At the beginning of 1989, political calm, as cold and gray as the weather, hung over Eastern Europe; by early summer striking political changes were underway. In June a coalition led by the independent trade union Solidarity swept the Polish elections, and roundtable negotiations established the non-communist Polish Republic with Lech Walesa at its head. Next came Hungary, where the long-demanded reburial of Imry Nagy, prime minister during the 1956 uprising, brought thousands into the streets, and negotiations established a multiparty government. On November 9 East Germany opened the Berlin Wall, thousands of East and West Germans sang, danced, and celebrated on top of that hated symbol, and the Socialist Unity Party quickly stepped down. In November and December Czechoslovakia’s Velvet Revolution brought the noted dissident and literary figure Václav Havel to power. As the year ended Ceaușescu’s notoriously repressive regime in Romania was overthrown by force, and with much less fanfare, the Bulgarian leader Todor Zhivkov resigned, and the country began a halting transition to parliamentary democracy.

With the exception of Romania, regimes collapsed and Communist parties retreated rather than violently resisting protest movements, the demands of prominent dissidents, or the examples of neighboring states. Of more importance, the Soviet Union did not oppose these revolutions or block the reunification of Germany. Nor did it survive them, for in 1991 communism collapsed and the multinational Soviet Union dissolved. The ideological struggles, political geography, and economic and cultural competition that had structured European-American relations in the second half of the twentieth century vanished – to the surprise of direct participants and observers alike.

What were the causes of these dramatic transformations in Europe, ones comparable to those that had occurred between 1917 and 1920? Was communism’s collapse inevitable or contingent, a result of structural contradictions or ideas and human agency? Did the United States win the Cold War, as so many Americans triumphantly claimed? Or was it a...
supportive but secondary actor in a European drama in which the Soviets played the leading role? To answer these questions, we need to look not only at 1989, the *annus mirabilis*, as Pope John Paul II called it, but also at the preceding decade.

The 1980s began with renewed superpower hostility, the so-called “second Cold War,” and conflicts within Europe and across the Atlantic about Euromissiles, economic sanctions, and American interventions in the global South. By mid decade, however, there was partial reconciliation between President Ronald Reagan and General Secretary Mikhail Gorbachev around nuclear disarmament. As the United States sought to reassert its dominance over the Soviet Union and within the Atlantic alliance, Western Europe continued to pursue détente with Eastern Europe and deepen economic and political integration within the expanding European Community. As the Soviets loosened their hold on Eastern Europe and embarked upon reform at home, governments across the Communist bloc grappled with escalating economic crises. Both the American Century and the Cold War order continued to erode, but until 1989 no one anticipated the demise of either.

The collapse of communism was a European or, more specifically, an Eastern European drama. National actors and issues shaped the overthrow of old regimes, but all communist countries suffered from failing economies, growing debts, and declining legitimacy. These alone would not have led to communism’s downfall, however, without new ideas and a charismatic new leader. Reagan’s much vaunted toughness toward what he called the “evil empire” is often credited with ending communism and the Cold War; in fact, it retarded change in Eastern Europe. Gorbachev’s “new thinking,” as his policy approach was labeled, and search for “a common European home” created the environment in which the transformation of neighboring states and the USSR could occur, even as they brought consequences he never intended. Only when the revolutions of 1989 had succeeded, did the United States and Western Europe join in to construct the framework for Europe’s post-Cold War order. The place of America in it was by no means clear, for Europe continued to take control of its own destiny.

**Toward a second Cold War**

The eighties opened inauspiciously in the United States, which for a decade had been buffeted by economic crises, rancorous political divisions, and contentious disputes with its European allies. The humiliations of the Iranian hostage crisis compounded America’s bitter loss in Vietnam; defense officials warned of a missile gap that endangered
national security, and bestselling historians like Paul Kennedy predicted that the United States, like all empires before it, would inevitably decline. In this atmosphere of pessimism, Ronald Reagan was elected president with a campaign urging Americans “to recapture our dreams ... regain that unique sense of destiny and optimism that had always made America different from any other country in the world.”¹ He promised to reverse America’s perceived decline, restore the economy, reassert United States military dominance over the Soviet Union, and restore its undisputed leadership in the Atlantic alliance. Aggressive neoliberal economic policies at home and assertive anti-communism abroad were the core tenets of Reaganism.

Reagan did not start the second Cold War. As we saw, Carter had increased the military budget, modernized nuclear weapons, responded aggressively to the Soviet invasion of Afghanistan, and tried to discipline Western Europeans to follow suit. Superpower détente was dead before Reagan took office, but he did enthusiastically embrace a hard-line stance toward the Soviet Union and leftist movements in the Third World. Convinced that Soviet power had grown in Europe and outside, he increased the military budget by 35 percent in the first half of the decade in order to produce more B1 bombers, MX Intercontinental Ballistic Missiles, and Trident submarines and develop stealth bombers.² Historians disagree about whether Reagan was a warmonger or a proponent of peace through strength, whether he wanted nuclear superiority or disarmament, whether he intended to bankrupt the Soviet Union by forcing it to increase its defense spending or believed that the Soviets, given their economic problems, would make concessions if America were assertive. At various times his statements and actions lent support to each of these contradictory positions. To Soviets and Western Europeans in the early eighties, however, he seemed to be embarking on a dangerously confrontational path.

Although the Politburo worried about American rhetoric and military buildup, it was in no position either to respond in kind or make concessions. Sclerotic leadership, mounting economic problems, and the deepening quagmire in Afghanistan fostered paranoia and paralysis. In the early 1980s the economy and government stagnated as Brezhnev’s health declined. After his death in 1982, Yuri Andropov, who was deeply

¹ Melvyn P. Leffler, For the Soul of Mankind: The United States, the Soviet Union and the Cold War (New York: Hill and Wang, 2007), 345.
suspicious of Reagan’s policies, ruled until 1984, when his death brought another geriatric apparatchik, Konstantin Chernenko, to power for scarcely a year. Negotiation and policy innovation came only with the election of Gorbachev to head the Communist Party in 1985.

America’s Western European allies were equally suspicious of Reagan’s policies, albeit for different reasons from the Soviets. Western Europe remained committed to its version of détente, for West Germany, France, Italy, and Britain had developed deep economic, cultural, and political ties to Poland, Czechoslovakia, Hungary, and the GDR. Many countries had refused to boycott the Moscow Olympics or impose economic sanctions on the Soviets. Ostpolitik benefited both Eastern and Western Europe, and America’s allies saw no reason to abandon it because Reagan preferred containment or confrontation. The second Cold War had not begun as a transatlantic project and did not develop as one in the first half of the 1980s.

Four issues were at the heart of the worsening relations between the United States and the Soviet Union and within the Atlantic alliance: Euromissiles, Star Wars, the Polish crisis, and wars and proxy wars in the Third World. They raised divisive questions about the arms race and disarmament, national security, and military and economic interventions. They illustrate the complexity of late Cold War conflicts and the limits of the superpowers’ abilities to control their spheres of influence.

**Euromissiles and Star Wars**

In the seventies agreements about disarmament had been central to Soviet-American détente but marginal to Ostpolitik and the Helsinki Accords. In the early eighties the superpowers fought bitterly over missiles and antimissile defense, and European governments and publics demanded a voice on these issues. The Soviet stationing of intermediate-range nuclear missiles within striking distance of Western Europe and American plans for a Strategic Defense Initiative (SDI) or Star Wars, as it was quickly dubbed, triggered bitter disputes between the superpowers and within the Atlantic alliance.

In 1979 NATO approved its controversial dual-track decision, according to which West Germany, Italy, Britain, Belgium, and the Netherlands agreed to receive 464 intermediate-range Cruise and 108 Pershing II missiles, commonly referred to as the Euromissiles. Simultaneously, NATO was to pursue negotiations with the Soviets on arms limitation and reduction. The United States had long wanted to modernize its nuclear forces in Western Europe, but governments there had been reluctant. By the late 1970s, however, Western European leaders grew
worried that superpower negotiations on strategic nuclear weapons might lead the United States to either ignore European security or leave Europe open to a limited nuclear war. When the USSR deployed modernized intermediate-range SS-20 missiles in the Western Soviet Union, the United States increased pressure on its NATO allies to take new weapons, and Western European leaders came to view these Euromissiles as a token of America’s commitment to Western Europe’s defense, which many felt had waned due to Vietnam, economic crises, and détente. Germany, Italy, and Britain responded most enthusiastically, despite a lack of clarity about whether deployment would have priority, as the United States wanted, or negotiations, as the Europeans preferred, and about when the missiles would actually be installed. Only in 1981 did the United States set 1983 as the date to deploy the new missiles.

While Western European governments knew they faced growing social movements against nuclear weapons and nuclear power, they were unprepared for the deluge of protest that followed the dual-track decision. As the British government instructed its citizens on how to “Protect and Survive” in the face of nuclear war, the Campaign for Nuclear Disarmament, which morphed into the transnational European Nuclear Disarmament, ridiculed its recommendations and urged people to “Protest and Survive.” And protest they did. In the fall of 1981 over 1.8 million people of all ages and classes took to the streets in West Germany, Italy, the Netherlands, Belgium, and Finland. Some were veterans of 1968, others were new to protests; many were Social Democrats or in Italy Communists, and many others were associated with church-based peace movements. While a majority of Belgians had supported Euromissiles in 1980, by late 1981 over 80 percent were opposed. By 1985 3.75 million Dutch out of a population of 14 million had signed a petition against deployment. Women from across the British Isles, fearing “for the future of all our children and for the future of the living world,” set up a peace encampment outside the American air base and missile site at Greenham Common. They protested there continually from 1981 until the missiles were finally removed in 1992. 3

In 1982 1 million people gathered in New York’s Central Park to endorse the United States Nuclear Freeze movement and support the UN special session on disarmament.

United States officials did not understand how scared Europeans were about the possibility of nuclear war. Once again very different experiences with past wars helped create diametrically opposed attitudes toward

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prospective ones. Western European leaders recognized the deep anxiety pervading their nations but were torn by the conflicting demands of security and the Atlantic alliance on the one hand and swelling domestic protest on the other hand. The West German and British governments put down demonstrations, often brutally, claiming that terrorists and communists had infiltrated them. The West German domestic intelligence agency, for example, made films of all protests, peaceful or not, and its head claimed that the peace movement was manipulated and funded by the GDR and represented a danger to the constitution.4

It proved easier to disperse demonstrators and deploy missiles than to restore Cold War ways of thinking. The peace movements across Western Europe and the United States, as well as the much less visible one in East Germany, challenged Cold War conceptions of the enemy. They criticized American policies as strongly as Soviet ones and rejected the idea that nuclear wars, even “limited” ones, were survivable, let alone winnable. Some favored a freeze on nuclear weapons, others total disarmament, but all demanded a say on what many Europeans viewed as a life and death issue. Rethinking was going on among politicians and experts as well. In 1982 the Independent Commission on Disarmament and Security, which was chaired by the Swedish Social Democrat Olaf Palme and had members from Western European socialist parties and peace institutes, issued a provocative report that advocated replacing the concept of national security with “collective security” and “non-offensive defense.” It insisted that nuclear weapons were unusable, nuclear war unwinnable, and nuclear disarmament essential. This clear rejection of the Cold War consensus shaped Western European political attitudes and by mid decade those of Gorbachev as well but found little resonance in the United States.5

Indeed, Reagan was taking American policy on national security in a very different direction. In addition to increasing military budgets and expanding weapons programs, his defense advisors developed plans for waging war, including limited nuclear ones. Most controversially, in 1983 Reagan outlined plans for a missile shield to protect the United States from any and all Soviet nuclear weapons with laser technologies. Debate abounds about why Reagan embraced SDI, a program whose technical feasibility was dubious and whose costs promised to be astronomical.


Pressure from the military and Senate may have shaped his pursuit of absolute security, so too may concerns about his declining popularity and a desire to counter the Nuclear Freeze movement. Some posit that a visit to NORAD, the North American Aerospace Defense Command, shocked him into realizing that the United States had no defense against Soviet missiles. Others emphasize that he was terrified of nuclear war, even as he pushed the arms race, and believed, in his words, that SDI was “a means of rendering these nuclear weapons impotent and obsolete.” Reagan acknowledged that “defensive systems have limitations and raise certain problems and ambiguities. If paired with offensive systems, they can be viewed as fostering an aggressive policy and no one wants that.”

Yet that was precisely how the Soviet Union and America’s Western European allies, who had not been consulted in advance, viewed the announcement of SDI. Star Wars threatened to militarize outer space and violate the 1972 ABM Treaty, which permitted the United States and the Soviet Union to each have a missile defense installation at only one site. Star Wars planned to protect the entire country. If Star Wars succeeded, it would undermine deterrence; instead of MAD, America would have guaranteed first-strike capacity. It would no longer have to concern itself with Soviet actions and might loose interest in defending Western Europe. The Soviets protested SDI for much of the decade, but Western Europeans ultimately accepted it, while still claiming to defend the ABM Treaty and MAD. They agreed with Reagan’s closest ally, British Prime Minister Margaret Thatcher, who admonished him that “It would be unwise to abandon a deterrence system that has prevented both nuclear and conventional war.”

Poland and proxy wars
Superpower interventions abroad proved every bit as contentious as nuclear weapons. The thorny issue of Soviet involvement in its satellites and the appropriate Western response came to the fore once again. Of equal importance, Soviet and American direct military interventions in the Third World as well as covert support for diverse contending factions there persisted. As in the past the Cold War was much hotter and more


deadly in the global South than in Europe. How did interventions – and noninterventions – shape European-American relations?

Let us begin with Poland, the European country that loomed largest at the decade’s beginning as at its end. Since the 1950s Poland had experienced repeated protests by workers, students, intellectuals, and the Catholic Church, and another round occurred in 1980–81. Pope John Paul II’s 1979 visit during which he urged his fellow countrymen not to compromise with communism laid the groundwork for protest as did the growing cooperation between illegal trade unions and the intellectual dissidents, who formed KOR, the Committee for the Defense of Workers. But it was the regime’s inability to continue borrowing abroad to support consumption at home and its decision to raise meat prices that sparked a wave of strikes, the occupation of the Lenin Shipyards in Gdansk, and the formation of the unofficial trade union Solidarity in the summer of 1980. Although the protesters were deliberately cautious – advocating “a self-limiting revolution,” as its leaders termed it – General Wojciech Jaruzelski, the prime minister, feared the worst and asked for Soviet intervention. In a first indication of changing Soviet policy toward the bloc, the Soviet minister of defense replied, “The Poles themselves must solve the Polish question. We are not prepared to send troops.” Intervention would have been militarily risky, politically damaging, and above all far too expensive. Jaruzelski settled for proclaiming martial law in December 1981 and throwing numerous political prisoners in jail.

Reagan condemned these actions and immediately imposed economic sanctions. As he told the National Security Council, “we should quarantine the Soviets and Poland with no trade or communications across their borders.” Western European allies should be told to join us or “risk estrangement.” Joining would mean not buying Soviet gas or providing parts for the Soviets’ planned gas pipeline to Western Europe and not allowing European subsidiaries of American companies to do so. The return to a policy of severe trade limitations reflected Reagan’s staunch anti-communism, and it entailed few material risks, for the United States, unlike Western Europe, had little trade and investment in Eastern Europe and no need for Soviet gas.

Western European governments condemned martial law, and the EC urged Jaruzelski to negotiate with the church and Solidarity and release political prisoners, but no state imposed sanctions. Even Thatcher, who

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applauded Reagan’s “bold strategy to win the Cold War,” pushed legislation through parliament saying British firms could ignore Reagan’s call for compliance. Western Europeans resisted sanctions for both economic and political reasons. The 1973 oil crisis had shown that they needed alternative energy sources, and Soviet ones were the nearest and most promising. Sanctions would endanger jobs and profits for the many Western European firms that were involved in the pipeline project or traded and invested heavily in Poland and the Soviet Union. As French Foreign Minister Claude Cheysson rhetorically asked Chancellor Helmut Schmidt, “Should we punish ourselves with sanctions just because there are developments in Eastern Europe that one cannot accept?” Finally, the allies, who once again had not been consulted in advance, saw no reason to endanger détente by punitive actions. As a 1982 United States State Department report noted, not only European
governments, but also “The public remains firmly in favor of détente.” Western European governments did not believe that détente artificially prolonged the life of communist regimes or that Reagan’s hard line would influence the Polish situation. And when Jaruzelski lifted martial law and released political prisoners in 1986, it was due largely to pressure from Western Europe, not from sanctions, which in any case had been lifted in 1982.10

Soviets and Americans continued their involvements in Africa, Asia, and Latin America. Sometimes they offered economic and military aid to long-standing capitalist or communist allies, such as Vietnam and Cuba or Egypt and Mexico; at other times, and more problematically, they supported regimes and movements whose politics and practices were murkier and more compromised. Adhering to the zero-sum logic of the early Cold War, each superpower objected to the other’s interventions while refusing to discuss its own; Western Europe wanted no involvement with any of them. Afghanistan and Nicaragua provide prime examples of such contested interventions.

The Soviet invasion of Afghanistan in December 1979 on behalf of the weak and unpopular Communist government there provoked not only strong United States condemnation but also covert American aid to the anti-communist and Islamist Mujahedeen. Indeed, according to former Carter advisor Brzezinski, United States aid began before the invasion and “had the effect of drawing the Russians into the Afghan trap.” Afghanistan quickly became the Soviet Union’s Vietnam – a grueling war against tenacious guerillas that was costly in lives and money and deeply unpopular at home. Negotiated solutions proved elusive but abandoning an ally would threaten Soviet credibility. The United States repeatedly demanded Soviet withdrawal but found little support from its European allies. If the United States had lived with the Soviet invasions of Hungary and Czechoslovakia in a region vital to United States and European security, they reasoned, surely they could live with Soviets in marginal Afghanistan without escalating the Cold War. Having lost their colonies, Western Europeans no longer viewed the Third World in zero-sum terms.11


United States policies in Central America were no more popular with Western Europeans. In the wake of Vietnam, the United States sought to avoid direct engagement against leftist movements and governments, preferring less expensive and less politically controversial proxy wars. Wrongly insisting that the Nicaraguan Sandinistas were totalitarian and a threat to the United States, the Reagan administration funded and armed the right-wing Contra forces that had backed the previous dictator and mined Nicaraguan harbors, devastating the economy. Nicaragua charged that the mining violated the laws of war and won in the International Court of Justice in The Hague, but the United States refused to recognize the Court’s jurisdiction or pay the fine. According to the reigning views of American UN ambassador Jean Kirkpatrick, traditional authoritarian regimes fostered stability and American interests, while totalitarian ones were a threat to national security. Since funding the Contras was illegal, Reagan’s advisors devised a scheme to sell arms to the Islamic Republic of Iran (a proclaimed enemy with which the United States had no diplomatic relations) in order to funnel aid and arms to the Contras. When the Iran-Contra Affair was exposed in 1986, it caused a firestorm of protest in the United States and intensified the already strong Western European criticism of American support for the brutal and reactionary military forces in Nicaragua and the repressive dictatorship in Guatemala.

Disagreements about Poland, Afghanistan, and Central America contributed significantly to worsening Soviet-American relations but did not create fundamental divisions within the Atlantic alliance. Despite popular and governmental criticism of American policies, NATO was never endangered; Western Europe accepted Euromissiles and SDI, and Britain and France joined the United States as part of an international peacekeeping force in Lebanon. The Cold War contained dissent among allies, yet recurring disputes about the meaning and value of détente, the desirable forms of European security, and the efficacy of sanctions were steering Western Europe and America in different directions. So too were differing attitudes toward the global South, as the Third World was increasingly called. Unlike Americans and Soviets, Western Europeans did not automatically impose Cold War categories on complex disputes involving national liberation, social justice, and increasingly, religion and culture. They opposed unilateral military adventurism, whether direct or by proxies. Among Social Democrats there was strong interest in North–South dialogue about a more equitable division of global economic resources, as indicated by such institutions as the Independent Commission on International Development, which Willy Brandt chaired.
Intensification and abrupt end

In 1983 many in Europe feared the second Cold War might become hot, even nuclear. In March Reagan delivered his “evil empire” speech against the Soviet Union, followed by the SDI announcement. By mid-summer the Soviet Central Committee wrote to its Warsaw Pact allies that there was “a destabilization of the whole system of interstate relations, the increase of the arms race and a serious increase in the threat of war.” Two-thirds of the Soviet population agreed. At the end of August the Soviets shot down Korean Air Lines 007, killing all aboard, after it crossed into Soviet airspace. The United States was shocked and angered. In October the United States invaded the tiny Caribbean island of Grenada to save it from the purported threat of communism, an action garnering harsh criticism not only from the Soviets but also Western Europeans, especially the British, whose former colony it was. That same month, the United States deployed the Euromissiles and left both the Intermediate Nuclear Force talks and the Strategic Arms Reduction Treaty (START) talks. In early November NATO staged its Able Archer maneuvers, a routine exercise which, however, included a new scenario about the possible use of nuclear weapons. The Soviet leadership thought an attack was imminent; determined to avoid a repetition of the German attack in 1941, it put its nuclear forces on high alert until the exercise ended in mid November. Reagan was shocked at what he saw as Soviet overreaction, but Robert Gates, the deputy director of the CIA, admitted, “We in the CIA did not really grasp how alarmed the Soviet leadership might be.”

Reagan’s hard line escalated tensions without producing the desired change in Soviet policy. In the early 1980s Soviet leaders debated three possible responses: maintaining weapons parity, unilaterally reducing forces and pursuing strategic sufficiency, or third, negotiating with the West on mutual disarmament, but they pursued none of these. The military budget stayed steady and there was no effort to emulate SDI, but nor were there unilateral reductions in nuclear or conventional forces. Reagan may have wanted an interlocutor in the Kremlin, as some of his biographers claim, but his confrontational policies and provocative rhetoric made it harder for the Soviets to change policy or seek negotiations. In addition, the United States, which had little trade and investment in the Soviet Union, could not exert economic pressure.

After the ratcheting up of tensions in 1983, the second Cold War in Europe (but not in the Third World) rapidly deescalated. Reagan led the retreat. In his 1984 presidential campaign he proudly noted: “It’s morning in America again”; he continued to push his anti-union and anti-welfare domestic policies but toned down his foreign policy rhetoric, modernized the hotline between the White House and the Kremlin, and proposed a ban on chemical weapons. Reagan may have been sobered by the 1983 war scare or by seeing The Day After, an American film depicting what Lawrence, Kansas, would look like after a nuclear attack. Or practical concerns like losing the midterm congressional elections and the Iran-Contra scandal may have pushed him to change course.

The soft line would not have been any more effective than the hard one, however, had not a new leader with new ideas come to power in the Kremlin. Realist and neorealist scholars of international relations argue that power differentials determine policy responses; economic problems at home and military weakness in relationship to the United States around the globe dictated that the Soviets would make concessions. But the Soviets had faced military inferiority and economic crisis before and responded differently. In 1985, however, a combination of acute economic problems, new ideas developed by younger elites, and Gorbachev’s election as head of state opened the way for a partial renegotiation of Soviet-American relations.

Like his predecessors, Gorbachev was a loyal Communist who was educated entirely within the Soviet Union and had worked his way up the party hierarchy in Stavropol before being elected to the Politburo. Unlike them, however, he represented a younger generation, who had been adolescents rather than adults during World War II. He was educated in law rather than engineering, had read widely in Western as well as communist works and traveled to the West with an open mind. He was part of a younger Westernizing elite, whose members were scattered about the academic establishment and government and wanted to end Soviet autarky and political isolation, reshape foreign policy, and adopt Western technology. The “new thinking” of this loose group profoundly shaped Gorbachev’s approach to foreign and nuclear policy on the one hand and domestic affairs on the other. And the two were inextricably intertwined for Soviet reformers, who believed that excessive military spending and imperial overreach in Eastern Europe and the Third World stood in the way of dealing with slow economic growth, low productivity, and

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technological backwardness at home. Let us turn first to security policy, however, for that most directly impacted relations with the United States.

Shortly before coming to power, Gorbachev gave a speech to the British parliament, emphasizing that the most pressing problem facing the world was “the prevention of nuclear war.” He subsequently, if not always coherently, laid out the changes in Soviet policy necessary to attain that goal. Foreign policy had to be deideologized, that is talk of two camps and class struggle on a global scale had to end, and ideas of common security, such as those proposed by the Palme Commission and the Pugwash Conferences on Science and World Affairs, had to be explored. The United States and the Soviet Union had to deescalate the arms race, and the USSR should settle for sufficient security rather than pursuing parity. Although he remained mired in Afghanistan throughout the decade, he agreed with Andropov’s 1980 statement that “The quota of interventions abroad has been exhausted.”

Deeds followed words. In 1985 the Soviets announced a unilateral moratorium on nuclear testing at a time when the United States would not even discuss the issue. A year later, Reagan and Gorbachev held their famous summit in Reykjavik at which they developed a personal rapport and shared their intense dislike of nuclear weapons but were unable to negotiate an arms deal. Gorbachev proposed reducing strategic ballistic missiles by half and removing all medium-range missiles from Europe as a first step toward eliminating all nuclear weapons. Reagan agreed in principle and to most details, but SDI was the stumbling block. Gorbachev insisted it had to stop, but Reagan and his advisors, many of whom were appalled by the prospect of eliminating all nukes, refused. The summit was a failure, but Gorbachev was reassured that the United States had no war plans.

Even though the Americans remained committed to SDI, the Soviets increasingly viewed it as a futile project that should not block unilateral reductions or more modest negotiations. In 1987 the United States and the USSR hammered out the Intermediate Nuclear Forces (INF) Treaty, under whose terms the nearly 2,000 SS-20s and over 800 Euromissiles would be removed from Europe by 1991. It was less a victory for the United States than one for people on both sides who were committed to reducing weapons and tensions. Western European leaders, however,

were ambivalent about the INF Treaty, even though it did not affect French and British nuclear weapons. They felt most comfortable with a balance of forces in Europe that produced a stable standoff, and no one in 1987 remotely imagined how different Europe would look by the time the missiles were withdrawn. In 1988 the Soviets unilaterally began reducing their conventional forces in Eastern Europe and implementing the START. On February 1, 1989 Gorbachev announced that the remaining Soviet troops would be withdrawn from Afghanistan.

In key respects the Cold War was over even before the revolutions of 1989 began, and Gorbachev was mainly responsible for ending it by revamping Soviet security policy and unilaterally reducing arms and troops. He did so in pursuit not only of better relations with the United States but also of a transformed Soviet Union that would be situated in a “common European home.” The events of 1989–91 were to show that the former was much easier to attain than the latter.

Illustration 24 President Reagan and Soviet General Secretary Gorbachev at the Reykjavik summit.

The roots of revolution and collapse

The rapid rise and demise of the second Cold War in Europe was primarily a story of the Soviet Union and the United States with Western and Eastern Europe providing theaters of projected war and sites of governmental ambivalence and popular anxiety and protest. The Soviet Union and Eastern Europe dominated the events of 1989, with Western Europe and the United States playing relatively minor roles. What transpired was a story of structural contradictions and the dwindling ideological appeal of socialism, of social movements, scared elites, and a charismatic but flawed Soviet leader, who unleashed forces he could not contain. The Eurocentric character of 1989 is one more indication of the erosion of American influence.

Soviet and Eastern European economic problems were not the sole or sufficient cause of communism’s collapse, but they were a necessary one. Reagan’s policies of confrontation and then conciliation had virtually no influence on their development. Romania’s austerity strategy and East Germany’s unending competition with West Germany, for example, were rooted in national politics. The major problems – debt, trade imbalances, and technology lags, all of which had begun in the seventies, were shared across the bloc. Escalating debts were the most visible symptom of crisis and growing dependency on the West. Poland, Hungary, and the GDR led the way in borrowing from Western European and Japanese banks, although Romania and Bulgaria had sizable debts as well. (The United States lent little to this part of the world, particularly after the 1982 Mexican default and ensuing Latin American debt crisis.) Poland accumulated $41.8 billion in debt, Hungary $20.3 billion, and the GDR $26.5 billion. Sheer debt totals were a cause for acute concern, but debt service was positively crippling for countries without convertible currencies. By the late 1980s it ate up 40 percent of Hungary’s hard currency income, 45 percent of Poland’s, and 75 percent of Bulgaria’s. The very borrowing that was necessary to fund current consumption and acquire new technology threatened to inhibit both.

As debts grew the ability to repay them shrank, for the Soviets were in an ever weaker position to extend loans or subsidize oil and demanded more in return from their Eastern European neighbors. In 1974, for example, Hungary had to export 800 buses to obtain 1 million tons of Soviet oil; by the mid 1980s, 4,000 buses were necessary. In 1982 the Soviets would

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only extend a loan to the GDR if it redirected more trade to the Soviet Union; instead the East Germans secured a 1 billion DM loan from the Federal Republic.\textsuperscript{18}

Both Eastern Europe and the Soviet Union sought to increase trade with the West, and intra-CMEA trade diminished. By decade’s end only Czechoslovakia and Bulgaria traded more than half their exports within the Communist bloc. Yet trade with the West was not on beneficial terms, for few Eastern European countries produced goods that Western Europeans wanted to buy or that could compete elsewhere with East Asian goods. Yugoslavia, for example, sought in vain to produce a car that would be exportable to the West. The Soviet Union was somewhat better positioned because it had oil, lumber, and gold to sell, but being a primary commodity exporter hardly fit the image of the advanced industrial economy it strove to be.

The inability to export manufactured goods to capitalist economies, in turn, resulted from the widening technology gap. Even the most advanced Eastern European countries like the GDR and the Soviet Union failed to develop a domestic computer industry and the new manufacturing and service sectors that used information technology. Indeed, they even lacked the well-developed telephone infrastructure necessary to support these. Such technologies were crucial not only for the production of new consumer goods but also for the next generation of military hardware. Most communist regimes clung to “socialist Fordism”\textsuperscript{19} and their inefficient, centralized command economies. Countries like Hungary had moved toward a mixed-market socialist system but fared little better due to debts, a shortage of foreign investment, and a concern with political reform more than economic innovation. Eastern Europe remained relatively marginal to the increasingly interconnected world economy. No European communist country was willing or able to use repression on a massive scale; nor were they able to revive their Fordist production systems and plug them into the global economy by means of Western investment or joint state-capitalist ventures, the authoritarian hybrid model that the Chinese pioneered after communism had collapsed in Eastern Europe.

Debt, trade, and technology problems sent communist economies on a downward spiral. For East Central Europe as a whole, growth dropped


\textsuperscript{19} Charles Maier, \textit{Dissolution: The Crisis of Communism and the End of East Germany} (Princeton University Press, 1997), 93.
from 3.9 percent in 1973 to 1.9 percent in 1987. Individual economies suffered much worse. Hungary’s growth stopped completely in the early eighties, and the Polish and Yugoslav economies actually shrank. Soviet economic growth declined from 4.1 percent in 1986 to 1.5 percent in 1989 (and down to −12 percent in 1990). In 1980 Soviet GDP per capita was only 37 percent that of the United States, midway between the highest figure of 52 percent for the GDR and the lowest of 24 percent for Romania among the communist countries. Slow growth was not exclusively a communist problem; average growth rates were no higher in Western Europe, but EC countries fared much better in comparison to America and Japan, both of which were booming. West German GDP per capita stood at 83 percent of America’s, most nations were in the mid to high 70 percent range, and only Spain with 64 percent and Finland at 67 percent fell below.  

Eastern European economies heavily subsidized basic necessities such as housing, health, education, and childcare, which lessened the gap with the United States somewhat but not with social democratic Western Europe, which offered better social benefits. Communist regimes failed most miserably in the area of consumer durables. By the 1980s ownership of TVs, washing machines, and refrigerators in the GDR nearly equaled that in France, but car ownership lagged far behind. The GDR, however, was the tenth or eleventh largest economy in the world and the most advanced in Eastern Europe. Consumer durables increased more slowly elsewhere in Eastern Europe and were often of poor quality; cars and telephones were in very short supply everywhere.  

The Soviet Union faced additional debilitating problems. Oil prices, whose astonishing rise in the 1970s had bolstered the economy, fell equally dramatically at decade’s end and remained low thereafter. Agriculture suffered from low productivity, and the Soviet Union continued to be the world’s largest grain importer. Defense spending officially accounted for 16 percent of the state budget, but some estimate that it took up to 40 percent and accounted for 15–20 percent of GDP. Of equal importance, extensive social programs, essential to the regime’s legitimacy, were increasingly costly. And then there were the burdens of empire—loans and subsidies to Eastern Europe and the cost of stationing


a few million troops there, subsidies and special trade deals with Cuba and Vietnam, and funds for leftist movements in the Third World.  

Multiplying economic difficulties did not, however, automatically produce protest or spell the demise of communism. Protest and dissent, where they appeared, were responses to a lack of political rights and freedom of thought and movement as much as a lack of consumer goods. But did the Helsinki Final Act and the expanding human rights movement in Eastern and Western Europe and America pose fundamental problems for communist states? From the mid 1970s on, the EC was convinced that the human rights provisions of the Helsinki Accord were a useful means of exerting pressure on Eastern Europe. United States leaders had been ambivalent about the Helsinki process before 1975, but Carter embraced it wholeheartedly and Reagan invoked human rights to condemn Communist behavior and plead for better treatment of dissidents. (He did not, however, defend human rights in Latin America, but instead supported their most egregious violators in Guatemala, Chile, and elsewhere.) The Helsinki human rights movement, a loose network of Western non-governmental organizations (NGOs), Eastern activists, national government bodies like the United States Human Rights Commission, and the regular CSCE follow-up meetings, publicized the Helsinki human rights norms, monitored compliance with them, and publicly shamed violations of them, above all by the Soviet Union.

The impact of these efforts on the practices of communist governments and the emergence of dissident movements, however, remains a matter of dispute. Some insist that human rights advocacy was instrumental in altering government policies in Eastern Europe and eroding the Cold War order there. Others more cautiously and persuasively posit that the Helsinki process spread new international norms but only influenced government policies when Western European states demanded better behavior from countries like Poland in return for material aid. Of necessity Gorbachev had to acknowledge human rights once he sought rapprochement with Western Europe, which was so strongly identified with them. Human rights interacted with détente, behind which lay complex ideas, economic interests, and material needs, to shape the last years of the Cold War order in Eastern Europe.

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Yet, neither official Helsinki monitoring nor human rights advocacy within or outside Eastern Europe was able to ignite substantial and successful protest movements. They could publicize and shame but not punish or produce reform. In the late seventies and early eighties, dissidents mobilized around human rights in Poland and in Czechoslovakia with Charter 77, but those regimes repressed protest and continued to violate human rights, as did the Soviet Union, which had not anticipated that Basket III of the Helsinki Final Act would be taken seriously. Except for Poland, opposition movements were minuscule or nonexistent, while human rights monitoring was probably more visible in the West than the East. Dissidents such as Havel urged people to “live in truth” rather than to demand political rights and power. In countries like Czechoslovakia, Hungary, and the GDR, few supported their governments with enthusiasm, but many acquiesced to regimes that tried to provide more consumer goods and space for private activities while demanding less and less in the way of ideological commitment or political participation. Across most of Eastern Europe and certainly in the Soviet Union, civil society was less a cause of 1989 than a product of it. Human rights discourse and advocacy provided some of the language used by the protest movements which sprang up suddenly in 1989, helping to shape postcommunist regimes – albeit more so in countries like Czechoslovakia than in ones like Romania and the Russian Federation.\(^\text{24}\) They were not the principle cause of communism’s demise. It was Gorbachev’s effort to reform the ailing Soviet economy that began the unraveling of socialism around the bloc.

**Rational plans or impossible dreams?**

Gorbachev’s “new thinking” aimed not only to diminish the dangers of nuclear war but also to reform the ailing Soviet economy – and it was economic change more than democratic reform that dominated Gorbachev’s agenda. According to Gorbachev, perestroika or restructuring called for “the revival and development of the principles of democratic centralism in running the national economy . . . and the overall encouragement of innovation and socialist enterprise.” It was to combine “the achievements of the scientific and technological revolution with a planned economy” and “means priority development of the social sphere aimed at ever better satisfaction of the Soviet people’s requirements for good living

and working conditions.” This was an ambitious but amorphous and contradictory program that produced diverse measures to end economic corruption, raise productivity, improve work discipline by curbing alcohol consumption, create more autonomy at the factory level, and increase investment in heavy industry. All were imposed from above, many were unpopular, and most proved destabilizing. Gorbachev sought to introduce market elements, first as a subordinate part of a planned economy, and then, by late 1989, as the major but not only economic regulator. In so far as Western thinkers and politicians shaped perestroika, European Social Democrats, such as Felipe Gonzalez of Spain, were more influential than any Americans.

Political liberalization was slower and more inconsistent. In 1985–86 Gorbachev did appoint several people open to political reform. In the wake of the Chernobyl nuclear disaster in April 1986, where government secrecy and bureaucratic complexity inhibited an effective response, he augmented perestroika with glasnost or transparency, which allowed limited freedom of speech and information. In 1987 he permitted the noted dissidents Andrei Sakharov and Yelena Bonner to return to Moscow and announced to the Central Committee that “Perestroika itself is only possible through democracy.” In March 1989 the Soviet Union held its first contested elections for a new legislative body. These encouraging developments emerged with little pressure from the United States or Western Europe. They did not, however, indicate a steady move toward democratization, for the Communist Party retained its “leading role,” elections were not multiparty, and Gorbachev imposed many liberal reforms via the authoritarian power he wielded as general secretary. His intent throughout was to revitalize the Soviet Union and strengthen the position of a reformed Communist Party within it, not to undermine either.

Foreign policy was to serve the ends of domestic reform by transforming relations with the United States but more importantly with Western Europe and the Warsaw Pact allies. As early as 1984 Gorbachev had broached the rather inchoate idea of “Europe as our common home,” perhaps from a growing commitment to universal values, perhaps in the hope of sowing dissent between the United States and its European allies. Within a few years, he refined his vision by arguing that Europe is “our essential partner” in trade and economic aid, in cultural exchanges, and in security. As Gorbachev told the PCI general secretary in 1988, “we think

26 Archie Brown, The Gorbachev Factor (Oxford University Press), 166.
of ourselves as Europeans."

In 1988 the EC and CMEA issued a joint declaration, laying the basis for trade and economic cooperation. Western Europe was appealing for many reasons. It continued to promote détente and provide aid. The EC had become an economic giant that surpassed the Soviet Union, and it mixed economic efficiency and prosperity with social democratic welfare policies. Western Europe both suggested a third way and was a potential counterweight to the United States.

While seeking closer relations with Western Europe, Gorbachev put more distance between the USSR and Eastern Europe. In the mid 1980s he told his Warsaw Pact allies that relations should be equal and voluntary, and each state should be responsible for its own situation. This was a clear repudiation of the Brezhnev Doctrine, which called for strict adherence to Marxism-Leninism and justified Soviet intervention in case of deviations. It was followed in 1988 by the withdrawal of half a million Soviet soldiers and six tank divisions from Eastern Europe and the promise of more to follow. The Red Army was becoming defensive. Gorbachev’s actions reflected his priorities—cooperation with Western Europe and economic reform at home. He embraced the lesson first learned with Poland in 1981 and driven home by Afghanistan: military interventions were economically destructive and politically counterproductive at home and abroad.

Soviets at the time, like later historians, differ widely in their assessment of Gorbachev’s initiatives. Some admired both his specific policies and his evolution from Communist to reform socialist and post 1989 to social democrat. Others viewed him as naïve, romantic, and messianic; still others as erratic and contradictory. All concur that Gorbachev did not set out to be a revolutionary but rather the savior of communism. His attempted reforms created instability and insecurity without, however, improving industrial efficiency, raising state revenues, or curbing corruption. He wanted to end the Cold War but not communism or the Soviet Union, yet he was the essential actor in the demise of all three.

The radical consequences of reformism

Between June and December 1989, the old order in East Central Europe was swept aside. Liberal democracies, with multiparty parliamentary


regimes and non-communist governments, sprang up. Trade unions were legalized, a free press established, and religious toleration introduced. Protesters toppled statues of Marx and Lenin, and new governments dismantled the secret police. Political parties barely existed, civil society was fragile, and visions of the desired economy and society were rudimentary, yet, in the euphoria of the moment, it was the magnitude of the changes that impressed and inspired.

These dramatic transformations were a response to long-term economic problems and dwindling political legitimacy. They were sparked by events in Poland, the only country with organized mass movements and a developed civil society. It provided a model of protest and deliberation – the famous roundtable negotiations between communist governments and new contending political forces – that other countries followed. In each case a combination of specific domestic forces and grievances and the contagion effect of neighboring uprisings spread change. Poland also provided the model for Soviet behavior.

The Soviets played a crucial role in the success of the 1989 revolutions by virtue of what they did not do. For reasons principled and pragmatic, Gorbachev chose not to intervene. Not in Poland when Solidarity won the elections and Walesa became president. Nor in the GDR as thousands of East Germans fled to the West through Hungary and Czechoslovakia and demonstrators flooded the streets. Indeed, in early October, Gorbachev urged the Central Committee of the East German Socialist Unity Party to initiate reform, arguing “It is important not to miss our chance here . . . Life itself will punish us if we are late.” Nor did he resist changes in Hungary and Czechoslovakia, the sites of earlier infamous interventions. Without such restraint 1989 would not have succeeded. Gorbachev was overwhelmed with problems at home, for economic reform was failing and the gap between promises and achievements aroused popular ire. Liberals wanted more reform, and neo-Stalinists hoped to reimpose a hard line while non-Russian minorities demanded autonomy or independence. Gorbachev was also committed to non-intervention and had told his fellow Communist rulers that. After Georgian government forces violently repressed a nationalist demonstration in Tbilisi in April 1989, Gorbachev banned the use of force within the Soviet Union. The massacre of Chinese protesters in Tiananmen Square in June of 1989 can only have reinforced his determination not to go down that road, even though East German leaders recommended doing so.

The United States was virtually absent from the East European stage. Reagan had argued for change in Eastern Europe and in a 1987 speech in Berlin demanded, “Mr. Gorbachev, tear this wall down,” but his rhetoric had no impact. In 1989, George H. W. Bush succeeded him as president and immediately sent Kissinger on a secret mission to Moscow, suggesting cooperation in managing any changes in Central Europe. Gorbachev refused and Bush advisors Dick Cheney, James Baker, and Condoleezza Rice, who favored a more confrontational stance, shaped subsequent policy. Although initially unsure how to react to escalating unrest, in June 1989 Bush traveled to Poland, where he received a lukewarm reception, and Hungary, where he got an enthusiastic one. In neither place did he provide the hoped-for economic aid; this time there would be no Marshall Plan. The EC approved of this policy because Western Europe wanted to provide and control aid and felt Eastern Europe would not be able to absorb large sums, given the lack of market institutions. The Poles, however, were deeply disappointed when they asked the United States for $10 billion and got $100 million instead. The Hungarians got even less – $25 million in aid plus Peace Corps volunteers and a cultural center. By contrast, Egypt, the second largest beneficiary of United States aid was receiving $968 million and Israel even more.30

In July Bush attended the G7 meeting in Paris, where he urged Europeans to reschedule the vast Polish and Hungarians debts and provide aid to them. In addition he blocked any sanctions against China for the Tiananmen massacre, arguing that “the United States-Chinese relationship was too important to world peace.” From then until late 1989, the United States stood on the sidelines. As Bush told Gorbachev, “I have conducted myself in ways not to complicate your life. That’s why I have not jumped up and down on the Berlin Wall.”31 Gorbachev was grateful, for he had complications enough.

Gorbachev and his supporters underestimated both the fundamental character of the changes underway in Eastern Europe and the costs of noninterventions. In late 1988 Gorbachev had proclaimed before the UN that “freedom of choice is a universal principle” for all peoples,32 but he did not anticipate the choices Poles and Hungarians or Lithuanians and Ukrainians would make. He imagined reformed socialist nations, in which Communist parties would continue to play a role, not capitalist ones in

31 Pleshakov, No Freedom without Bread, 173. Leffler, For the Soul, 450.
32 Brown, Gorbachev Factor, 225.
which Communists would be marginalized or outlawed. If they chose to leave the Warsaw Pact, he expected them to become neutral, like Finland. Rather than NATO expanding eastward, he envisioned the CSCE as the basis for pan-European security. If German reunification occurred, it would be the culmination of a slow process of European integration, not its first act.33 Nothing went according to Soviet hopes, beginning with Germany.

The day after the Berlin Wall fell on November 9, Chancellor Helmut Kohl pledged West Germany’s commitment to the Atlantic alliance, European integration, and Franco-German cooperation. A few weeks later and without consulting his allies, he gave his controversial ten-point speech, promising aid to the GDR and calling for an eventual federation of East and West Germany. Gorbachev called it a diktat, and Western European leaders, shaped by their World War II experiences, were also hostile. As Thatcher exclaimed to a December 1989 EC meeting, “Twice we’ve beaten the Germans! And now here they are again!”34 If unification were to come, Mitterrand wanted further European integration as a counterweight, while Thatcher hoped NATO would serve the purpose.

Fast-track reunification followed, largely because Kohl persuaded Bush that it was sound and necessary. Bush and Secretary of State James Baker had experienced the Pacific War, not the European theater; they saw Germany as a reliable Cold War ally, not a potentially dangerous European hegemon. America’s most significant contribution to the transformations of 1989 was to legitimize and promote Kohl’s plans and thereby redraw the map of Central Europe. After much negotiation, the Two-plus-Four Treaty was signed by both Germanys and the four occupying powers in September 1990. It united East and West Germany, recognized once again the Oder-Neisse line as the eastern border and allowed a united Germany to be in NATO. This was not the German solution Gorbachev envisioned, but the fact that it resulted from a four-power agreement and that plans for further European integration, including developing the European Monetary Union, were moving forward made it more palatable. So too did the Federal Republic’s promise of a DM 12 billion loan to help with the cost of

removing and reintegrating the Soviet troops in East Germany and a DM 3 billion interest-free credit line.\textsuperscript{35}

The promised aid could not revive the declining fortunes of either Gorbachev or the Soviet Union. The economy plummeted downward, and nationalists in the Baltic States, Armenia, Georgia, and across Central Asia took to the streets demanding autonomy or independence. Conservative hard-liners attacked Gorbachev for pushing democracy and marketization too quickly; reformers accused him of dragging his feet. As non-Russian nationalities pushed for independence, many Russians insisted force should be used to keep the Soviet Union intact. Gorbachev’s policies became more erratic. In mid 1990 he launched a 500 Days program that called for rapid marketization and the privatization of industry as well as greater power to the Soviet republics; in the fall he slowed reform. By year’s end only 17 percent of Soviets supported him, down from 52 percent a year earlier.\textsuperscript{36} Even this evaporated in 1991, as rivals staged a failed coup and Latvia, Lithuania, and Estonia declared their independence, to be followed by Armenia, Georgia, Moldova, and the Central Asian republics. Bush had wanted gradual change in the Soviet Union rather than its destabilizing and precipitous collapse, but the United States had not provided aid in 1989, and both the United States and the G7 were unwilling to do so in 1991, given the deteriorating situation. At year’s end Gorbachev resigned and the remaining parts of the Soviet Union became the Russian Federation.

Gorbachev had hoped that the Soviet Union would “return to Europe.” He envisioned an economically integrated Europe that was committed to what he called “universal values” and would take care of its own security. German reunification disrupted these hopes, but so too did the appeals of Western Europe. Havel was initially sympathetic to Gorbachev’s vision, but the Hungarians wanted to join the EC and NATO, and the Poles waffled. Soon all looked west. For their part, Western Europeans were absorbed with their own integration project. They approved of the East European revolutions and were relieved to incorporate a united Germany but had no roadmap for how relations with East Central Europe or the former Soviet Union should evolve.

Absent through much of 1989, the United States nonetheless claimed its legacy, advocating a new Atlanticism rather than a Europe that looked to itself. In December 1989 Secretary of State Baker gave a speech in


\textsuperscript{36} Brown, \textit{Gorbachev Factor}, 271.
Berlin, the site of so many American proclamations about their desired relationship with Europe. He called for a “new architecture” that would include “old foundations and structures” like NATO and the continued construction of the EC. “The architecture should reflect that America’s security – politically, militarily, and economically – remains linked to Europe’s security.”37 “The United States,” he concluded, “is and will remain a European power.” In the ensuing decades, however, American power in Europe would be substantially redefined and diminished.