors responsible for it. Further, from Gorbachev's speech referred to above, it was clear what Gorbachev did not want. However, what he did want was never very clear. And as events unfolded relentlessly, there was very little time for him to clearly specify the goal.

**Natural and Manmade Disasters**

The environment on the mitigating circumstances of 1989 and 1990 are crucial to the process of change. There were a number of disasters that took their political and economic toll on the system. The year 1989 began with relief work over the devastating Armenian earthquake of December 1988. On 23 January Tadjkistan was hit by another earthquake. By then there was also a depressing Tass report on the poor grain harvest of 1988, largely due to bad weather. The harvest was nearly 40 mill. tonnes short of the target. By the end of 1990 the Soviet Union was getting food aid to stave off a famine resulting not from bad weather, but from

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poor storage and distribution facilities. Importantly, a
bumper harvest had gone to waste. Quite clearly the start of
the year boded ill for the state exchequer.

This naturally had its impact on economic reforms. As
we shall see later, it made them both urgent and that much
more difficult to choose the right kind of reform.

Quite separate from this was the entire course of
development in Eastern Europe. From the 70th Anniversary of
the October Revolution speech, where Gorbachev had declared
that "unity does not mean identity and uniformity" and
believed that there was "no 'model' of socialism to be
emulated by everyone", it was a short though revolutionary
step to renounce the Brezhnev doctrine. Again, although the
renunciation of the "leading role " of the communist parties
in Poland, Hungary, Czechoslovakia, East Germany and
Bulgaria, in that order in 1989, was revolutionary, it was

5. 2 Aug. 1990, emergency meeting of the COM ordered
ministries to divert 10 - 15% of their vehicles to the
harvest and workers and students to participate in
picking fruit and vegetables in Russia and Kazakhstan.
SWB, 3 Aug. 1990, SU/0833, i. Food aid was being
shipped from Germany, for instance, which was greatful
for its unification. See, Izvestia, 26 Nov. 1990, p.4.
Cf. CDSP, vol.41, no.47, 26 Dec. 1990, p.20. Germany
airlifted DM 600 mill. worth of emergency food supplies
from Berlin in response to Gorbachev's appeal on 21
Nov. 1990 at the Paris summit of the CSCE.

6. Reprints from the Soviet Press (RSP) (New York),
not wholly unexpected. No less than Shevardnadze admitted this at the 28th Party Congress in 1990. In consonance with this development was the shift in Soviet foreign policy thinking. In November 1989 the deputy director of Moscow's Institute for Europe said in London that the Soviet Union was aspiring to be just a European power, as opposed to a superpower. However, the domestic consequences of the developments in Eastern Europe and the end of the Cold War proved to be devastating. On the one hand, it gave an impetus to the resolute moves of the Baltic republics towards independence. On the other hand, it increasingly put pressure on the Soviet Union to abolish Ar. 6 of the 1977 Soviet Constitution (amended in 1988), which defined the role of the CPSU as "the nucleus of its political system".

A peculiar development of the years 1989 and 1990 was the frequency of constitutional change and amendments. Further, the central committee held a record number of constitutional changes.


plenums - 21 between the 27th and the 28th Party Congresses; its debates and discussions encompassed divergent views and yet, continued to take unanimous decisions.\(^\text{10}\) This was clearly a sign of the crisis that was creeping into the party and the state. The constitutional amendment of 1988 creating a new Congress of Peoples Deputies (CPD) that was to meet bi-annually, was quite inadequate. This is reflected in the fact that each time the CPD met in 1989 and 1990, it approved constitutional changes or amendments. While some of the central committee plenums and constitutional amendments were a justifiable response to the unfolding economic and ethnic crisis in the Soviet Union, most of it was a fruitless exercise in pointless debates and discussions. For instance, it took the Soviet Union all of six months to arrive at a consensus on switching over to a free market economy in 1990.\(^\text{11}\) The new Soviet parliament was ironically, a political monolith that soon replaced the bureaucratic Leviathan that Gorbachev had assiduously sought to


\(^{11}\) The principal economic debate was centered around Ryzhkov and Shatalin's plans. We'll deal with them in the next section. The debate, begun in May 1990, ended only in Oct. 1990.
eliminate. By October 1989 the 750 seats in the CPD reserved for the CPSU and social organisations were abolished by the newly established Supreme Soviet. It was later endorsed by the CPD. The structure created by the 1988 amendment thus proved inadequate in less than a year of its existence.

This leads one to question the amendments of 1988 as a whole. Coming as it did from the bowels of the 19th Party Conference it had sought to redefine the role of the party and the state. While, as indicated already and as we shall examine in the next section, the constitution became a shapeless and characterless document sans any ideological underpinnings by the end of 1990, the party too had become a rudderless and direction-less organ. The most obvious reflection of this was the debate in the first CPD, convened in May 1989, on whether the President should also be general secretary of the CPSU. In May 1989 Gorbachev rejected the suggestion, claiming that "the party has to be in the vanguard of a process which is only starting". However, by March 1990, when the introduction of a multi-party system


had become imminent, he continued to be the general secretary, while promising as President not to favour any particular political group. 14

While this favoured the establishment of political pluralism, it completely threw into disarray the role of the CPSU. How was the CPSU to understand its new role? Given that it was, according to Lenin himself, the "vanguard of the proletariat", but was no longer to be "the nucleus of the political system", it also had to share with the state, its leader, the general secretary; whose task as general secretary was to lead the CPSU and as President, to distance himself from it.

Ethnic Unrest

Finally, quite apart from the Baltic moves for secession, there was an epidemic of nationalist and ethnic unrest that touched all of the former USSR. Like the many-headed hydra it kept surfacing at all times and at all places and seemed simply un-put-downable. Nagorno-Karabakh had become an irresolvable dispute and was put under the

direct rule of Moscow in January 1989 itself. Meanwhile, trouble began in Georgia with the Abkhazian move to re-establish its status as a full union republic, which it had been briefly in the early 1920s. It provoked Georgian nationalist sentiments. Brutal repression by troops using poison gas followed on 9 April 1989. This was confirmed by the Georgian Health Minister on the 19th. Georgia could never recover from that.

Again, it was ironical that force should have been used first in Georgia in dealing with separatism. Referring to the dissident rallies put down on 9 March 1956 in Tbilisi, Shevardnadze said, "it is not true that the first time heavy military vehicles were used against civilians was in Budapest in October 1956. The tank was first deployed as an argument against dissent in Tbilisi in March of that year".

From Georgia in 1989, the USSR relentlessly moved towards the drafting of an altogether new union treaty by


the end of 1990.\textsuperscript{18} The transformation of the USSR to something new was nearly complete, except, no one knew what it had transformed to. A new union treaty was a \textit{fait accompli} to the centre, considering the declarations of sovereignty by most republics that had preceded it.

There were, however, two significant developments, which finally impinged on the events of December 1991, when the USSR ceased to exist giving way to the Commonwealth of Independent States (CIS). Firstly, in July 1990 when the Ukraine, the second largest republic, declared itself sovereign, it also rejected full independence for itself.\textsuperscript{19} Its declaration made no mention of its right to secede from the Union. Secondly, the one provision of the draft union treaty considered by the CPD in December 1990 that was rejected was the proposed change in name from a Union of Soviet Socialist Republics to a Union of Sovereign Soviet Republics.\textsuperscript{20} The old name, in fact, was retained.


The net result was that the centre was becoming more and more redundant. A classic paradox emerged at the end of 1990. Gorbachev had proved to be indecisive in taking policy decisions and unequivocal stands, both in the party and in parliament. This ultimately culminated in Gorbachev proposing to put to an all-union referendum two vital questions facing the state. One was a referendum on a new union treaty and the other was on ownership of private land. Both questions cut to the very core of the Soviet Union. This was also the first time that an all-union referendum was actively being sought ever since its incorporation in the 1988 amendments to the constitution. Yet, Gorbachev had also successfully urged the CPD to strengthen his hands as never before.

Here was now an indecisive man with immense powers. Further, the more democratic Soviet polity became, with power shifting to the republics, the more Gorbachev strengthened his presidency to control them. The architect of democratization himself kept avoiding a direct election, thus rendering his increasing powers as President untenable with the new democratic dispensation.

The stage was set for the crisis of 1991. We'll now deal with the inverse relationship of Soviet economics and
politics that was largely responsible for matters to come to this pass.

ECONOMICS AND POLITICS

The attempts at reforming the economy dealt a body blow to the body politic of the USSR. Once again, the problems were clear, so were the solutions. However, politically decision-making had become both tedious and unviable. If all of 1989 was spent in spelling out the problems, all of 1990 was spent in deciding on the right solution. Ultimately, no vital economic reform really got underway. Moreover, considering that economic autonomy had a lot to do with republican declarations of sovereignty, it was all the more necessary for perestroika to produce results and quickly.

Crisis Management

1989 literally began with a three day crisis session of the COM determined to step up economic reforms. It still did not touch the central issue of price reforms. Meanwhile, estimates of an enormous budget deficit given by Finance Minister Boris Gostev in October 1988 were drastically

revised. Oleg Bogomolov, then director of the Moscow Economics Institute, claimed that the real figure was around 100 billion rubles or 11-12 per cent of gross national product (GNP) or 20 per cent of all government spending. This was nearly three times Gostev's estimate and was by all means alarming. Trud concluded in January 1989 that over 43 million of the population lived below the poverty line, nationally fixed by it at R 75 per month.

Prime Minister Nikolai Ryzhkov, re-elected to the post in June 1989 gave the first comprehensive account of the economic crisis facing the Union, in his report to the joint session of the newly formed Supreme Soviet. Some of the figures quoted were simply astounding. The anti-alcohol campaign cost around R 40 billion in lost tax revenues; the


Afghanistan campaign, around R 5 bill.; the defence budget was around R 77.3 bill.; total Soviet foreign debt was R 34 bill.. In addition, inflation, deficit and poverty figures were confirmed by him. Yet, the solutions he offered were hardly adequate. And he ruled out economic isolation in the context of the demand for economic autonomy from the Baltics.

This alarming delineation of the problem still did not account for problems in sharing economic responsibility between the centre and the republics. The republican demand was mainly a political question, but it had overwhelming connotations for the already complicated economic situation existing in the USSR. Thus, instead of evolving a cogent response to the economic crisis that the Soviet Union increasingly found itself in, Gorbachev began a realignment of economic powers between the centre and the republics in March 1989. His suggestions came in a speech to the central committee on the 15th.

He favoured dissolving a number of state agencies, including Gosagroprom, and transferring their powers to the republics. Considering the large figures that emerged in Ryzhkov's report three months later, this was a way of passing the buck to the republics, instead of assuming
responsibility for the task of reducing state expenditure. The draft carried by Pravda, envisaging these wider economic powers for the republics, read more like a political document rather than an economic game plan.²⁶ It was entitled: "Draft General Principles for Restructuring the Leadership of the Economy and the Social Sphere in the Union Republics, on the Basis of Broadening their Sovereign Rights, Self-Management and Self-Financing".

This was to soon become a pattern with Gorbachev's leadership - pass the buck and find a political solution to all problems through a structural re-alignment of power.

There was no great urgency for Gorbachev to extend these economic powers to all the republics. Till March 1989 it was still a question largely of the Baltics. Moreover, without working out the economic solution to the union as a whole, devolution of economic powers at this stage was certainly premature. Even the Georgian question accosted the state only in the following month. In the event, this gesture only strengthened the hands of the nationalists in not only the Baltics, but elsewhere too.

Strikes

Similarly, a draft law on the right to strike was published in Trud at the end of April, much before the severe coal miners strike at Kuzbass in western Siberia and Donbass in eastern Ukraine. Strikes had occurred in the past but they hardly merited a complete new law. In the event, they proved inadequate in the face of the coal miners strike. In fact, still ahead of the coal miners' strike, Stepan Shalayev, the chairman of the All Union Central Council of Trade Unions (AUCCTU) observed that though the right to strike had been incorporated in the law governing employment, its application still only meant that strikes were not a "normal phenomenon", in the USSR. If the right was really an exception, what was the urgency for it? However, as it turned out, the biggest ever strike by coal miners in the two premier coal fields of the country followed the stormy opening session of the new Soviet parliament, the CPD. The largely economic demands, beginning

27. Trud, 29 April 1989, Moscow home service reported in SWB, 1 May 1989, SU/0447, i.

with the Mezhdurechensk strike in Kuzbass, soon began to take political overtones, including demands for a new constitution, as the strike spread to the Donbass region. All the strikers' economic and social demands were met and the strike was called off a couple of days after Gorbachev's television appeal.

Curiously enough, even though the strike was claimed by Gorbachev to be economically crippling, he also gave the strikers a pat on the back by suggesting that he was happy that the miners having good reasons to strike took matters into their own hands, used the voice given to them by perestroika and protested over its shortcomings. Quite obviously, this hastened the concretization of the right to strike, which, enshrined in the new law, was given its first reading on 2-3 August 1989. And, little surprise that the first full law passed by the newly constituted Supreme Soviet was the law on labour, recognizing the right to

29. Pravda, 13 July 1989. The miners had clearly taken a leaf out of their Polish counterparts, where at this time, Solidarity overwhelmingly won the elections.

strike for the first time in Soviet history.\textsuperscript{31}

Some of the related developments included the rise in crime, attributed to the improper, disbalanced growth in perestroika. The Ministry of Internal Affairs went to the extent of suggesting that crime on the streets had grown by 84.5 per cent.\textsuperscript{32} In this context, the Supreme Soviet rejected a proposal to shut all co-operatives in September 1989.\textsuperscript{33} The vote was however, preceded by a hot debate on how the co-operative movement had been hijacked by profiteers and created the neaveau-riche.

**Autonomy and Market**

Even steps in the direction of granting economic autonomy to the Baltics were taken. In July they were given considerable leeway in budgeting, taxation and planning through the introduction of regional cost-accounting, the

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\textsuperscript{32} Briefing of the ministry, SWB, 19 Aug, 1989, SU/0539, B/7. For related reports on crime see the same issue, B/6, B/7.

\end{flushleft}
principle applied to State Enterprises. Finally, the Supreme Soviet granted complete economic independence to the Baltics over its land and other resources in November 1989.

These developments were to come into effect from 1 January 1990, a full year ahead of the rest of the Soviet Union. Coming as it did after the first session of the CPD this development wasn’t surprising. Nevertheless, the Gorbachev leadership clearly showed haste in devolution of economic power and the development of new labour laws by not having first evolved a comprehensive solution to the USSR’s economic ills.

Soviet politics had thus eclipsed the need for appropriate solutions to the economic crisis. Further, while economic decentralization was moving apace, the instruments to put it into place were themselves being revamped. For instance, the Supreme Soviet of 24 October 1989 granted republics the right to decide whether they need a CPD and or a Supreme Soviet at all. It was only in December 1989 that


36. CDSP, n.12.
Ryzhkov first came up with a plan for economic recovery at the second session of the CPD.\(^{37}\)

Ryzhkov's plan retained central planning, envisaging a recovery in two stages by 1992, followed by a 25 per cent increase in national income by 1995. By March 1990 the Supreme Soviet adopted Abalkin's 34-Article law on ownership as a step towards a planned market economy.\(^{38}\) Ownership was classified as individual, collective or state, studiously avoiding the use of the term "private property". Izvestia, meanwhile, published Supreme Soviet discussions on leasing land in perpetuity, recognizing the right of the people living on it to own it.\(^{39}\) As Abalikin's "shock therapy" was politically unviable, Ryzhkov presented another programme to the Supreme Soviet in May 1990.\(^{40}\) This was attacked for its lack of detail and plan to treble bread prices immediately, among other things.

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39. See, for instance, excerpts from Izvestia, 6 March 1990, morning edn. in SWB, 8 Mar. 1990, SU/0707, C/2 and C/2 ff. for Soviet TV relay of proceedings.

By August 1990 Yeltsin and Gorbachev joined hands to find a solution. Meanwhile, on 9 August 1990 the Council of Ministers passed a resolution with immediate effect that allowed, for the first time since NEP in the USSR, individuals to buy or sell business and hire labour.\textsuperscript{41} Again, when the Supreme Soviet met in September 1990, it called for a programme that unified Stanislav Shatalin's 500 day dash to a market economy with Ryzhkov's proposals and Aganbegyan's modifications.\textsuperscript{42} The final approval came only in October 1990.\textsuperscript{43} It was authored by Aganbegyan. Significantly short on detail, it let the republics decide for themselves policies concerning key areas, like private property and land ownership.

The era of central planning had come to an end and Gorbachev immediately put to use his powers of decreeing to begin the transition to the market. These included rouble convertibility for commercial purposes and allowing individuals and corporate foreign investors to completely own an enterprise, buy shares in a Soviet one, and buy


property and acquire land, though only on lease.\textsuperscript{44}

One of the reasons of the delay in arriving at this consensus was the sea-change in the political scenario. The CPSU had lost its leading role that was constitutionally guaranteed. Gorbachev became the country's first executive President. Yeltsin got elected to the Russian presidency, though after some trouble. Russia declared itself sovereign after that. The entire process having been given a fillip by the declaration of independence of Lithuania on 11 March 1990, the nationalities problem was paramount and overshadowed the urgency of economic reform.\textsuperscript{45} Yet, in a sense, the struggle to finally accept a switch to a market economy is a reflection of the political upheaval that was subsuming the USSR.

We shall now turn our attention to this upheaval.

**MULTIPLE, DISTINCT PROCESSES**

As in the earlier chapters, one of the areas of incessant change was the growth in the movement for Baltic

\textsuperscript{44} Izvestia, 27 Oct. 1990, Union edn. in SWB, 29 Oct. 1990, SU/0907, Cl/1 - Cl/2, including the decree on citizens's savings, Pravda, 26 Oct. 1990, 2nd edn..

\textsuperscript{45} For a devastating account of the economy, see Pravda, 29 April 1990.
independence. The entire process was, of course, set into motion by the weak response of the state to the Alma Ata riots and later the ineffective response to the trouble over Nagorno-Karabakh. All this grew with glasnost compelling the state and the party to be more tolerant. By the years 1989 and 1990 this process of Baltic independence asserted itself in the era of the end of the Brezhnev doctrine and the repudiation of Stalinism and the re-habilitation of its victims. Curiously though, the movement for Baltic independence succeeded the developments in Alma Ata and Nagorno-Karabakh, but preceded the growth of the nationalist movement in the non-Baltic republics of the USSR.

Nationalism and Separatism

The developments within the USSR, in this regard, mirrored that in Eastern Europe in 1989. There was a four-stage movement towards independence. The first was the declaration of economic and financial autonomy. This was followed by a declaration of sovereignty. In the Soviet context, these two stages were still largely within the framework of the Union. The third stage was the severing of the umbilical cord between the communist party of the
republic and the CPSU. And finally, full independence was demanded by the republics.

The victory of the Solidarity party in Poland in all but one of the freely contested parliamentary seats in June 1989, echoed in the political overtones to the coal miners' strike in the summer of 1989. Abolition of Ar. 6 of the constitution enshrining the "leading role" of the CPSU entered the agenda of political reform in the USSR. This development was made possible, especially because the CPSU under Gorbachev made no effective intervention at any of the four stages. In fact, measures that Gorbachev did initiate only exacerbated the problem.

On the eve of the security forces crackdown in Tbilisi in April 1989, the Presidium of the USSR Supreme Soviet adopted a decree amending the Law on Criminal Liability for Crimes against the State. This practically re-wrote Ar. 7 of the Russian criminal code, which had hitherto been abused by the party in punishing dissidents. The new law was far more tolerant. Although the new law was claimed to be in response to the need to replace inhumane and anti-democratic statutes, it was widely believed that the real purpose was

46. 8 April 1989, Izvestia, 10 April, p.2. Cf. CDSP, vol.41, no.15, 10 May 1989, p.11.
to respond to the recent nationalist outbreak.\textsuperscript{47} There was nevertheless, some amount of haste evident, as the Presidium of the old style Supreme Soviet had chosen a decree to amend the law and it preceded both, the purging of the central committee of the old guard\textsuperscript{48} and the election of Gorbachev as the new executive President or even the first sitting of the CPD. The amendment seemed more political than was claimed. Undeniably, it was badly timed.

Similarly, being caught on the wrong foot in 1987 and 1988 over the Baltic protest concerning the Nazi-Soviet pact of 1939 due to the regimes committed de-Stalinization programme, in the very first session of the CPD a commission was set up to confirm the existence of secret protocols that had brought the Baltics within the Union in 1940.\textsuperscript{49} In fact, the Estonian deputy, Igor Gryazin even read out the text of

\textsuperscript{47} Vladimir Kudrayavtsev, Director, Institute of State and Law at the USSR Academy of Sciences talks of its "humane-ness", Zarya Vostoka, 13 April 1989, p.4. Condensed, CDSP, ibid, p.7.

\textsuperscript{48} Vadim Medvedev, secretary for ideology, at a press conference after the plenum, 25 April 1989, summed up the changes, SWB, 27 April 1989, SU/0444, C1/4.

this protocol from the rostrum.\textsuperscript{50} It was hardly surprising that the commission's report was accepted by the CPD in its next session in December 1989, and declared illegal.\textsuperscript{51} This undeniably put a stamp of legitimacy to the Baltic claim that it had been "annexed" rather than it having joined the Union "voluntarily" in 1940 as claimed by Gorbachev in his 70th Anniversary speech in 1987.\textsuperscript{52} It also thus, became a precedent for other republics, most notably, Georgia. It followed a similar path in March the following year.\textsuperscript{53}

Gorbachev's way of dealing with Baltic separatism and ethnic nationalism seemed to be to recognize their grievance as genuine and try and settle for a political compromise. In the event, he ended up portraying himself as more loyal than the king. For instance, at the central committee plenum that addressed the nationality issue the republic for which Gorbachev had detailed proposals was the Russian one.\textsuperscript{54} Here, his proposals embued Russia with a new constitutional,

\begin{itemize}
\item \textsuperscript{50} ibid, p.13.
\item \textsuperscript{51} 24 Dec. 1989.
\item \textsuperscript{52} \textit{RSP}, n.6, p.26. He even repeated this assertion at the CC plenum on nationality, 19 Sept.1989.
\item \textsuperscript{54} Gorbachev's keynote speech to the plenum, n.52.
\end{itemize}
political and economic structure, which it had hitherto lacked. This brought Russia on par with the other republics. Inadvertently, Gorbachev had created the necessary means for Russia to follow the same path of independence as the others.

**Federal an Sovereign Rights**

He also enunciated a vital principle of political decentralization. It recognized the reciprocal rights of the Union and the republics to question each others laws in a constitutional court. After the initial hesitation of the Baltic republics in accepting this principle was made clear at the CPD session in December 1989, a virtual "war of laws" followed, that rendered the constitutional and legal machinery of the federal government completely redundant. Ironically, however, the first victim of the Constitutional Review Committee was a decree of Gorbachev that had divested the Moscow city council of its right to authorize public

55. ibid

56. 23 Dec. 1989, Baltics reject the idea of Constitutional court.
rallies, for the Union. This ruling came two days before a massive pro-democracy rally in Moscow.

A clear example of Gorbachev's strategy was his handling of the Lithuanian crisis. Lithuania had just reached stage three of its road to independence. Gorbachev's response came a month later, when civil war had also broken out in Azerbaijan and Armenia. Tass declared that Gorbachev was in favour of self-determination short of secession and proposed a restructuring of the Union as a federation of sovereign states. However, the most startling suggestion came on the first day of his visit, when he declared that a law was being drafted on the mechanism for how a republic could leave the Union. This preceded Lithuanian declaration of full independence on 11 March 1990.

Gorbachev's talk of secession was certainly a shot in the arm for Lithuanian nationalists. Once again, Gorbachev


58. 7 Dec. 1989, Lithuanian SS deleted Ar.6 from its constitution on the "leading role" of the communist party. Vilnius radio report, SWB, 9 Dec. 1989, SU/0635, i.

responded to the Lithuanian crisis in a manner that could affect all the republics by suggesting a mechanism for secession. Finally, the mechanism made it still possible for Lithuania to seek independence, but not other republics. In a bold gamble, Gorbachev also linked his fate and perestroika's fate with Lithuania's choice in urging it to remain within the Union. If it was a gamble that he thought would pay-off, he was very wrong.

The use of force in containing these developments had already proved problematical. There was the Georgian experience of 1987, the brief excursion Baku in early 1990 and a whole lot of political, economic and military posturing vis-a-vis Lithuania in 1990. Plum in the middle of the Lithuanian crisis Yeltsin was elected President of the Russian federation. Similar elections had also taken place in other republics. The moral authority gained by these republics was far greater than the force of any decree of the Union President. Armenia openly defied Gorbachev's decree in July 1990 that sought to disband and disarm all

"armed formations" within 15 days. In fact, such was the confidence of the state that Vadim Medvedev declared in a press conference in December 1989 with the outbreak of the Lithuanian crisis, "Our party uses political, not military means."  

The economic blockade of Lithuania also spurned inter-republican and inter-regional links that sought to bypass Moscow. There was the proposal for a Baltic common market, for instance, in April 1990, mooted by the heads of their governments in a ten year agreement on economic cooperation. By August, such direct links extended to include Russia, Moldavia and Byelorussia among others.

What emerges clearly from all this is that Gorbachev had underestimated the question of Baltic independence and the nationalities problem. Having endorsed the developments in Eastern Europe as positive at the Malta summit, he could not have been unaware of its possible impact on the domestic

63. Vilnius, 12 April 1990, Vilnius radio report. SWB, 16 Apr. 1990, SU/0739, i.
Yet, he failed to come up with a specific solution to the problem; his proposals instead involved frequent constitutional changes and political compromises.

The worst development was that by the end of 1990 Gorbachev was the only "President" not to be "elected". The rest of the presidents had faced the electorate in being elected to the CPD and were increasingly in favour of direct elections to the post of president.

**GAP BETWEEN THEORY AND PRACTICE**

What had started in 1985 as a movement to restore socialism to its original place, had become by 1990 a largely redundant question. There were two very significant questions being asked. One was the question of sovereignty and self-determination. The second was the question of the role of the CPSU. In socialist lexicon this meant the principle of self-determination and the concept of the dictatorship of the proletariat. The CPSU was after all the "vanguard of the proletariat" and the "nucleus of the political system". In 1989-90, the test for the

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acceptability of any principle of self-determination and any role of the party was its democratic credentials.

**Ideological Paucity**

Democracy itself was no longer of the socialist kind that worked on the principle for the common good of the community, but the bourgeois kind, expressed in the will of the majority through a mandate. "Good" in the former context itself was to be defined by the logic of a classless, non-exploitative society. By 1990, the principle of self-determination meant the will of the majority. Similarly, the role of the party was to be only "one of the many" and no longer "the only". In attempting to bridge the gap between socialist theory and practice, the Soviet Union decisively concentrated on practice, abandoning theory. The proof of the pudding was, after all, in the eating.

Yeltsin represented the present day aspiration of the USSR, though his views were quite radical for his time. He enunciated them clearly when Gorbachev was elected as the

country's first executive President. Yeltsin called for direct election of the President, advocated massive cuts in capital spending and rapid moves to satiate consumer demand, warned of a dictatorship if annual referendums on the President's performance was not held and called for the CPSU to be subservient to the law of the land.

From within the party, the clearest criticism of the direction of change came from Lev Zaikov and Yegor Ligachev on 18 July 1989 at the central committee conference on party reforms. They pointed out the lack of ideological clarity in the pronouncements of the leadership. This, they felt, was happening even as the party was losing control over society.

By the time the central committee met for discussing a new nationality policy in September 1989, Gorbachev had amply demonstrated the lack of any overall vision of change.


67. Pravda, 21 July 1989, 2nd edn. reported on the conference of party first secretaries, on the theme of perestroika within the party; SWB, 24 July 1989, SU/0516, C/1 - C/21. For Zaikov's comments see C/1 - C/3 and Ligachev, C/8 - C/11. For Gorbachev's opening speech, see SWB, 21 July 1989, SU/0514, C1/1 - C1/14. At the concluding speech. Gorbachev focussed on the gap between words and deeds of the party; SWB, 22 July 1989, SU/0515, C1/1 - C1/4.
and its philosophical underpinnings. He blamed Stalin for having distorted the Leninist principle of self-determination. He further clarified that self-determination was not secession. The most startling conclusion was, the equivalence he drew between self-determination and self-management. Federalism, according to him, was fine so long as it left the party untouched. He was still in favour of "democratic centralism" and the role of the party as a unifying whole. Any threat to this was a threat to socialism, he felt. And it was Gorbachev himself who had first spoken of the need to demarcate the sovereign rights of the republics and the Union in his main report to the first CPD. Yeltsin remarked in 1989 itself, in his trip to the USA that the Soviet Union needed a more decisive man to deal with the multiple crisis afflicting the Soviet system.

By the time of the second CPD, attempts had begun to be made to discuss the abolition of Ar.6 of the constitution.


69. 30 May 1989. See, especially C/8 - C/10 of text of relay on Soviet television in SWB, 1 June 1989, SU/0471, C/1 - C/14.
Using his position as President, Gorbachev deflected the discussion by pointing out that the Union's economy needed far more urgent discussion rather than the pivotal position of the party. 70 He also felt that the discussion be taken up while drafting the new constitution the following year. The unifying role of the CPSU, he still felt, was necessary. He was, similarly, also firm on not having direct presidential election for the Union. Firstly, he felt it would weaken the elected local Soviets and secondly, he felt it was too early for a presidential system. 71 Neither argument sounded very convincing.

By the end of 1990, everything had changed. As has already been pointed out, the events in Eastern Europe, which were not only anticipated by the party leadership but also endorsed in Malta as a positive development, were still fresh when the first faction the CPSU, the Democratic Platform, advocated a full multi-party democratic system. 72

70. 12 Dec. 1989. For Gorbachev's opening speech and debates, see SWB, 14 Dec. 1989, SU/0639, C/1 - C/12. In guillotining discussion on Ar. 6, see C/4 - C/7.

71. On his views on the presidential system see, Pravda, n.12.

72. 20 Jan. 1990, founding conference of delegates from 102 towns. For their demands, see, Soviet television report in SWB, 23 Jan. 1990, SU/0669, i.
They also wanted the party to abandon "democratic centralism". There were concrete proposals to the effect in the central committee meeting of February 1990. Gorbachev agreed to rethink "democratic centralism" and said that the party can "exist and fulfil its role as a vanguard only as a democratically recognized force". He also proposed a new presidential system and admitted the possibility of having multi-party democracy in the near future. This was a complete turn around!

The reason was not hard to find. The experience of Eastern Europe and Lithuania's break from the CPSU clearly indicated that the issue was the survival of the Union. Everything else came second, no matter the cost. It was clearly a gamble to agree to share power and thus, hope to save the Union. This is reflected in the bitter denunciation that followed in the debate on the proposals at the plenum, which was, however, followed by a unanimous vote in favour of the proposals. Yeltsin's was the lone vote against the


74. 7 Feb. 1990. For the full text of the proposals to be pursued at the 28 Party Congress, see SWB, 14 Feb. 1990, SU/0688, C/1 - C/11. As an example of severe criticism, see Ligachev's speech, Pravda, 7 Feb. 1990, 2nd edn., SWB, 9 Feb. 1990, SU/0684, C/16 - C/17.
proposals for giving up party monopoly. He felt that the proposals didn't go far enough.

The CPD endorsed these proposals in March 1990, but waived the provision for directly electing a president and voted amongst themselves to make Gorbachev, once again, the new President, so that there would be no delay in dealing with the immediate crisis of the declaration of full independence by Lithuania.75

A new dimension to the entire problem was the emergence of Yeltsin on 29 May 1990 as Russia's first directly elected President. Yeltsin had called for separate treaties to regulate Russia's relations with Union and other republics.76 It was on the strength of this victory that Yeltsin could easily claim to implement Shatalin's 500 Day Plan for a switch to a market economy, starting 1 November 1990. Gorbachev, understandably couldn't share his confidence. It was also this victory that decisively made the CPSU a redundant power base. Yeltsin clearly had no need for it anymore. At the 28th Party Congress he resigned from


76. 22 May 1990, text of live relay of his speech to the RSFSR Congress, SWB, 24 May 1990, SU/0772, B/11 - B/12, esp. B/11.
the CPSU.\textsuperscript{77} A rival power base to Gorbachev's position had come into being.

\textit{Marx to Market}

It was at the 28th Party Congress that Gorbachev tried to make "theory" catch up with practice in an inversion of the classical problem. He declared that "by moving towards a market we are not severing from the road to socialism, but are advancing towards a fuller realisation of society's potential."\textsuperscript{78} He also tried to reconcile "humane and democratic socialism" with Marxism. He reiterated that the vanguard role of the party cannot be imposed constitutionally. Yet, he refused to take a decisive stand on whether to have democratic centralism or not. He just took note of its positive and negative points. He was still not in favour of a federalized party.

\textsuperscript{77} 12 July 1990, Radio Moscow's "World Service" report, SWB, 14 July 1990, SU/0816, i.

\textsuperscript{78} 2 July 1990. Text of Gorbachev's report, relayed by Soviet television, SWB, 4 July 1990, SU/0807, special supplement. Quote on C1/5. In fact, Gorbachev declared that "the modern concept of the market denies monopoly of one form of property" and because workers "have a personal interest in efficient work and high end results. \textit{There is no basis for exploitation here}". Emphasis added, C1/5.
Ligachev again hit the nail on the head by focussing on the theoretical lacunae in perestroika and Gorbachev's leadership. Defending himself as an uncompromising socialist he charged that "all kinds of rash radicalism, improvisations and dithering have not given us much in five years".\(^7\) He also remarked wryly that the introduction of a new category of private labour ownership would hardly be "the latest achievement in modern theoretical thought", i.e. socialist theory.\(^8\)

Gorbachev had clearly reached an ideological no-man's land. This was reflected in the delay in switching over to a market economy. Finally, in the CPD of December 1990 Gorbachev sought yet more powers as President through constitutional amendments and suggested a referendum on the draft union treaty.\(^8\) The treaty endorsed in principle the sum and substance of all the sovereignty declarations of various republics. Yet, the CPD rejected the change in name from "Socialist" to "Sovereign". Shevardnadze's

\(^7\) 3 July 1990. Text of speech on Soviet television, SWB, 5 July 1996, C1/12 - C1/14. Quote on C/14; but he does concede that there is no alternative to perestroika, C1/14; despite theoretical absurdities, C1/13.

\(^8\) ibid; C1/13.

resignation and Gennadi Yanayev's defeat in the first round of voting for Vice-President were clear indications of Gorbachev's depleting strength and growing irrelevance. Yanayev was Gorbachev's nominee.

Soviet socialism had thus given way to Soviet sovereignty. Except for the Baltic republics, sovereignty for the rest, by and large, meant within the framework of some kind of union - a development peculiar to the USSR given its multi-national character. The critical question that was slowly building up was not so much on the threat to the Union, as it was on the growing irrelevance of the CPSU and Gorbachev. This was at least the more immediate threat that emerged at the end of 1990.

CONCLUSION

The USSR was, literally, never the same again after 1990. Politically it had truly decentralized. The centre, in fact, had nearly ceased to exist. Power had decisively shifted out from the party to the state. Economically it had

82. For details, see Shevardnadze, n.17.
abandoned central planning and adopted a market economy.\textsuperscript{84} The country agonised over this transformation. Socially, pluralism had become the norm. Yet, the USSR faced its most serious threat. The threat was to its existence and to its identity.

The constitutional structure that had been put into place was ill-conceived, not only because other developments overtook it, but also because its frequent amendment displayed a paucity of political vision and theoretical bankruptcy.\textsuperscript{85} The development in separatist and nationalist movements was in large measure also due to premature laws, the developments in Eastern Europe, the de-Stalinization campaign, the crushing economic crisis and Gorbachev's dithering leadership.

\textit{Perestroika} began as a process of reform, transformed into a revolution and finally became anarchic. In the next and final chapter we'll unravel the last moments of the USSR and its re-birth as the CIS. Going by our analysis so far,

\begin{itemize}
\item \textsuperscript{84} For an analytical background of the constitutional development of the USSR, see Aryeh L. Unger, \textit{Constitutional Development in the USSR: A Guide to the Soviet Constitutions} (London, 1981).
\item \textsuperscript{85} Specifically on this dilemma it is instructive to see, W. Brus and K. Laski, \textit{From Marx to the Market: Socialism in Search of an Economic System} (Oxford, 1989).
\end{itemize}
the Soviet system certainly showed that it was susceptible to change and to a lot of change. For long, Soviet politics had been a constraint in the growth of the economy. This had now become a crisis for Soviet politics. There was no ready-made solution in sight. Everyone was waiting for dictatorship to come, except this time it wouldn't be "of the proletariat".