

CHAPTER 14

Reconfigurations of Power, 1981–1991

In 1988, critics of Communist rule in Czechoslovakia decided to mark the twentieth anniversary of the Russian invasion of that country with a meeting to discuss recent Central European history. But before it began, the Czech government arrested its hosts and hauled foreign guests into a police station, accusing them of provocative, antisocialist behavior and threatening nasty consequences. Rather than being intimidated, the well-known journalists and writers in attendance quickly informed the international press, which broadcast the story in Europe. The BBC and Voice of America promptly beamed it back into Czechoslovakia. The writers complained to their ambassadors and marched to the headquarters of the Communist Party to protest their treatment, all carefully captured on film for later broadcasting. Not only did nothing happen to them, but the imprisoned Czechs, once released, continued their defense of human rights and pressed for greater freedom. By the late 1980s, the media informed citizens not only of multiple challenges to Communist rule but also of the ineffectual treatment of dissidents.

Between 1989 and 1991, an increasingly drab and obsolete Communist system abruptly disintegrated in Europe and northern Asia, collapsing under the weight of its own incompetence and corruption. By that time, the Budapest branch of MacDonald's had more enthusiastic local fans than did Karl Marx. Moreover, one-party governments, whatever their ideological trappings, yielded ground to demands for elections and wider representation. The issue of how to establish and maintain democracy supplanted the choice between economic systems as the central international issue because capitalism became the only game in town.

Electoral regimes also had problems to solve as their societies became increasingly complex and well organized. The difficult issues of corruption, political accountability, and the influence of the media undermined confidence in politicians. Rising ethnic and religious consciousness undermined unitary national identities. Formally democratic political cultures found themselves challenged by their citizens to live up to their professed principles.

Political tensions took place against a background of economic restructuring. International divisions of labor continually changed as companies outsourced functions and shifted production sites. Instability became an inescapable fact of economic life as globalization of capital and labor markets continued. The multi-centered world economy, unified by the World Wide Web, undermined the protective barriers erected by nation-states.

The Collapse of Communism

The repressive activities of the Soviet and Chinese states had long since revealed the hollowness of Communist promises of a just, egalitarian society. Whatever the appeal of communist ideology in the abstract, it had clearly been flawed in practice, and history had falsified Marx's predictions that capitalism would impoverish all workers. As a result, interest in orthodox Marxism plummeted after 1970 among European and American intellectuals, and the Communist parties in non-Communist states shrank into insignificance. But Communist regimes had built powerful protective shields for themselves in the armies and parties that ran their states. Offering jobs and social security in return for at least public obedience, Communist leaders retained power despite their shortcomings.

The compromises that had suited an earlier era fell apart in the 1970s and 1980s. Growing numbers of city dwellers wanted better housing and food, higher wages, and greater professional opportunities. Their governments were unable to supply these things. Confidence in the communist solution evaporated, but no one foresaw the extraordinary outcome: the dissolution of the Soviet Union and its European and Asian empires.

Challenges Within Eastern Europe

In 1975, new international standards for political behavior were established when the Soviet Union and thirty-three European countries signed the Helsinki accords. In addition to freedom of thought and religion, these nations pledged to grant their citizens an unnamed set of civil, political, economic, and human rights and to give minorities equality under state laws. Even without instant or total enforcement, this declaration of universal human rights proved to be a powerful tool in the hands of democratic activists.

Poland was the first Communist country in which demands for reform acquired a mass following. Despite state control of the media, it was impossible

for Communist governments to shield their citizens from knowledge of a wider world. When citizens could see on TV and through travel how wide the gap between their living standards and those of other industrialized states had become, they began to demand more. The technologies of modern communications and transportation could work to undermine repressive governments as well as to keep them in power.

In 1980, striking Polish shipyard workers formed Solidarity, an independent trade union that soon became a national party with several million members who called for change. Through Solidarity, citizens created a means of political participation, at least until it was banned in 1982 and martial law imposed. But the union was revived in 1988, when thousands of workers went on strike to protest rising prices and poor economic conditions. Led by Lech Walesa, a militant shipyard worker and a devout Roman Catholic, Solidarity negotiated with the Communist government for new economic policies and for an independent election, which Solidarity-backed candidates won. Within two years, the Polish Communist Party had voted itself out of existence, and Walesa became president of the country. When challenged by its citizens, the Communist regime had proved to be a paper tiger.

Communism in other parts of Eastern Europe fell even more quickly and easily. In Hungary, communism had lost its cultural and social hold long before it became politically obsolete. During the 1980s, the Hungarian economy had been partially reformed along free market lines, and incomes had risen as a result. When Erno Rubik patented Rubik's Cube and became a socialist millionaire, he joined a growing group of super-rich Hungarians, most of whom were businessmen and real estate owners. Although under a Communist government, Hungary had become a quasi-capitalist society. Shopping centers ringed Budapest, which also acquired a Hilton hotel and a McDonald's.

To the casual visitor, Hungary resembled its Western European neighbors despite its politically restrictive government. Criticism of the regime by reformist politicians mounted, and by 1989 these reformers felt bold enough to end the required teaching of Russian in the schools and to open their borders with Austria and permit free migration. Within a few months, elections brought democratic reformers into office. One-party rule also ended in Czechoslovakia in 1989, and Vaclav Havel, the playwright and a leading critic of the regime, was elected president.

Within the German Democratic Republic, which was neither democratic nor a republic, citizens took advantage of spreading enthusiasm for revolutionary change to organize and demand elections and power sharing. Civil society, in the form of organizations independent of the Communist Party, was reborn virtually overnight. Thousands of people took to the streets nightly, marching peacefully and demanding democratic rights, and thousands of others voted with their feet and took off for Western Europe via Hungary. Unable either to cope or to change their ways, the government simply resigned and threw open the borders to the West. The Berlin Wall literally came tumbling down, and thousands danced on its ruins. Within a year, the GDR itself ceased to exist, and its territories were



GERARD MUE/AFI/Getty Images

On November 9, 1989, the Berlin Wall, which had divided the city for almost thirty years, was opened. In this picture, West Berliners watched East Berlin border guards as they cut through the concrete barrier to open a new crossing point.

incorporated into the German Federal Republic. The two halves of Germany were reunited. As miraculous as these changes seemed to people at the time, more surprising still were the decisions by leaders of the Soviet Union, who refused to use their troops to defend the existing regimes.

Glasnost and the USSR

The key to the speedy and generally peaceful revolution in Eastern and Central Europe lay in the Soviet Union, whose government had intermittently permitted limited dissent since the mid-1950s. Once Nikita Khrushchev had destroyed the myth of Soviet infallibility by criticizing Stalin, others had also found the means to do so, whether in private conversations or in informally circulated writings. By the mid-1970s and 1980s, eminent critics, such as the novelist Alexander Solzhenitsyn and the physicist Andrei Sakharov, were sent into exile rather than to labor camps or prison, and their books and speeches continued to be read. Even if private mutterings could not bring down a regime, they ate away quietly at the foundations of its support.

In any case, many of the disasters that befell the Soviet Union during the 1970s and 1980s could not be hidden given the penetration of the USSR by the European media. Its armies, which had invaded Afghanistan in 1979, did badly against the Islamic guerrillas supported by Pakistan and the United States.

Mounting casualties produced opposition at home, and escalating costs took needed resources from domestic projects. As a Soviet version of the Vietnam War, the conflict in Afghanistan magnified popular hostility to the Soviet government and unleashed widespread criticism.

Domestic problems compounded the impact of foreign misadventures. A meltdown at the aging nuclear power plant at Chernobyl sent clouds of radioactivity all over Eastern Europe in 1986 and forced the evacuation of large areas of the Ukraine and Belarus. In an environmentally conscious age, this pollution of air, land, and water symbolized the massive failure of Soviet technology and government. Incompetence was compounded by official dishonesty and an inability to fix mistakes. The Soviet economy looked ever weaker. Growth rates and per capita real income declined during the 1980s. By 1990 real output was also falling, and there were shortages of consumer goods, food, and basic industrial materials. The command economy, in which planners set prices and output targets and distributed supplies of raw materials, could not reform itself. The general loss of confidence and lack of cooperation by the workers made a bad situation worse. A common joke was, "We pretend to be working, and they pretend to be paying us!" By the 1980s the isolation that in the 1950s and 1960s had blocked comparison shopping by Soviet citizens had ended. Images of Western affluence were easily spread via VCRs and European television, intensifying the wish for reform.

Mikhail Gorbachev, who became first secretary of the Communist Party in 1984, saw the need for economic modernization, but he decided to follow indirect means for achieving it. He retreated from an aggressive foreign policy, withdrawing from Afghanistan, recommending change in Eastern Europe, and negotiating arms reductions with the United States. Peace and a slower arms race would free resources for economic development, or so he hoped. He then recommended a policy of openness (*glasnost*) to replace the secrecy that had characterized Soviet rule in the past. His plans for restructuring (*perestroika*) embraced not only the economic but also the political sphere, where he called for democratization. Citizens who were newly freed from the tight oversight of the state would, he hoped, revitalize the Soviet system and permit real reform. Step by step, Gorbachev pushed the government toward greater freedom of speech, of publication, and of religion. Contested elections took place in 1989, and reformers expected a multiparty system with an independent legislature to be established soon.

Instead of strengthening the Soviet regime, Gorbachev's policies produced a massive destabilization of the Soviet state and an abandonment of its ideology. The party soon lost whatever legitimacy and authority it had left. Revolution from above soon became revolution from below because Gorbachev and his associates had radically underestimated the ability of the state to contain the forces of an emerging civil society.

In many ways, the Soviet Union had long since ceased to be a unified society. Its constituent republics, which had their own bureaucracies and educational systems, had developed strong ethnic identities. Rather than seeing themselves as

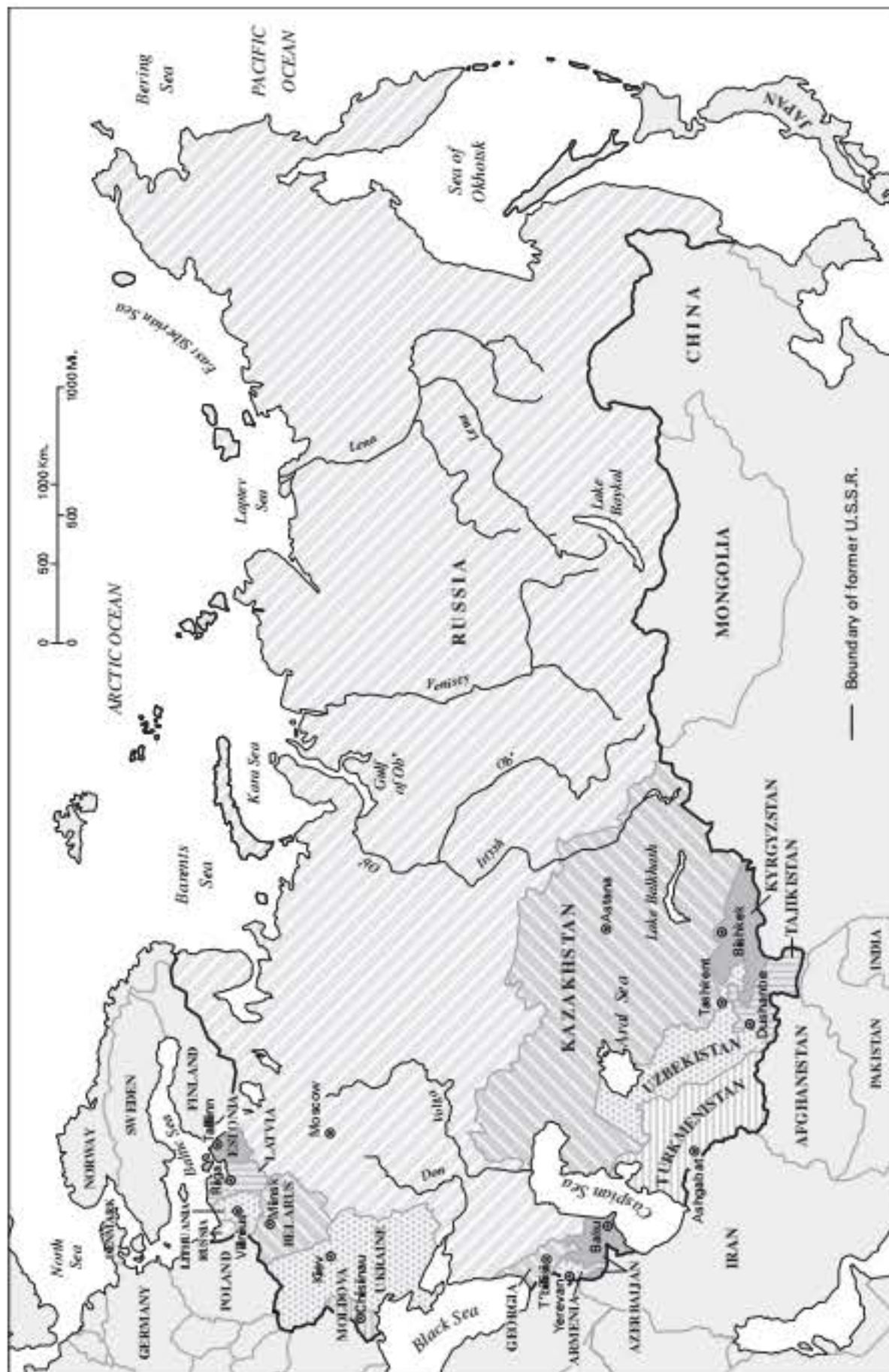
good Soviet citizens, people identified themselves as Armenians, Uzbeks, or Kazaks. Leaders of non-Russian areas saw that pluralism and tolerance in the center could mean independence for the periphery, and they seized their opportunities. Estonians declared their republic independent in 1988, and mass demonstrations for independence erupted in Georgia in 1989. Boris Yeltsin, the president of the Russian Federation, became the voice of the Russian minority, eager to defend its rights and to claim independence from the wider union. When attempts by the Soviet army to contain popular protests failed, other republics quickly moved against the Soviet state. The empire was dying.

The end of the Soviet Union came quickly. Hard-core Communists, appalled at the results of reform, attempted a coup against Gorbachev in August 1991, putting him under house arrest. Boris Yeltsin led resistance to the coup in Moscow, bringing thousands of supporters into the streets to protect the Russian parliament. Denounced by politicians around the world and given little support at home, the coup soon failed, and Gorbachev returned to Moscow a free man. But his political power had been weakened and demands for independence mounted. Ironically, Gorbachev, who had wanted to reform and modernize the Soviet Union, in fact succeeded in destroying it. In December 1991 he announced that the USSR had ceased to exist. Europe's last great territorial empire had collapsed, to be replaced by fifteen successor states (see Map 14.1).

The Cold War's Last Stand

Although Communist parties had lost power in Eastern Europe and the Soviet Union, they did not disappear but regrouped and were renamed. Experienced politicians and bureaucrats found new identities and roles in the states of Central Asia and the Balkans. Moreover, communism remained very much alive in several corners of the world. Communist regimes in Cuba, Vietnam, North Korea, Laos, and Albania managed to isolate their populations from the comparisons and contacts with capitalist countries that had weakened the party-led states in Europe. In these tiny backwaters, Communist leaders clung to old ways during the 1980s and maintained Soviet-style closed economies long past the point where they had been abandoned elsewhere.

Under the leadership of Fidel Castro, Cuba maintained its commitment to a socialist revolution that had slowly turned into a Caribbean variant of communism. In the constitution adopted in 1975, the Communist Party was given authority over all aspects of Cuban life, and Cuba became a long-distance client, dependent on Soviet economic aid. This linkage only deepened U.S. hostility, driven both by the strongly anti-Communist Cuban community in Miami and by Cold War fears. Isolated from North American markets by a U.S. trade embargo, the country supported itself by selling its tobacco and sugar to the USSR and receiving cheap oil and credits in return, which it used for needed medicines, fertilizers, and machinery. Castro offered Soviet leaders military and political support in return. Cuba sent technical and military help to several revolutionary regimes and dissident groups in Africa.



MAP 14.1 Successor states of the Soviet Union.

Because of its size, natural resources, and military might, Russia continues to dominate its region. Most of the southern circle of new states, which border on Middle Eastern countries, have large Muslim minorities, and they have experienced continued ethnic conflict.

During the 1970s, Cuba invested relatively large sums in health care and education. For a time, Cuba led Latin America in literacy and rates of infant survival because of its effective social welfare policies. During the later 1980s, however, harder times came: Depression hit the Caribbean, and the Soviet Union scaled back its subsidies. Under pressure, Cuban authorities permitted some free market reforms, opened the country to tourism, and scaled back their African adventures. Communism in Cuba fused with nationalism and anti-Americanism, giving the revolution many sources of ideological support. Even after the Cold War had ended in Europe, it remained alive in the Straits of Florida.

Communism Reconfigured in China

While Soviet officials chose political reform as a path to economic development, Chinese leaders opted to modernize the economy while refusing to make political changes. The party rejected democratization and the toleration of dissent, cracking down hard on those it claimed were calling for “bourgeois liberalism.” While they were prepared to flirt with capitalism, China’s leaders were not prepared to retreat from their monopoly of political power.

The Chinese state had established a Soviet-style command economy in the 1950s by nationalizing industry and foreign trade, setting prices, and collectivizing agriculture; inefficiency and low growth resulted. China had channeled too much economic energy into the production of steel and chemicals and paid too little attention to consumer goods and food. Seeing the need for change, Zhou Enlai, the premier of China until his death in 1976, pushed for increased trade and the importation of Western technologies.

After Mao’s death in 1976, reformers gained more power and began more active restructuring of the economy. Deng Xiaoping, a masterly politician who became head of the Central Advisory Commission, slowly moved the party toward economic reform. Once they were allowed to contract out of their agricultural communes, peasants deserted them in droves, working as family units and selling their surpluses in private markets. Output and rural incomes rose, stimulating rural industry. As trading companies under local control multiplied, foreign contacts expanded and foreign investment poured into the country.

Although state industries continued in their inefficient ways, a new private sector boomed in southern coastal areas, particularly Guangdong and Fujian. Taiwanese and Hong Kong entrepreneurs shifted their manufacturing of shoes, clothing, and electronics to the Chinese mainland during the 1980s, bringing millions of new workers into a global economy. By the early 1990s, more than four hundred special enterprise zones existed where quasi-capitalist systems of production and trade operated. In the coastal cities, access to television, Western music, and fashionable clothes transformed daily life. Women began to wear makeup and get their hair permed. The information gap between urban Chinese

and their overseas relatives lessened under the impact of telephones and travel. In a gesture of liberalization, the government permitted its citizens to listen to foreign radio broadcasts, and soon the BBC and the Voice of America became favorite programs.

Rural inland areas were left far behind. Public investments in irrigation and industry remained low, as did prices for grain sold to the state. Remote villages continued to lack roads, electricity, and running water. Moreover, in many areas population growth threatened to outstrip resources and encouraged migration into the cities. Although provinces had yearly baby quotas as part of the state's one-family, one-child policy, people in the countryside found these quotas easier to evade.

By 1990 China had in effect a triple economy: family-run farms, inefficient state-run industry, and dynamic, privately owned manufacturing located in the export zones and larger cities. Although standards of living in rural areas rose markedly during the 1980s and 1990s, the gap between urban and rural incomes widened. The government accepted increasing inequality as one of the prices of change. Moreover, government and party employees enriched themselves and their families, creating a large property-owning privileged class. In response, the demand by ordinary citizens for better housing and social services grew, along with the desire for greater participation in governing. Trading economic modernization for political consent proved not to be as simple as the government had hoped. However, the Chinese example shows the capacity of a Communist regime to abandon the command economy and to turn toward a market-driven system.

Problems of One-Party Rule

The difficulties of governing through political monopoly extended to far more than Communist countries. One-party regimes existed in states all around the world. All of them faced the issue of legitimacy. In whose name did the single party rule? Communists, of course, equated the party with workers, whose right to rule had been asserted by Marx and Lenin. Democratic political theory located the right to rule in the people more generally, which created a need to decide how the voice of the people could be expressed. In the twentieth century, political parties came to embody that voice. In theory, in democratic countries, multiple parties contend for power and then govern either singly or together according to the verdict of the ballot box. Of course, this political form covers many different political realities.

Elections take on the characteristics of the political culture that surrounds them. Whatever lip service is given to democratic ideals, no state maintains a completely free and open electoral process in which all adults participate. In some countries, presidents or prime ministers rig elections to ensure victory, jailing opposition candidates or barring them from the ballot. Married women require their husband's

permission to vote in several Islamic states. Restricted access to citizenship denies a vote to immigrants in many societies.

Moreover, universal adult suffrage does not guarantee representation in the political process. In North America, many citizens neglect to vote, leaving decision making to a minority. Despite its democratic constitution, Mexico continues to struggle with the problem of how to distribute political power fairly. Until 2000, the governing party, the PRI (Institutional Revolutionary Party), had won every presidential election and held the lion's share of governorships and seats in the Congress. Nationalist appeals and dishonest elections gave the PRI, despite much evidence of corruption and inefficiency, a quasi-monopoly on politics. During the 1970s and 1980s, Mexico belonged in the camp of the one-party states despite its formally well-functioning democracy. Politics remained a lucrative profession there, and loyalty to the PRI was the path of entry.

The demand for wider representation and for open, freer elections gained strength during the 1980s. Reconfigurations of power took place as groups that had been excluded from the political process insisted that they be heard. Women marched in Argentina demanding news of their kidnapped and murdered children, the "disappeared." In North Africa, Muslim Brotherhoods used social welfare programs to challenge secular regimes. In Kenya and Malawi, church groups became centers of resistance against single-party rule. In Nigeria multiple human rights groups agitated against the country's military rulers. In many states, the growth of civil society, as shown by active nongovernmental organizations, made it increasingly difficult for a single party to maintain a monopoly on political power. States, whatever their form or ideological loyalties, had to recognize internal divisions and multiple centers of power.

Pro-Democracy Movements in Asia

During the 1980s, a growing number of Chinese students and workers spoke out in favor of a more open political system, despite the hostility of the Chinese ruling elite to political reform. Looking back to Nationalist demonstrations in 1919 and to the huge protests against Mao and the Gang of Four in 1976, they used slogans from the past to legitimate change in the present. Moreover, corrupt officials made easy targets, and Western news broadcasts gave dissidents alternative sources of information. Posters pasted on "Democracy Wall" in Beijing and similar sites in other cities called for respect for human rights and curbs on state power. Writers quoted the Declaration of Independence and demanded that the government grant democracy. Activists sold crudely printed underground journals, claiming freedom of speech and of the press. Feeding the process, Western reporters picked up interesting arguments and actions, then beamed them back into the country via radio, increasing their audience to millions.

The heyday of Democracy Wall was brief. The police clamped down on the underground press and arrested the regime's most vocal critics. In 1980 Deng

Xiaoping asked that the right to put up wall posters be stripped from the Chinese Constitution because it was being abused by reactionaries who were eager to undermine Chinese unity and stability. A quiet struggle between hard-liners and tepid reformers within the party continued for several years, with Deng managing to fend off critics from both the right and the left. Although he successfully defended his economic reforms, he held the line against opening up the political system.

Dissent did not disappear, however. Resentment against public officials raking in riches grew. The issue of Chinese rule in Tibet proved a constant thorn in the official side, as Tibetan Buddhist nuns and monks led intermittent protests against Beijing's rule and as the Dalai Lama, the spiritual leader of the Tibetan population, defended their rights before an international audience.

In May 1989 thousands of students and workers gathered in Tiananmen Square, the capital's premier public space, to demand political reform. Soon supporters rallied in at least twenty other cities, and the international press directed the attention of the world to the protesters' demands. The demonstrations gave conservatives an excuse to crack down hard on dissent, which they did brutally. Deng, in consultation with the army, called out troops and brought them to Beijing. In June the military attacked the unarmed demonstrators, sweeping them out of the square and shooting resisters. Thousands were arrested, and an unknown number died. Some who escaped continued to demand political reform, but they did so from abroad or from hiding. One-party rule remained in force in China.

In the late twentieth century, political conflicts had an international audience. The media helped to spread a demand for more effective democracies in Europe, the Americas, Africa, and Asia. E-mail and the Internet doomed the efforts of authoritarian governments to close national borders to international influences.

South Asia

In the pluralist societies of India, Bangladesh, and Pakistan, support for democratic rule has to take into account loyalties to family, community, religion, and language, which are often in conflict with national norms. The wish for representation for one's own group has not translated automatically into tolerance for the fair representation of other groups. Although India was founded as a secular state committed to social equality, both its political and social system operate on the basis of acknowledged differences. The lack of a common language has weakened the construction of an Indian nation. In addition, not all citizens are treated equally by the law: Muslims and Dalits, or "untouchables," have special rights, and many Hindus would like to have privileges granted to members of their group. Not only are all citizens not equal in India today, but many would fight against that principle.

State-making in the region has been an ongoing process that has sometimes been contested violently by minorities. Individual characteristics often matter less than group membership or family identity. The political power of families such as the Bhuttos in Pakistan, the Nehrus in India, and the Zias in Bangladesh has been so strong that when there has been no suitable male heir, wives and



Kapoor Baldev/Sygma/Corbis

Indira Gandhi, Prime Minister of India, speaking to Congress-party supporters during her 1977 campaign for reelection. At that time voters rejected her attempt to remain in power after her declaration of a state of emergency, but they reelected her in 1980.

daughters have inherited normally male political roles, despite cultural norms restricting women's public activity. During the 1980s and 1990s, women served as prime ministers in Pakistan, Bangladesh, India, and Sri Lanka, as well as heading political parties. Their gender mattered less than their family name.

Unfortunately, often power has had much more appeal than due process. The army-dominated regimes that have controlled Pakistan have produced a constitution that gives little power to legislatures and parties, and they have sometimes felt free to cancel potentially threatening election results. Since the courts often follow the prevailing political winds, law can be an easy weapon against opposition politicians. India, in contrast, has had a well-functioning parliamentary regime with regular elections and an independent judiciary. But Indian democracy has co-existed with party and family monopolies, neither of which consistently played by constitutional rules.

From independence until 1977, the Congress Party controlled the Indian central government, dominated the bureaucracy, and used patronage to solidify its influence in the states. Three generations of the Nehru family—Jawaharlal, his daughter Indira Gandhi, and her son Rajiv—maintained an almost unbroken lock on the office of prime minister from 1947 until Rajiv's assassination in 1991. When threatened by the courts and a growing opposition movement,

Indira Gandhi declared a wildly unpopular state of emergency and ruled by decree. In 1984 her manipulation of state governments to benefit the Congress Party and her repression of opponents in Kashmir led Sikh militants to assassinate her. One-party rule in India collapsed as a result of its leaders' mistaken decisions and practices.

To varying degrees, the tension between authoritarian methods and democratic structures has troubled all the states of South Asia.

South America

The winding down of the Cold War also had repercussions in South America, where military regimes had garnered support in the 1970s through anti-Marxist rhetoric and hostility to socialist economic programs. In Argentina, Brazil, Chile, Peru, and Uruguay during the 1970s, generals ran national security states in which domestic order was their primary goal. They promised economic growth while restricting civil rights. Along with the powerful military dictatorships arose armed guerrilla movements dedicated to their ouster. Students, opposition politicians, trade unionists, and journalists soon became prime targets in campaigns of repression, death, and torture.

Both the military and their armed adversaries paid little attention to legality or evidence; thousands suffered in the crossfire. For years the United States offered military aid to the generals, trained their officers, and sold them arms because it feared the expansion of communism in the Western Hemisphere. But by the 1980s Marxism was a toothless tiger in the Americas, and the generals had long since discredited themselves by their inability to deliver sustained economic development. As ideological differences became less threatening, bread-and-butter issues came to the fore.

One by one, the national security states crumbled as popular opposition widened and mobilized. In the end, the combination of incompetence and brutality doomed military rule in much of Latin America. After General Leopoldo Galtieri's government provoked and then quickly lost a mini-war with Great Britain over the Falkland Islands in 1982, the humbled Argentinean military called an election in which voters decisively rejected them. The Brazilian military came under increasing attack for human rights abuses. By the early 1980s, the ruling generals opted for a slow transition back to parliamentary government. In 1985 the Brazilian legislature chose a centrist politician as president, reestablishing a democratic regime.

In Chile, General Augusto Pinochet ruled virtually unchallenged after ousting President Salvador Allende in 1973, despite his identification with the dirty domestic war, which had curbed civil rights and political freedoms. But in 1988, when he turned to the electorate to ratify his remaining in power, Pinochet was voted out of office. The Peruvian military also left office in disgrace, having proved incompetent to stop either the Shining Path (*Sendero Luminoso*) guerrillas who opposed them or a slide into steep economic decline. New regimes, led by younger, populist leaders who promised reform and used

television effectively to get their message across to voters, came to power throughout Latin America.

As political realms democratized, economic ones became more open. Interest in free trade zones mounted, and regulations on businesses and on investments were eased. Latin America moved closer to its northern neighbors both in political and in economic practices. Economic and political justice proved elusive, however. None of the newly democratized states solved the problem of political accountability. Despite vocal demands for information and for prosecution of death squads, the new governments did not have the political capital to take their predecessors to court. At the same time, economic inequality intensified. Neo-liberalism proved a better remedy for the wealthy than for the masses, who voted populist. Even without the issue of communism to divide the electorates, Latin American states entered the 1990s with a mass of unsolved social and political problems.

Africa

The ending of the Cold War also had an impact on African states. Some of them had allied themselves with one of the superpowers, exchanging ideological support for aid. Several authoritarian regimes in Africa (Angola, Ethiopia, Congo, Mozambique, and Madagascar) took on a Marxist-Leninist identity in the 1980s, and others (Zaire, Malawi, and South Africa) made opposition to Marxism one of their justifications for rule. But in no case were these ideologies much more than skin deep, and they were easily jettisoned at the time of the Soviet Union's collapse. Communism helped to justify single-party rule in Africa, but it had little to do with the fundamental conflicts that undermined political and economic life on the continent.

During the 1980s, authoritarian or military governments ruled in most of sub-Saharan Africa. Nelson Mandela remained in prison on Robben Island, the (South) African National Congress was still a banned party, and majority rule for South Africa was a shadowy goal. In Angola, Mozambique, and Sudan, long-running civil wars devastated large regions. Nationalist leaders justified one-party rule at the end of the colonial period in the language of national unity and then stayed on with their followers to dominate the new states. By the 1980s the young agitators had become elderly dictators, clinging to power along with their followers and families. Politics became an avenue to wealth and patronage, benefiting the few. Preferring an existing state, however bad, to unknown alternatives, the richer nations kept dictators afloat with loans and gun sales.

The future of democratic government looked dim in Africa during the 1980s. Nevertheless, civil society in the form of churches, professional organizations, and ethnic and communal groups became increasingly powerful. Although some states were so fractured by religious, tribal, and linguistic differences that loyalty to the nation commanded little enthusiasm, interest in fair political representation grew.

The rapid shift from autocracy to contested politics in Africa during the early 1990s shows how widespread an interest in political participation had become. One regime after another abandoned monopoly politics for pluralism as its effective support waned. In South Africa, the ANC won the first elections held under conditions of universal adult suffrage, leading to a peaceful transfer of power from the defenders of apartheid to the supporters of majority rule. The ending of the Cold War coincided with a transformation of African politics toward greater openness and representation, which was pushed from below.

Economic Restructuring

The shifts toward democracy and multiparty rule in Eastern Europe, Russia, Latin America, and Africa took place during a period of rapid economic restructuring that undermined the ability of poorer governments to provide for their citizens. Deepening inequalities, both among individuals and among nations, helped fuel political transformations. By the 1980s the world economy had moved well beyond the phase of U.S., European, and Japanese domination.

With the aid of computers, production was decentralized and management was centralized in a handful of global cities from Tokyo to New York and London. The Internet provided instant communication within and among firms, who traded information as well as goods. The world economy was reshuffled during the 1980s under the pressures of international finance and international business. Entrepreneurs, whatever their country of origin, found they had to outsource, offshore, and stay online to remain competitive. The world in which they operated became increasingly complex, as regional and supranational organizations helped to drive economic globalization.

The Four Little Tigers

Over a century ago, Theodore Roosevelt predicted that countries on the Pacific Rim would rise to power and present an effective economic challenge to Western Europe and eastern America. The history of East and Southeast Asia since the 1950s has proved him right. Japan and the “four little tigers”—Hong Kong, Singapore, South Korea, and Taiwan—have joined the ranks of the world’s strongest economies. They rode the wave of high investment in the 1950s and 1960s to launch economic growth and industrial enterprises.

Taiwan and South Korea built steel mills and shipbuilding yards, Hong Kong established textile factories, and Singapore turned to oil refining and petrochemicals. All four produced electronic goods for export, relying on their ample supply of well-educated but low-paid workers to attract entrepreneurs. By the 1980s, Hong Kong and Singapore functioned as centers of global finance and business services, and Japan became the world’s largest exporter of capital. These countries’ rapid rise into the ranks of rich, industrialized states killed forever the myth that only Western nations had the skills to launch an industrial revolution.



GLOBAL Technologies

The Internet

The Internet connections that many of us now take for granted depend on the integration of many technologies: cable, microwave, and satellite transmission systems; video displays; desktop computers and servers; software to route messages and maintain security; and innumerable conventions covering details from error checking to transmission speeds. Some parts of the system predate the twentieth century—the QWERTY layout of a keyboard, for instance, became conventional soon after typewriters first appeared in the nineteenth century. Others, such as Web browsers, date only to the 1990s.

The idea of networking is very old. Amateur radio enthusiasts, for example, were building networks of their own before World War I. Communicating freely across long distances, they formed the equivalent of user groups and chat rooms by agreeing to meet on the air at certain hours and frequencies. Networking via computer, however, emerged in the 1960s and 1970s, largely as the result of research sponsored by the U.S. Defense Department, which was

eager to give scattered laboratories common access to specialized programs, data, and equipment and to build a flexible network for the command of worldwide forces in an emergency. With new software developed in the 1960s, it became possible to connect different operating systems and applications.

By 1971 several centers for computer research were linked by high-speed telephone lines into a network called ARPANET (the acronym for the Defense Department's Advanced Research Projects Agency). By the early 1980s, other large organizations—universities, corporations, and government agencies in the United States and abroad—had responded to a growing demand data-sharing services by creating their own networks. The Internet was born when these networks adopted ARPANET protocols for transmission and addressing, so that they could be interlinked via ARPANET's backbone of hubs, routers, and transmission lines.

The appearance of inexpensive desktop computers in the 1980s accelerated the growth of these interconnected networks dramatically. Whereas only about two thousand computers, almost all of them in North America and Britain, had access to the emerging Internet in 1985, the number had reached a hundred fifty thousand by 1989—about 20 percent of them located outside the United States.

How did these states transform themselves so quickly? Japan, of course, had begun its industrial revolution in the late nineteenth century and had emerged as the leading economic power in East Asia by the 1920s. Although Japan had to reconstruct its economy after World War II, it had entrepreneurs, a history of multinational businesses, an elaborate infrastructure, and a model of government-sponsored

growth. The cases that need to be explained are those of the four little tigers: two tiny city-states, an island dominated by failed Chinese generals and refugees, and the southern half of a war-torn peninsula. All seemed unlikely candidates for economic development.

To be sure, times were favorable for change. World War II had wiped out the power of conservative social elites, and the Korean and Vietnam wars had brought large numbers of foreigners and lots of business into the area. In the ideology of the Cold War, Asia was on the frontline in the battle against communism, and it had to be secured for the free world. The way was paved for transfers of technology and expertise. In any case, the governments running these small states felt great pressure to modernize for their own survival. None of them had sufficient resources to support their populations without trade. If they did not export, they would die, or would at least run the risk of being swallowed up by their neighbors. Japanese state-led development proved an effective model, and these states invested heavily in education, infrastructure, and industrial development.

The New Europe

Globalization has encouraged regionalization. In the free-wheeling international economy, most individual states are too small to have much bargaining power, but by linking together they can create larger, protected markets and pool resources. Moreover, many believe that economic ties bridge political rivalries. Europe, which had been torn apart by two world wars and the communist-capitalist confrontation, moved to heal itself through the device of the European Economic Community (EEC).

The EEC was created in 1958 to dampen conflict between Germany and its neighbors and to foster economic development. This regional organization, headquartered in Brussels, was a free trade zone, within which its members pledged to harmonize their social and economic policies while they worked toward political integration. The new united Europe was tiny: Only six states joined initially, the rest being uninvited or unwilling. But the EEC soon became a club to which all wished to belong. During the 1960s, its spectacular economic growth proved an irresistible attraction, leading the United Kingdom, Ireland, and Denmark to ask for and then accept membership in 1973. Greece, Portugal, and Spain entered during the 1980s, and Austria, Sweden, and Finland joined in the mid-1990s. The EEC, renamed the European Union (EU), became a global superpower, supplying 21 percent of world exports and buying 22 percent of world imports in 1990.

The EU has redefined Europe, eliminating many internal barriers, dampening inequalities, and encouraging a common identity. Free migration and the right to work throughout the EU have lured the unemployed from peripheral rural areas into the sleek cities of northwestern Europe. A new European bureaucracy working in Brussels has regulatory power over large areas of economic and social policy. But an insider-outsider distinction is carefully maintained. The EU now

includes some formerly Communist states in Eastern Europe, but whether it will admit Turkey is an important unanswered question.

Europe's regionalization encouraged a similar process in other areas. Limited agreements binding together clusters of states for economic cooperation have emerged on virtually every continent. West African states formed an economic and monetary union in the early 1970s, and groups of central and southern African countries have also done so. The Persian Gulf states created the Gulf Cooperation Council after the outbreak of war between Iran and Iraq. In the Americas, Caribbean nations, as well as different combinations of Central and South American states, have signed regional agreements.

In 1992 Canada, the United States, and Mexico signed the North American Free Trade Agreement (NAFTA), the most important of these pacts. It opened each of these national markets to the goods, investments, and services produced by the others, eliminating tariffs and other barriers to exchange. Long before it was adopted, NAFTA was controversial. Opponents in North America feared the loss of manufacturing jobs as factories shifted south into Mexico, where wages and benefits are low. Supporters point to the new jobs generated in each country as exports rise. Caribbean countries resent the taxes and quotas that still block their goods from North American markets, and NAFTA has not slowed illegal Mexican immigration to the United States as it was predicted to do.

Although regionalism has become a common tactic for nation-states that are trying to survive in a global world, it has had varying degrees of implementation and success.

Deindustrialization and the World Cities

By the late 1980s, twenty years of deindustrialization in Europe and North America had left their mark. Steel plants had shut down in Essen, Sheffield, and Pittsburgh. Although some companies simply fired their workers and closed, others sent production or assembly abroad to the Philippines or Mexico. Clothing, automobiles, and electronics became footloose industries, moving from low-cost to lower cost areas. International geographies of production shifted, leaving capital-intensive, high-tech industries in the older industrialized countries and moving labor-intensive, poorly paid jobs to the developing world. Unionized labor in Europe and North America lost out as services replaced manufacturing.

When the assembly of complex goods went global, so did the organization of businesses. Keeping track of it all, selling shares, and financing foreign investment took on added importance, giving new status to accountants, advertising agencies, bankers, and, of course, lawyers with multinational connections and skills. Moreover, with computers ready to hand, there was no need for management and finance to decentralize to match production, and in fact there were major gains from not doing so.

Paradoxically, the same changes that doomed the industrial cities of advanced economies launched the capitals of those economies into a new realm of prosperity and dominance. By the later 1980s, New York, London, and Tokyo, assisted

by Hong Kong, Frankfurt, and Singapore, emerged as command posts for the global economy. Capital and foreign exchange moved through the banks and investment firms of those cities, which also housed the headquarters of most of the world's major corporations. The world economy developed a small urban core that reached out to a global periphery.

Oil and Debt

Modern economies run on oil. Transformed by machines into gasoline and electricity, oil frees people from the powerful constraints imposed by nature. Without oil, daily life would literally come to a stop, go dark, turn cold, or remain intolerably hot. Much of our ability to cheat nature in the modern period comes from oil. Pumped from underground and undersea, sent via pipelines and tankers to refineries around the world, oil is the lifeblood of today's economic body.

Both the United States and the USSR derive great economic advantages from their oil reserves, as did Britain and the Netherlands in the colonial era. With the ending of empire, however, Europe's ability to command world oil reserves decreased sharply, even though its large international companies continued to operate in its former colonies. With the founding of the Organization of Petroleum Exporting Countries (OPEC) in 1960, the oil states moved to use their collective bargaining power to raise their share of oil profits and to challenge the ability of the big multinationals to dictate terms. Several states nationalized their oil industries, bringing vast revenues into the hands of government bureaucrats.

In the 1970s, when oil prices shot upward, so did the national incomes of Venezuela, Nigeria, Saudi Arabia, Libya, and Iraq. Oil became better than gold, creating petro-millionaires. The small states of the Arabian Peninsula could now afford health care and advanced education. The Saudis air-conditioned much of their desert land; the Yemenis imported foreigners to do manual labor. Oil was the tempting bait that led Iraq to invade Kuwait in 1990 and the United States and its allies to counterattack.

The losers in this vast transference of wealth were the oil-importing countries, many of which took on huge amounts of debt during the 1970s to pay for the energy they needed to power their growing cities and manufacturing plants. By the 1980s most countries in Latin America and Africa had borrowed beyond their means. When oil prices had gone up, the agricultural products that these states exported could be exchanged for less. More and more of these countries' national budgets went to pay off loans contracted in better times. Local investment stagnated.

In countries where a large percentage of the population lacked basic health care and education, heavy debts blocked investment in human capital. The 1980s saw a widening of inequality both among nations and within them as the life chances of rich and poor diverged more sharply. The unskilled, wherever they lived, found their relative position worsening, while highly educated elites could use skills that were valued in international markets to increase their incomes.



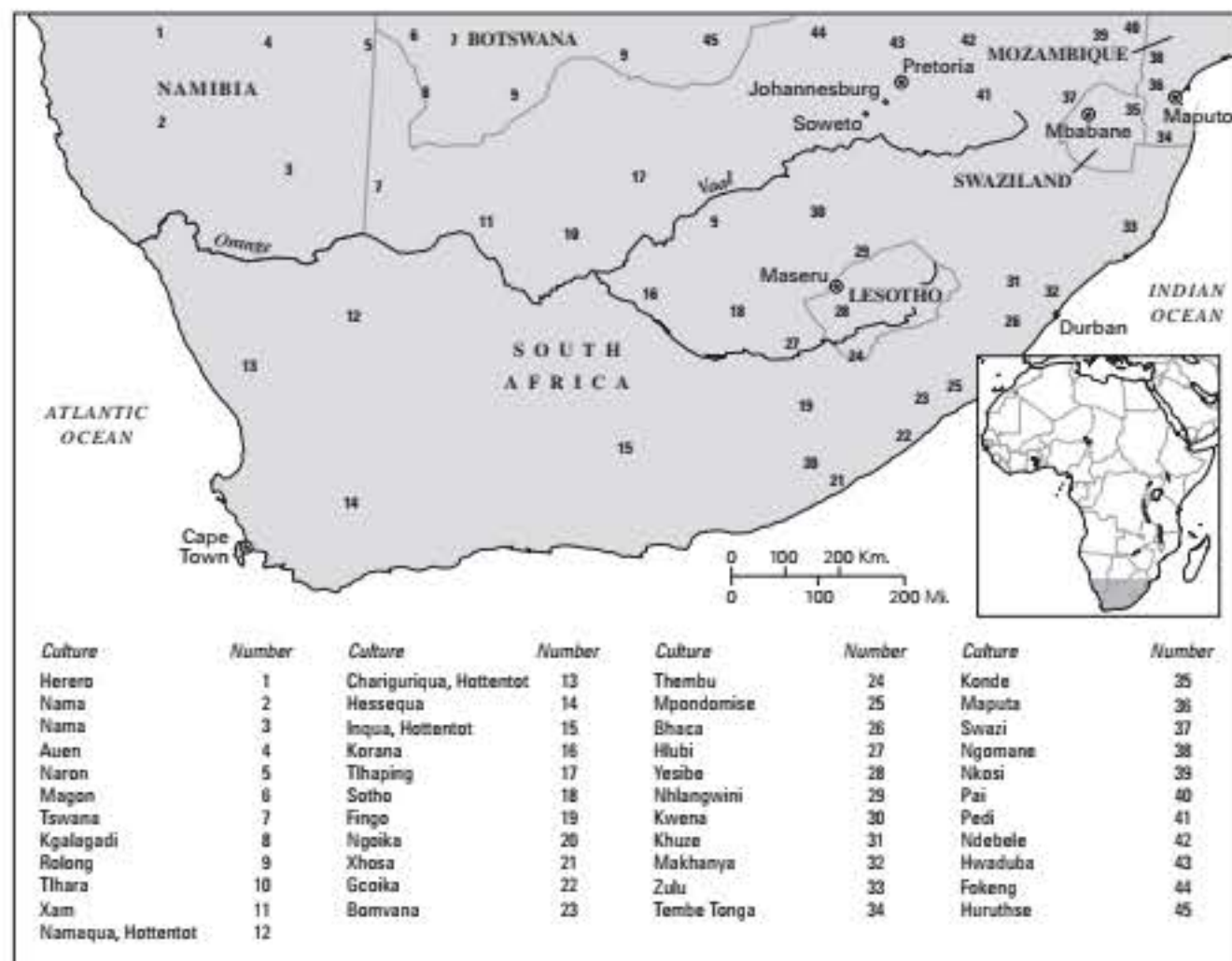
Ed Kashi/Corbis

Oil drilling in 1983 at Port Harcourt in the Niger Delta. Pumping petroleum in Nigeria generates revenues for the government and foreign oil companies while degrading the local environment.

Identities and the Nation-State

On maps, states have tight boundaries and homogeneous populations. France seems to be filled with French and Brazil with Brazilians. But a closer look turns many countries into patchwork quilts of social difference. Brazil, China, Indonesia, Canada, the United States, the former USSR, and Yugoslavia have particularly complex ethnic geographies, as does South Africa (see Map 14.2). When new states formed in sub-Saharan Africa, they took on the boundaries of the colonial past, which were the result of conquest and had been developed for convenience, not because of the cultural affinity of the people within them. In virtually every country, people recognize strong social divisions based on ethnicity, race, and religion.

During the twentieth century, prevailing theories on how to deal with minorities changed. The International Labor Organization, which compares working conditions globally and monitors them for fairness and legality of treatment, moved from supporting the assimilation of indigenous and tribal peoples to recommending the preservation of their social identities and traditions. The United Nations, which had been an important defender of national unity and had fought wars to preserve the integrity of its member states, now supported some forms of self-determination to help minorities remain intact. The pluralist, multicultural society became a goal as well as a social fact.



MAP 14.2 Ethnic divisions in Southern Africa.

Each of the region's states contains multiple ethnic groups. Their different languages and geographic movement across borders complicate local political life and the task of building national educational systems.

A State of One's Own

Since Woodrow Wilson promised the right of self-determination to the world's peoples, ethnic identity has been a rallying cry for hundreds of self-proclaimed "freedom fighters" eager to translate cultural difference into political independence. However, what counts as a "people"? Who has the right to nationhood? Governments, understandably, defend unitary nations and the integrity of historically created states, whether their origins date to 700 or 1970. Minorities, particularly in democratic states, push for the right to choose or, in more extreme cases, for the right to secede even without majority approval.

During the 1980s, the Québécois, whose Catholicism and French language distinguish them from Anglo-Canadians, demanded (and then voted down) a referendum on independence. The Palestinian Liberation Organization campaigned for a Palestinian state. Tibetans mounted major demonstrations against Chinese

rule. In 1993, the United Nations counted more than forty ongoing civil wars and guerrilla campaigns over issues of ethnic rights.

One common solution to demands for ethnic rights has been decentralization of political power into a federal system. Grants of regional self-government defused much of the pressure for independence in Canada, Belgium, and India. In the late twentieth century, ethnic demands in the name of nationalism undermined state authority around the globe. Although some states contained nationalist pressures by granting additional rights to minorities, others lapsed into civil war when their leaders could not, or would not, negotiate a compromise.

The Problem of the Guest Worker

Economic growth and the need for labor in the postwar period led the richer nations to ease entry requirements. By the 1980s, hundreds of thousands of Latinos and Southeast Asians had moved into the United States. Turks flocked into West Germany, and North Africans into France. Arabs and South Asians moved in droves to the oil states of the Gulf. Most of these people became unskilled laborers or domestics, although over time increasing numbers found their way into skilled and professional positions. Originally invited as “guest workers”, these migrants came as young men but then settled and stayed. Wives and siblings followed, creating distinctive ethnic communities in the major cities of Europe, North America, and the Middle East. Temporary soon became permanent, changing the ethnic mix of the host societies.

Economic integration proved far easier than social or political assimilation, however. Although the host societies wanted migrant labor, few of them successfully confronted the problems of discrimination and racism. Moreover, most states restrict migrants’ political rights, limiting or barring their participation in politics. The process of becoming a citizen varies widely from country to country; the United States and Canada set rather low hurdles, whereas Switzerland, Kuwait, and South Africa normally set quite high ones.

Because most countries grant migrants’ locally born children citizenship or relatively easy access to it, the second generation has had a much more secure place than its parents. Social and cultural acceptance requires more than legal changes, however, and the ethnic mixing of populations produced by the global economy has triggered conflicts that are not easy to solve.

Even more complex than the legal issues raised by migration are cultural ones. Who is included in imagined national communities? The task of reconfiguring national identities in a global era had only begun in the 1980s.

Different Sorts of Citizens

Identities can be constructed in multiple ways, and ethnicity is only one of many dimensions. Awareness of gender, religion, race, and, in some societies, caste shapes individuals’ sense of themselves. But at particular times and places, some elements of identity become politically charged and aggressively defended.

In the late twentieth century, women in many regions became more assertive of their rights. International Women's Year in 1975 helped to legitimize feminist demands for equality in developing societies and intensified discussions of women's disabilities. Campaigns for legal reforms guaranteeing women equal rights in family law and in economic status widened. Feminists in India publicized cases of bride burning, and African women argued against genital mutilation of females.

Discussion of what cultural, social, and political norms were appropriate for women gained in intensity after the Islamic revolution in Iran in 1979 ordered females to veil themselves once more. Islamic states made different decisions on questions of women's rights; in some states women could drive, could go to school, and could take jobs outside the household. In others, such activities were regulated or not permitted.

In South Asia, caste and religious divisions continued to shape identity politics and trigger conflict. During the 1980s, parties in both Sri Lanka and India used religion and ethnicity to mobilize voters, subverting the idea of national unity. Militant Hindus organized against Muslim privileges. Dalits, long stigmatized in India as untouchables, demanded and received increased preferential treatment.

In other parts of the world, too, awareness of difference has bred fierce antagonisms. Lebanon erupted into civil war after 1975, pitting Christians against Muslims, each with complex sets of allies. In Sudan, fighting between the armies of the Christian north and the animist south continued. In both of these countries, group identities far outweigh national loyalties.

Racial identity dominated South African politics and society through the 1980s, with rights of residence and political participation defined on the basis of racial categories. Despite years of federal enforcement of civil rights laws and anti-discrimination legislation, racial identities continued to shape social behavior in the United States and Britain. In the United States, dozens of ethnic groups coexist more or less peacefully, but the press and the U.S. Commission on Civil Rights regularly bring local racial conflicts and inequities into the spotlight. Even where strong legal protections are in force, racial discrimination still can undermine social practice. In the 1980s nationalism could not cover over multiple fissures in the social body.

CONCLUSION

When communism collapsed in Eastern Europe and the Soviet Union, it not only ended the Cold War but also brought immediate economic and political changes. The command economy died along with one-party rule, posing the problem of what to put in its place. Struggles for power convulsed Eastern Europe and western Asia, newly released from the Soviet Empire. In many parts of the world, the retreat from communism gave demands for democracy new energy. In Latin America and Africa, military rulers handed over power to elected leaders, and

opposition parties began to function relatively freely. Restraints on civil society lessened. The political realignments of the 1980s and early 1990s in Europe, Africa, and the Americas gave many groups more political space to define their identities and their aims. The results were chaotic as well as exciting.

During the 1980s, the world's economic system became increasingly multi-centered as globalization continued. Poorer countries in the Middle East, Africa, and Latin America organized regionally to protect themselves somewhat from the pressure of global markets. This strategy has so far had limited results. Poverty has remained a central social problem in much of the world. Moreover, desires for an improved environment and better health care have mounted, as has resistance to change on the part of particular countries and interest groups. In a world where TV and films translate global inequalities into graphic images, many people have chosen to migrate to areas where they will have better access to resources. Why stay at home and starve when jobs and wealth might be found in a distant city? Growing ethnic diversity and consciousness has resulted.

In many countries, demands for democracy have been hard to translate into stable political institutions. Moreover, the growing layer of international organizations complicates issues of responsibility and control. A continued clash of individual, national, and international interests presents politicians and citizens with difficult choices. Under what circumstances should international organizations or coalitions of states be able to violate national sovereignty and national borders?

In a world where the UN depends on its member countries for money and soldiers, the issue of just how to enforce international opinion is an open question. How can the authority of the UN be balanced against that of the United States or of regional organizations? During the 1990s, it would prove difficult to maintain peace within a multicentered world in which many states have invested in nuclear weapons and advanced military technologies. The end of the Cold War substituted one set of political problems for another.

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