

CHAPTER 2

DISINTEGRATION OF THE 'SECOND WORLD' AND THE COLLAPSE OF BIPOLARITY

INTRODUCTION

The Cold War, characterized by the rivalry between capitalism and communism, reached its peak with the **Berlin Wall's construction in 1961**. Stretching **over 150 kilometers**, the Wall separated East and West Berlin and symbolized the division between the Western and Eastern blocs. For **28 years**, it stood as a stark reminder of global tension. The Wall's fall on November 9, 1989, was a turning point that led to the end of the Soviet bloc and the Cold War. This event precipitated Germany's reunification and the rapid transition of eight Eastern European countries from communist regimes to democratic governments. The Soviet Union's disintegration followed, leading to the emergence of new geopolitical entities like Russia and the Central Asian republics. This chapter examines these profound changes and their impact on India's relations with Russia and other post-Soviet states.



TOPICS COVERED

- ✓ **New entities in world politics: Russia, Balkan states, and, Central Asian states.**
- ✓ **Introduction of democratic politics and capitalism in post-communist regimes.**
- ✓ **India's relations with Russia and other post-communist countries.**

SOVIET SYSTEM

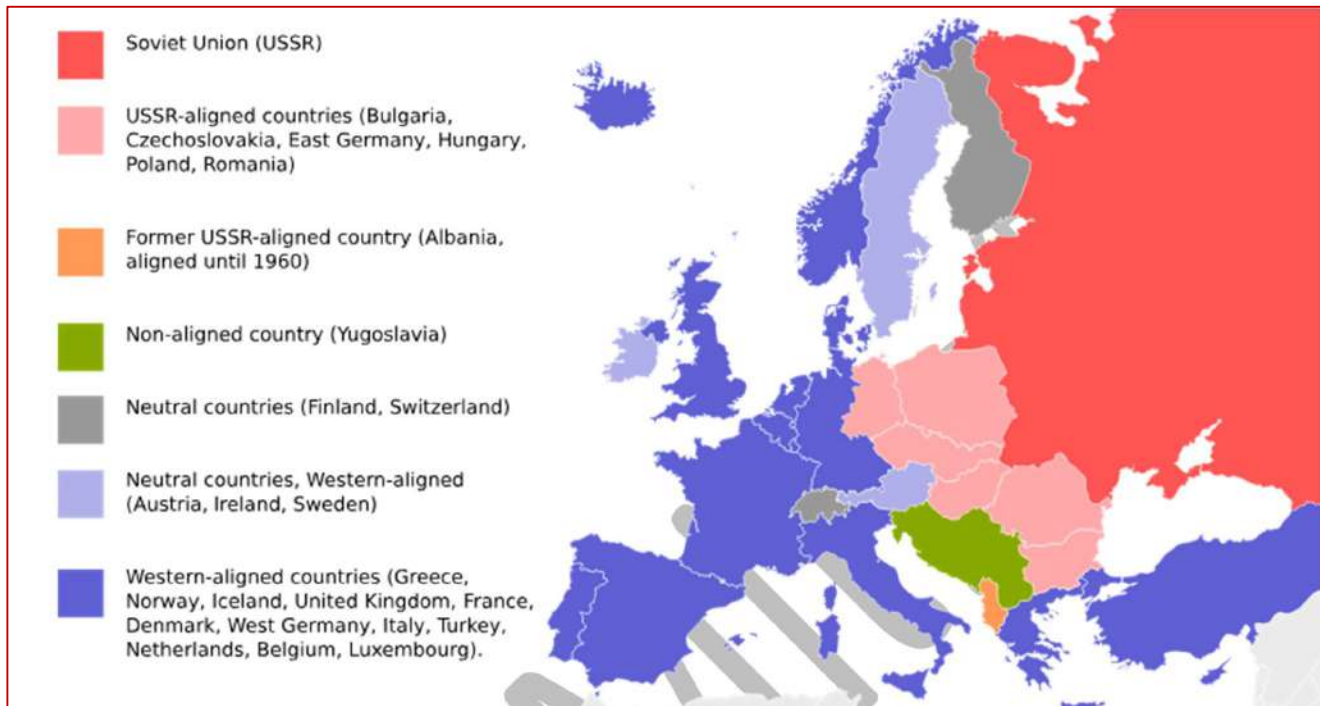


THE UNION OF SOVIET SOCIALIST REPUBLICS (USSR): It was established following the socialist revolution in Russia in 1917. This revolution was driven by the principles of socialism, which stood in contrast to capitalism, and aimed to create a more equal society. It represented one of the most significant **efforts in history to eliminate private property and deliberately craft a society founded on equality**. In the process, the Soviet system **emphasized the authority of the state and the communist party**. The political framework was dominated by the communist

The **Russian Revolution of 1917** was a pivotal event that led to the collapse of the Tsarist autocracy and the rise of the Soviet Union. The revolution occurred in two phases: the February Revolution, which forced Tsar Nicholas II to abdicate and led to the establishment of a provisional government; and the October Revolution, in which the Bolsheviks, led by Vladimir Lenin, overthrew the provisional government. This marked the beginning of Bolshevik rule and set the stage for the Russian Civil War. The revolution fundamentally transformed Russian society, leading to the creation of a communist state and altering global politics.

party, with no tolerance for other political parties or opposition. The state also had complete control over the economy through central planning.

SECOND WORLD (SOCIALIST BLOC): After the Second World War, the Eastern European nations that were freed from fascist forces by the Soviet army fell under the influence of the USSR. These



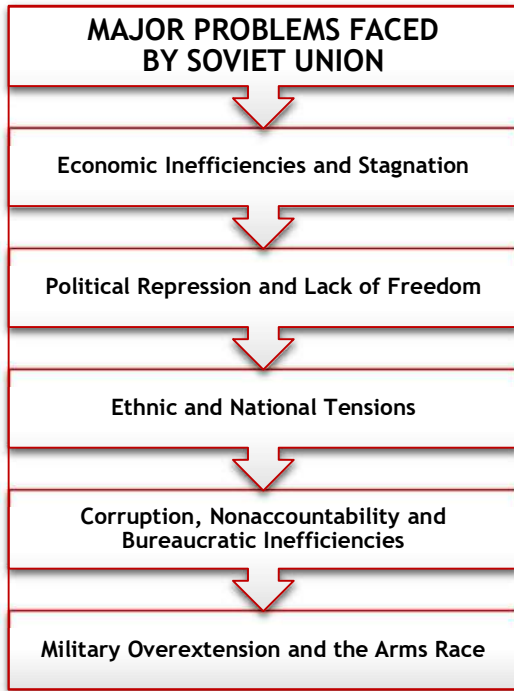
countries adopted political and economic systems similar to those of the Soviet Union. Collectively, they became known as the **Second World** or the ‘**socialist bloc.**’ They were united by the **Warsaw Pact**, a military alliance, with the USSR as the leading force of the bloc.



After World War II, the **Soviet Union** emerged as a major global power, with an advanced economy second only to the United States. It had a **sophisticated communications network**, vast energy resources, and a strong machinery sector. Its transport infrastructure connected remote regions, and its consumer industry produced a wide range of goods, though often of lower quality than in the West. The Soviet state **guaranteed a basic standard of living**, subsidizing health, education, childcare, and welfare programs. **Unemployment was nearly nonexistent**, and land and assets were state-owned.



The Soviet system, however, became increasingly **bureaucratic and authoritarian**, creating significant difficulties for its citizens. The **lack of democratic**



processes and freedom of speech led to widespread dissent, often expressed through jokes and cartoons. Most state institutions in the USSR needed reform, as the Communist Party tightly controlled all governance and ignored the desires of the fifteen republics for self-management, including cultural matters. Although Russia was one of the republics, it dominated the USSR, leaving other regions feeling overlooked and suppressed.

In the arms race, the Soviet Union occasionally matched the United States, but at significant expense. The USSR fell behind the West in technology, infrastructure (such as transport and power), and, most critically, in meeting the political and economic needs or aspirations of its citizens. The 1979 Soviet invasion of Afghanistan further strained the system. By the late 1970s, the Soviet economy was struggling and stagnating.

GORBACHEV AND THE DISINTEGRATION

In 1985, Mikhail Gorbachev became General Secretary of the Soviet Union and introduced reforms to modernize the Soviet system. However, these reforms unintentionally sparked protests in Eastern Europe against Soviet control. Unlike before, Gorbachev did not intervene, leading to the rapid collapse of communist regimes. This, along with internal resistance to his reforms, hastened the disintegration of the USSR.

In 1991, a coup instigated by hardliners within the Communist Party took place. By then, the people had experienced some degree of freedom and were unwilling to return to the old Communist regime. Boris Yeltsin emerged as a national hero for his opposition to the coup. The Russian Republic, where Yeltsin had won a popular election, began to challenge centralised control. Power shifted from the Soviet centre to the republics, particularly in the more Europeanised regions that viewed themselves as sovereign states. The Central Asian republics, however, did not seek independence and preferred to stay within

LAST LEADER OF USSR

Soviet Union's last general secretary **Mikhail Gorbachev** was born on Mar 2, 1931

His efforts to reform Soviet Union led to the breakup of the country into 15 independent republics

His two-pronged reform programme—*perestroika* (restructuring) & *glasnost* (openness)—had a profound impact on Soviet Union

He was instrumental in the collapse of the Berlin Wall, end of the Cold War & finally the downfall of communism in Europe

Last year, he released a **700-page book Gorbachev in Life**, a collection of memoirs, letters & interviews

Was awarded the **Nobel Prize for Peace** in 1990

Commonwealth of Independent States

RUSSIA

UKRAINE

KAZAKHSTAN

TURKEY

UZBEKISTAN

TURKMENISTAN

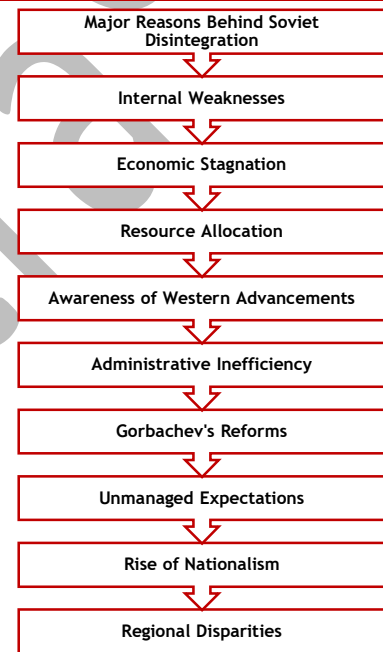
CHINA

the Soviet Federation. In December 1991, under Yeltsin's leadership, Russia, Ukraine, and Belarus, three major Soviet republics, announced the dissolution of the Soviet Union. The Communist Party of the Soviet Union was banned, and capitalism and democracy were established as the foundations for the newly independent republics.

The announcement of the USSR's disintegration and the formation of the Commonwealth of Independent States (CIS) surprised many republics, especially in Central Asia. To address this, they were quickly included as founding CIS members. Russia was recognized as the Soviet Union's successor, inheriting its UN Security Council seat, treaties, and commitments. As the sole nuclear state, Russia collaborated with the US on nuclear disarmament, marking the end of the Soviet Union and the close of an era.

WHY DID THE SOVIET UNION DISINTEGRATE?

GENERAL CAUSES: The collapse of the Soviet Union stemmed from internal weaknesses in its political and economic institutions, which failed to meet the people's needs. Prolonged economic stagnation led to severe consumer goods shortages, causing widespread doubt about the system's effectiveness. The USSR's focus on maintaining a large military arsenal and supporting satellite states, especially in Central Asia, further strained its economy. As Soviet citizens became aware of Western advancements, the stark contrast with their own system—long touted as superior—was a political and psychological shock. The Communist Party's unaccountable 70-year rule led to administrative stagnation, corruption, and a growing disconnect between the people and their leaders, eroding popular support and contributing to the system's collapse.



UNEXPECTED OUTCOME OF REFORMS: Gorbachev's reforms aimed to address these issues by overhauling the economy, modernising to match Western standards, and easing the administrative system. Despite his accurate diagnosis of the problems and efforts to implement these reforms, the Soviet Union still collapsed. The fundamental issue with Gorbachev's reforms was that they unleashed forces and expectations that quickly spiralled out of control. Some wanted faster changes, while others, particularly those benefiting from the old system, felt threatened. This divide weakened Gorbachev's support, as he struggled to manage conflicting demands, leading to widespread disillusionment, even among his initial supporters.



RISE OF NATIONALISTIC FERVOUR: The collapse of the Soviet Union was significantly accelerated by the rise of nationalism and the quest for sovereignty among various republics, including Russia, the Baltic republican states (Estonia, Latvia, Lithuania). The rise of nationalism and the

desire for sovereignty within various republics, such as Ukraine, Georgia, and others, proved to be the final and most immediate cause for the disintegration of the USSR. Growing demands for self-determination played a key role, though perspectives differ on this development. Some argue that nationalist sentiments were always present in the Soviet Union, making internal conflict inevitable, while others believe Gorbachev's reforms intensified these sentiments, leading to the government's inability to manage them. Interestingly, the strongest nationalist unrest did not arise in the Central Asian republics, as expected, but in the more developed regions like



Vladimir Lenin
1870-1924
Founder of the Bolshevik Communist Party; leader of the Russian Revolution of 1917; founder head of the USSR (1917-1924); key Marxist theorist and practitioner, inspiring communists worldwide, led USSR during most turbulent period.



Joseph Stalin
1879-1953
Successor to Lenin; led the Soviet Union during its consolidation (1924-1953); initiated rapid industrialization and forced collectivization of agriculture; credited with Soviet victory in WWII; responsible for the Great Terror (1930s) and authoritarian rule, elimination of rivals.



Nikita Khrushchev
1894-1971
Leader of the Soviet Union (1953-1964); denounced Stalin's methods; introduced reforms in 1956; advocated for "peaceful coexistence" with the West; involved in suppressing the Hungarian revolt and the Cuban missile crisis.



Leonid Brezhnev
1906-1982
Leader of the Soviet Union (1964-1982); proposed an Asian Collective Security system; associated with détente phase with the US; involved in suppressing the Czechoslovakian uprising and the invasion of Afghanistan.



Mikhail Gorbachev
1931 - 2022
Last leader of the Soviet Union (1985-1991); introduced reforms of perestroika (restructuring) and glasnost (openness); halted the arms race with the US; withdrew troops from Afghanistan and Eastern Europe; facilitated German reunification; ended the Cold War; blamed for the Soviet Union's disintegration.



Boris Yeltsin
1931-2007
First elected President of Russia (1991-1999); rose through the Communist Party, became Mayor of Moscow by Gorbachev; opposed Gorbachev later, led protests against the Soviet regime (1991); crucial in the dissolution of the Soviet Union; criticized for the hardships of the transition from communism to capitalism.

Russia, the Baltic states, Ukraine, and Georgia, where people felt burdened by supporting less developed regions.

Date	Event: Timeline of Soviet Union Disintegration
1985 March	Mikhail Gorbachev is elected as the General Secretary of the Communist Party of the Soviet Union; he appoints Boris Yeltsin as head of the Communist Party in Moscow and begins implementing reforms.
1988	The independence movement starts in Lithuania and later extends to Estonia and Latvia.
1989 October	The Soviet Union announces that Warsaw Pact countries are free to determine their own futures; the Berlin Wall falls in November.
1990 February	Gorbachev calls for the Soviet parliament (Duma) to allow multiparty politics, ending the Communist Party's 72-year control.
1990 March	Lithuania becomes the first Soviet republics among 15 to declare its independence.
1990 June	The Russian parliament declares its independence from the Soviet Union.
1991 June	Boris Yeltsin, having left the Communist Party, assumes the role of President of Russia.
1991 August	Hardliners within the Communist Party attempt a failed coup against Gorbachev.

1991 September	The Baltic states of Estonia, Latvia, and Lithuania are admitted as UN members (later join NATO in March 2004).
1991 December	Russia, Belarus, and Ukraine agree to dissolve the 1922 Treaty on the Creation of the USSR and form the Commonwealth of Independent States (CIS); Armenia, Azerbaijan, Moldova, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan join the CIS (Georgia joins in 1993); Russia assumes the USSR's UN seat.
1991 December 25	Gorbachev resigns as President of the Soviet Union, marking the end of the Soviet Union.

CONSEQUENCES OF DISINTEGRATION

The collapse of the Soviet Union and the end of the socialist systems in Eastern Europe brought significant changes to world politics. Three major enduring effects of this shift are:

1. This **resolution ended the Cold War**, which had previously driven military engagements, sparked a massive arms race, and led to the formation of opposing military blocs. With the end of this ideological confrontation, the arms race diminished, paving the way for a potential new era of peace and diplomatic relations.
2. **The collapse of the Soviet Union altered global power dynamics and shifted the influence of ideas and institutions.** It created a choice between a unipolar (the remaining superpower would dominate) or a multipolar world (different countries or groups of countries could become important players in the international system). **The outcome was a unipolar system with the US emerging as the sole superpower.** It strengthened institutions like the World Bank and IMF. This era saw liberal democracy gain prominence as the preferred political system.
3. **The dissolution of the Soviet bloc led to the emergence of numerous new countries, each pursuing its own goals and strategies.** Baltic and Eastern European States sought integration with Western institutions, aiming to join the European Union (EU) and the North Atlantic Treaty Organisation (NATO). **Central Asian Countries** aimed to leverage their strategic location to maintain strong ties with Russia while also establishing connections with Western countries, the US, China, and other global players.

DIFFERENCE BETWEEN BALTIC STATES AND EASTERN EUROPEAN STATES

The Baltic states and Eastern European states refer to different regions in Europe with distinct geographical, historical, and cultural characteristics. Here's a breakdown of the differences:

Baltic States

1. **Geography:** Located in the northeastern part of Europe, along the Baltic Sea.
2. **Countries:** Estonia, Latvia, and Lithuania.
3. **Historical Context:** These states were part of the Russian Empire before gaining independence in the early 20th century and later were incorporated into the Soviet



Union. They regained independence after the collapse of the Soviet Union in 1991.

4. **Cultural Aspect:** The Baltic states have their own unique languages and cultures. Estonian is a Finno-Ugric language, while Latvian and Lithuanian are Baltic languages.

Eastern European States

1. **Geography:** This term generally refers to a broader region of Europe that includes countries located to the east of Germany and Austria, extending up to Russia and down to the Balkans.
2. **Countries:** Includes a wide range of countries such as Poland, Hungary, Romania, Bulgaria, Ukraine, Belarus, Moldova, and the Balkan states (Serbia, Croatia, Bosnia and Herzegovina, etc.).
3. **Historical Context:** Many Eastern European countries were part of the Austro-Hungarian Empire or the Ottoman Empire before becoming part of the Soviet sphere of influence after World War II. The region saw significant political and social changes during the Cold War and the subsequent transition from communism.
4. **Cultural Aspect:** Eastern Europe is characterized by a mix of Slavic, Romance, and other cultural influences. Languages and cultures vary widely within this region, reflecting its complex history and diverse heritage.



In summary, while the Baltic states are specifically three countries along the Baltic Sea with distinct historical and cultural identities, Eastern European states encompass a larger and more diverse region with a broader range of histories and cultural influences.

SHOCK THERAPY IN POST-COMMUNIST REGIMES

After the collapse of communism, many of these countries experienced a challenging shift from an authoritarian socialist system to a democratic capitalist one. The transition model in Russia, Central Asia, and Eastern Europe, heavily influenced by the World Bank and IMF, became known as 'shock therapy.' While the intensity and pace of shock therapy differed across these former Second World countries, the overall approach and characteristics remained largely consistent.

1. **Capitalist Economy:** These countries were mandated to fully transition to a capitalist economy, which involved completely dismantling any structures established during the Soviet era. Central to this shift was the emphasis on private ownership as the primary form of property ownership.

ABOUT SHOCK THERAPY

Rapid Transition: Immediate shift from a centrally planned economy to a market-based economy.

Privatization: Privatization of state-owned enterprises and assets, often leading to widespread sale of industries.

Economic Liberalization: Emphasized deregulation, free trade, and currency convertibility.

Social Impact: Economic instability, high inflation, and increased poverty in the short term.

Political Reactions: Social unrest and criticism due to its harsh and abrupt implementation.

2. **Privatisation:** State assets were to be privatized, and corporate ownership models were to be rapidly implemented. Collective farms were to be replaced by private farming, ushering in capitalism in agriculture. This transition left no room for any alternative or 'third way' besides state-controlled socialism or capitalism.
3. **FDI and Trade:** Development was now seen as dependent on increased trade, leading to a sudden and complete shift to free trade. A free trade regime and foreign direct investment (FDI) were to be the primary drivers of change. This shift also required openness to foreign investment, financial deregulation, and currency convertibility.
4. **Western Hegemony:** The transition led to the dissolution of existing trade alliances among the Soviet bloc countries. Each state from this bloc was now directly connected to the West, rather than to one another within the region.

CENTRAL ASIAN COUNTRIES

Central Asia consists of **several landlocked countries** situated in the heart of Asia, bordered by Russia to the north, China to the east, Afghanistan to the south, and Iran and the Caspian Sea to the west. The countries in Central Asia are:

1. **Kazakhstan:** The largest country in Central Asia by land area. Its capital is Astana (formerly Nur-Sultan), and its largest city is Almaty.
2. **Uzbekistan:** Known for its rich history along the Silk Road. Its capital and largest city is Tashkent.
3. **Turkmenistan:** Home to vast deserts and significant natural gas reserves. Its capital and largest city is Ashgabat.
4. **Kyrgyzstan:** Noted for its mountainous terrain and rich cultural heritage. Its capital and largest city is Bishkek.
5. **Tajikistan:** Known for its mountainous landscape and historical ties to the Persian Empire. Its capital and largest city is Dushanbe.

These countries gained independence after the collapse of the Soviet Union in 1991 and have since developed unique political, economic, and cultural identities.



Figure 1: Map of Central, Eastern Europe and the Commonwealth of Independent States

CONSEQUENCES OF SHOCK THERAPY

The shock therapy of the 1990s did not achieve widespread consumption but instead led to economic devastation and hardship across the region. In Russia, the state-controlled industrial sector nearly collapsed, with about 90% of industries sold off, often at undervalued prices. This process, dubbed "the largest garage sale in history," saw valuable assets sold cheaply, and citizens sold their vouchers on the black market due to financial need. The Ruble's value dropped sharply, inflation soared, and savings were wiped out, leading to food insecurity and increased imports. By 1999, Russia's GDP fell below 1989 levels. The collapse of the collective farm system and the dismantling of the social welfare system plunged many into poverty and marginalized the middle class. A mafia emerged, taking control of economic activities, while privatization increased disparities, leading to significant economic inequality.

As a result of 'shock therapy,' approximately half of Russia's 1,500 banks and financial institutions went bankrupt. One notable example is Inkombank, which was Russia's second-largest bank before its collapse in 1998. The bank's bankruptcy led to the loss of funds for 10,000 corporate and private shareholders, as well as the customers' savings deposited in the bank.

Democratic institutions were overshadowed by economic reforms, resulting in hastily drafted constitutions and strong executive presidents with extensive powers, weakening parliaments. In Central Asia, presidents became highly authoritarian, extending their terms (presidents of Turkmenistan and Uzbekistan extended their terms first for ten years and then for another ten) and suppressing dissent. Judicial independence remained undeveloped. By around 2000, economies, particularly Russia's, began recovering, driven by the export of natural resources like oil and gas. Countries such as Azerbaijan, Kazakhstan, Turkmenistan, and Uzbekistan became major oil and gas producers, while others earned from transit routes and resumed some manufacturing.



TENSIONS AND CONFLICTS

Many former Soviet republics face conflicts and insurgencies, exacerbated by outside powers' involvement. In Russia, Chechnya and Dagestan have experienced violent secessionist movements. Moscow's harsh military response and human rights violations have failed to suppress the push for independence.

In Central Asia, Tajikistan endured a decade-long civil war that ended in 2001. The region is rife with sectarian conflicts. In Azerbaijan's Nagorno-Karabakh, local Armenians seek to secede and join Armenia. Georgia faced civil war due to independence demands from two provinces. Ukraine, Kyrgyzstan, and Georgia also experience movements against their regimes. Additionally, disputes over river waters contribute to ongoing instability, affecting daily life for many citizens.

Central Asia's rich hydrocarbon resources have made it a key area of competition among external powers. The region's strategic location, bordered by Russia, China, Afghanistan, Pakistan, and West Asia, has heightened its geopolitical significance. Post-September 11, 2001,

the US sought military bases in Central Asia, offering payments for base use and airspace access during the wars in Afghanistan and Iraq. Russia aims to maintain influence in its 'Near Abroad,' while China, interested in the region's oil, has increased its presence through border settlements and trade.



In Eastern Europe, Czechoslovakia peacefully split into the Czech Republic and Slovakia. However, the most severe conflict occurred in the Balkans. After 1991, Yugoslavia disintegrated as provinces like Croatia, Slovenia, and Bosnia and Herzegovina declared independence. Ethnic Serbs resisted, resulting in the massacre of non-Serb Bosnians. This led to NATO intervention and the bombing of Yugoslavia amid the inter-ethnic civil war.

INDIA AND POST-COMMUNIST COUNTRIES

India has fostered positive relations with all post-communist countries, but its **strongest ties remain with Russia**. These relations are a key element of India's foreign policy, grounded in a history of trust and shared interests. The bond between India and Russia is reinforced by popular perceptions, with Indian celebrities like Raj Kapoor and Amitabh Bachchan being well-known figures in Russia and other post-Soviet countries. Hindi film songs are widely heard across the region, and India holds a special place in the popular memory of these countries.



IN FAVOUR OF MULTIPOLAR WORLD ORDER: Russia and India both advocate for a multipolar world order, which they envision as a system where multiple powers coexist internationally. This concept includes

1. Collective security, where an attack on one country is seen as a threat to all and necessitates a collective response.
2. Increased regionalism.
3. Negotiated resolutions of global conflicts, and
4. An independent foreign policy for all nations.

Both support strengthening, democratizing, and empowering decision-making bodies like the UN. Since the **Indo-Russian Strategic Agreement of 2001**, more than **80 bilateral agreements** have been signed between the two countries. India **benefits from its relationship with Russia in several ways**, including support on issues like Kashmir, energy supplies, sharing intelligence on international terrorism, access to Central Asia, and balancing relations with China. For Russia, India is a **second largest arms market**, with the Indian military obtaining **most of its hardware from Russia**. Given India's status as an oil-importing nation, Russia has been crucial during India's oil crises and continues to be a key partner in increasing energy imports from



Russia, Kazakhstan, and Turkmenistan. This cooperation includes investments in oilfields. Russia also plays a vital role in India’s nuclear energy plans and has supported India’s space industry by providing critical technologies, such as the cryogenic rocket. Additionally, Russia and India have collaborated on various scientific projects.

INDIA-USSR SPECIAL RELATIONSHIP DURING THE COLD WAR

Dimension	Description
Economic	The Soviet Union supported India's public sector by aiding steel plants like Bhilai and Bokaro, Visakhapatnam and machinery plants like Bharat Heavy Electricals Ltd. It also accepted Indian currency for trade when India faced foreign exchange shortages.
Political	The Soviet Union backed India's stance on the Kashmir issue in the UN and supported India during key conflicts, including the 1971 war with Pakistan. India reciprocated by supporting Soviet foreign policy in several indirect ways.
Military	India acquired most of its military hardware from the Soviet Union, which provided advanced military technologies and entered into agreements for joint production of military equipment.
Culture	Hindi films and Indian culture gained popularity in the Soviet Union. Numerous Indian writers and artists visited the USSR, further strengthening cultural ties.

CONCLUSION

The collapse of the Soviet Union marked the end of the “Second World,” a term defining the bloc of socialist countries led by the USSR during the Cold War. The Soviet system, with its centralized control and planned economy, faced significant challenges, including economic stagnation, political corruption, and administrative inefficiencies. Leaders like Lenin, Stalin, Khrushchev, Brezhnev, and Gorbachev each played pivotal roles in shaping the Soviet Union, with Gorbachev’s reforms leading to its eventual collapse. The collapse resulted from a confluence of internal weaknesses, economic mismanagement, and rising nationalism. The timeline of disintegration reflects a dramatic shift from a superpower to a series of independent states, each with distinct trajectories. The consequences of this disintegration reshaped the geopolitical landscape, leading to a variety of post-Soviet conflicts and tensions. Shock therapy, employed as a quick transition to market economies, often resulted in economic hardship and social unrest. Meanwhile, the distinctions between Baltic, Eastern European, and Central Asian states highlight the diverse post-Soviet landscape. India’s relationship with post-communist countries, while rooted in historical ties with the USSR, has evolved in the new geopolitical context. The legacy of the Soviet Union’s collapse continues to influence global politics, economics, and international relations today.