

USSR Disintegrates

West's Gains May Be Limited

By PRAFUL BIDWAI

WHEN the 21st century's historians look in retrospect upon the unravelling of "the boldest and most spectacular social experiment ever launched by humanity, culminating in Mr Gorbachov's resignation, it is a safe bet that nationalism will loom large in their scheme. While it might be an exaggeration to say that Soviet socialism foundered upon the rock of nationalism, it cannot be denied that the proximate cause of the process of dissolution of the USSR and the determinant of its form have more to do with nationalism than any other factor.

That disintegration can be traced to the dismantling of the Soviet empire in Eastern Europe in 1989, which gave birth to the New Nationalism that has now come to grip the now badly devastated half of Europe. The loosening of the Soviet hold on Eastern Europe, symbolised by the collapse of the Berlin Wall, was the trigger for radical, painful and increasingly violent change in the Soviet Union itself.

The second phase of that process, beginning with the secession of the Baltic republics, and coursing through the failure of the Union treaty initiative, the August coup, and the formation of the so-called Commonwealth, is now giving way to the demand by smaller ethnic minorities within the republics for "sovereign" states of their own.

Obsessive Search

The upsurge of nationalism is powerfully xenophobic, often authoritarian, and driven by an obsessive search for a glorified self-identity. It is particularly amenable to populist, jingoistic, anti-democratic demagoguery.

This is precisely why the USSR has been unable — despite the moderating influence sought to be exercised (perhaps belatedly?) by Mr Gorbachov and others who stood for the Union — to achieve a constitutional transfer of power to the republics. There is a real danger that all the structures that could promote a political resolution of conflicts will simply disintegrate.

The world's largest armed forces, with close to four million troops, are in utter disarray and seething with discontent. About a quarter million officers are homeless and at least half a million soldiers are trapped in territory they regard as alien. The Soviet parliament's national security commission has warned that disaffection among soldiers and deserters could lead to a "social explosion that could sweep away democracy".

Within the major republics too, the situation is alarming, as the resignation of the Moscow mayor, Mr Gavril Popov, and the bitter fighting in Georgia show. Not only has the Union ceased to matter, there is no centre of authority in most republics either.

The Soviet economy — if that term can be used to describe that battered, ramshackle entity — is headed for catastrophe. The price liberalisation due to begin next week is expected to produce an inflation of the order of 100, even 400 per cent.

And the mafia is taking over key sectors. Even worse, despite all talk of commitment to privatisation and the free market, a miserable 0.2 per cent of large industries and a minuscule 0.4 per cent of smaller enterprises have come under private ownership even in Russia. Estimates for the other republics are lower. Clearly there is a serious structural problem with finding entrepreneurs and owners of capital in the USSR's poorly developed or arrested civil society.

Prosperous capitalism remains but a distant dream. Mafia-based business proliferation, with horrendous working conditions and pathetic wages for the majority of people, seems the likeliest prospect. These economic and social trends can only greatly accelerate the USSR's disintegration and fuel a series of bloody civil wars and localised ethnic conflicts, especially if some of the republics form their own armies, as threatened.

One might sympathise with the likes of Mr Gorbachov when he bemoans: "Back in 1937, a troika could decide a person's fate. And now a troika is deciding the fate of entire nations!" However, for highly respected Soviet dissidents, such as Mr Roy Medvedev and Mr Boris Kagarlitsky, Mr Gorbachov is singularly responsible for the present mess. They believe he temporised over political reform, dismantled the CPSU — the only structures that could have held the Union together — and appeased the right as well as leaders such as Mr Yeltsin.

The West can only derive limited satisfaction from the end of the Soviet Union. Indeed, its triumphalism is already on the wane as the prospect of a badly destabilised Europe and a bare-knuckled fight in the USSR takes precedence over elevated rhetoric about the virtues of the free market.

Historic Gain

True, the removal of the Soviet factor in world politics — and hence the elimination of all resistance to western hegemonic designs — is a historic gain for the West. The "Communist threat" has receded globally at least for the time being. And the terrain of Third World conflict has now been recast on patterns hugely favourable to the West. The West is better equipped than ever before to cope with nationalist or Communist threats in the Third World to the promotion of the latter as a "complement" to "the industrial economies" — a service sector that is an appendage to and supplier of raw materials to the North.

However, the West also knows that it is simply unable, because ill-equipped, to fulfil the promises of bourgeois prosperity held out before the Eastern European and Soviet peoples. The principal leader, and the only superpower of the West, is too capital-poor, indebted and bankrupt to be able even to think of Marshall Plan II. The Thatcher-Reagan boom is long over. And the West is now actually suffering the horrendous effects of grossly inappropriate and blindly ideological neo-liberal policies, especially in the US and UK.

That is not all. The US economy has become a victim of shortsighted policies practised since the seventies in a desperate effort to reverse America's decline — by dismantling the Bretton Woods system, manipulating interest rates to attract petrodollars and allowing economic institutions to slip out of public control. Reagan-Bush policies have further aggravated the domestic crisis and at the same time acted as a brake on the West's own development.

At any rate, the US cannot be the prime economic beneficiary of the collapse of the USSR. Germany or the EC as a whole and Japan are likely to gain much more. The US is likely to be confined to its immediate environment (the Canada-Mexico-US free trade area) and West Asia to which it has extended the Monroe Doctrine, particularly since the Gulf War. This spells a sharpening of conflict, already noteworthy, between the US and EC-Japan.

However, it is not as if the rest of the OECD bloc were ideally placed to integrate the East either. The world recession affects the bloc the most, as does stagnation in world trade. The prospect, then, is of a kind of Latin Americanisation of the USSR and Eastern Europe — its transformation into a low-income, primary commodities, raw materials and cheap labour-based supplier of services to "complement the industrial economies". This is also a recipe for discontent and strife not accommodation.

Main Allies

In this Latin Americanisation, the former bureaucracies or nomenklatura, the much-hated villains in Western propaganda, are slated to emerge as the main allies, agents and business subordinates of western capital, much in the way of parasitical Third World elites. This is not only repugnant, it will tend to rob the West of a good deal of this moral thunder about democracy, rule of law, good governance and decency — in reality a propaganda instrument to be selectively used against adversaries to whip them into obedience.

But, even more important, the domestic social agenda is now aggressively coming to the fore in the US and Western Europe. The huge backlog of unfulfilled social needs, questions of poverty, health, education, unemployment and equity are all becoming issues of concern as shown by recent trends (e.g. the stunning Wofford victory in Pennsylvania last month which forced Mr Bush to cancel his Japan visit). Correction of warped social priorities and narrowing of disparities are again on the agenda, as is intensified inter-OECD rivalry (and hence loss of cohesion).

At the same time, the likely impact of the New Nationalism on the West, which the latter has played no mean part in promoting, remains unclear. At any rate, the agenda of building an open, equal, just, compassionate and caring society can no longer be wished away. If social change emerges as a key concern, capital's victory could turn out to be very partial and transient indeed.