

## Final years (1985–1991)

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### ***Gorbachev's reforms***

By the time the comparatively youthful Mikhail Gorbachev became General Secretary in 1985, the Soviet economy was stagnant and faced a sharp fall in foreign currency earnings as a result of the downward slide in oil prices in the 1980s. These issues prompted Gorbachev to investigate measures to revive the ailing state.

An ineffectual start led to the conclusion that deeper structural changes were necessary, and in June 1987 Gorbachev announced an agenda of economic reform called *perestroika*, or restructuring. Perestroika relaxed the production quota system, allowed private ownership of businesses and paved the way for foreign investment. These measures were intended to redirect the country's resources from costly Cold War military commitments to more productive areas in the civilian sector.

Despite initial scepticism in the West, the new Soviet leader proved to be committed to reversing the Soviet Union's deteriorating economic condition instead of continuing the arms race with the West. Partly as a way to fight off internal opposition from party cliques to his reforms, Gorbachev simultaneously introduced *glasnost*, or openness, which increased freedom of the press and the transparency of state institutions. *Glasnost* was intended to reduce the corruption at the top of the Party and moderate the abuse of power in the Central Committee. Glasnost also enabled increased contact between Soviet citizens and the western world, particularly with the United States, contributing to the accelerating détente between the two nations.

### ***Thaw in relations***

In response to the Kremlin's military and political concessions, Reagan agreed to renew talks on economic issues and the scaling-back of the arms race. The first summit was held in November 1985 in Geneva, Switzerland. At one stage the two men, accompanied only by an interpreter, agreed in principle to reduce each country's nuclear arsenal by 50 percent. A second summit was held in October 1986 in Reykjavík, Iceland. Talks went well until the focus shifted to Reagan's proposed Strategic Defence Initiative, which Gorbachev wanted eliminated. Reagan refused. The negotiations failed, but the third summit in 1987 led to a breakthrough with the signing of the Intermediate-Range Nuclear Forces Treaty (INF). The INF treaty eliminated all nuclear-armed, ground-launched ballistic and cruise missiles with ranges between 500 and 5,500 kilometres (300 to 3,400 miles) and their infrastructure.

East–West tensions rapidly subsided through the mid-to-late 1980s, culminating with the final summit in Moscow in 1989, when Gorbachev and George H. W. Bush signed the START I arms control treat. During the following year it became apparent to the Soviets that oil and gas subsidies, along with the cost of maintaining massive troops levels, represented a substantial economic drain. In addition, the security advantage of a buffer zone was recognised as irrelevant and the Soviets officially declared that they would no longer intervene in the affairs of allied states in Central and Eastern Europe.

In 1989, Soviet forces withdrew from Afghanistan, and by 1990 Gorbachev consented to German reunification, as the only alternative was a Tiananmen Square scenario. The Berlin Wall came down, Gorbachev's "Common European Home" concept began to take shape.

On 3 December 1989, Gorbachev and George H.W. Bush declared the Cold War over at the Malta Summit. A year later, the two former rivals were partners in the Gulf War against Iraq (August 1990 – February 1991).

### ***Eastern Europe breaks away***

By 1989, the Soviet alliance system was on the brink of collapse, and, deprived of Soviet military support, the communist leaders of the Warsaw Pact states were losing power. Grassroots organizations, such as Poland's Solidarity movement, rapidly gained ground with strong popular bases. In 1989, the communist governments in Poland and Hungary became the first to negotiate the organization of competitive elections. In Czechoslovakia and East Germany, mass protests unseated entrenched communist leaders. The communist regimes in Bulgaria and Romania also crumbled, in the latter case as the result of a violent uprising. Attitudes had changed enough that US Secretary of State James Baker suggested that the American government would not be opposed to Soviet intervention in Romania, on behalf of the opposition, to prevent bloodshed. The tidal wave of change culminated with the fall of the Berlin Wall in November 1989, which symbolized the collapse of European communist governments and graphically ended the Iron Curtain divide of Europe. The 1989 revolutionary wave swept across Central

and Eastern Europe and peacefully overthrew all of the Soviet-style communist states: East Germany, Poland, Hungary, Czechoslovakia and Bulgaria;[332]Romania was the only Eastern-bloc country to topple its communist regime violently and execute its head of state.

### ***Soviet dissolution***

In the USSR itself, *glasnost* weakened the bonds that held the Soviet Union together, and by February 1990, with the dissolution of the USSR looming, the Communist Party was forced to surrender its 73-year-old monopoly on state power. At the same time freedom of press and dissent allowed by *glasnost* and the festering "nationalities question" increasingly led the union's component republics to declare their autonomy from Moscow, with the Baltic states withdrawing from the union entirely.

Gorbachev's permissive attitude toward Central and Eastern Europe did not initially extend to Soviet territory; even Bush, who strove to maintain friendly relations, condemned the January 1991 killings in Latvia and Lithuania, privately warning that economic ties would be frozen if the violence continued. The USSR was fatally weakened by a failed coup in August 1991, and a growing number of Soviet republics, particularly Russia, threatened to secede from the USSR. The Commonwealth of Independent States, created on 21 December 1991, is viewed as a successor entity to the Soviet Union, but, according to Russia's leaders, its purpose was to "allow a civilized divorce" between the Soviet Republics and is comparable to a loose confederation. The USSR was declared officially dissolved on 26 December 1991.

US President George H.W. Bush expressed his emotions: "The biggest thing that has happened in the world in my life, in our lives, is this: By the grace of God, America won the Cold War."

### ***Aftermath***

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After the dissolution of the Soviet Union, Russia drastically cut military spending, and restructuring the economy left millions unemployed. The capitalist reforms culminated in a recession in the early 1990s more severe than the Great Depression as experienced by the United States and Germany. In the 25 years following the end of the Cold War, only five or six of the post-communist states are on a path to joining the rich and capitalist world while most are falling behind, some to such an extent that it will take several decades to catch up to where they were before the collapse of communism.

The Cold War continues to influence world affairs. The post-Cold War world is considered to be unipolar, with the United States the sole remaining superpower. The Cold War defined the political role of the United States after World War II—by 1989 the United States had military alliances with 50 countries, with 526,000 troops stationed abroad, with 326,000 in Europe (two-thirds of which were in West Germany) and 130,000 in Asia (mainly Japan and South Korea). The Cold War also marked the zenith of peacetime military–industrial complexes, especially in the United States, and large-scale military funding of science. These complexes, though their origins may be found

as early as the 19th century, snowballed considerably during the Cold War. Experts believe that up to 50 weapons were lost during the Cold War.

Cumulative US military expenditures throughout the entire Cold War amounted to an estimated \$8 trillion. Further nearly 100,000 Americans lost their lives in the Korean and Wars. Although Soviet casualties are difficult to estimate, as a share of their gross national product the financial cost for the Soviet Union was much higher than that incurred by the United States.

In addition to the loss of life by uniformed soldiers, millions died in the superpowers' proxy wars around the globe, most notably in Southeast Asia. Most of the proxy wars and subsidies for local conflicts ended along with the Cold War; interstate wars, ethnic wars, revolutionary wars, as well as refugee and displaced persons crises have declined sharply in the post-Cold War years.

However, the aftermath of the Cold War is not considered to be concluded. Many of the economic and social tensions that were exploited to fuel Cold War competition in parts of the Third World remain acute. The breakdown of state control in a number of areas formerly ruled by communist governments produced new civil and ethnic conflicts, particularly in the former Yugoslavia. In Central and Eastern Europe, the end of the Cold War has ushered in an era of economic growth and an increase in the number of liberal democracies, while in other parts of the world, such as Afghanistan, independence was accompanied by state failure.