Setting the Stage

By definition, democracy is government by the people. Direct democracy, in which all citizens meet to pass laws, is not practical for nations. Therefore, democratic nations developed indirect democracies, or republics, in which citizens elect representatives to make laws for them. For example, the United States is a republic. But democracy is more than a form of government. It is also a way of life and an ideal goal. A democratic way of life includes practices such as free and open elections.

Democracy As a Goal

The chart below lists four practices in a democracy, together with conditions that help these democratic practices succeed. Many nations follow these practices to a large degree. However, establishing democracy is a process that takes years. Even in the United States, the establishment of democracy has taken time. Although the principle of equality is part of the Constitution, many Americans have struggled for equal rights. To cite one example, women did not receive the right to vote until 1920. Democracy is always a “work in progress.”

Making Democracy Work

<table>
<thead>
<tr>
<th>Common Practices</th>
<th>Conditions That Foster Those Practices</th>
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<tbody>
<tr>
<td>• Free elections</td>
<td>• Having more than one political party</td>
</tr>
<tr>
<td></td>
<td>• Universal suffrage—all adult citizens can vote</td>
</tr>
<tr>
<td>• Citizen participation</td>
<td>• High levels of education and literacy</td>
</tr>
<tr>
<td></td>
<td>• Economic security</td>
</tr>
<tr>
<td></td>
<td>• Freedoms of speech, press, and assembly</td>
</tr>
<tr>
<td>• Majority rule, minority rights</td>
<td>• All citizens equal before the law</td>
</tr>
<tr>
<td></td>
<td>• Shared national identity</td>
</tr>
<tr>
<td></td>
<td>• Protection of such individual rights as freedom of religion</td>
</tr>
<tr>
<td></td>
<td>• Representatives elected by citizens to carry out their will</td>
</tr>
<tr>
<td>• Constitutional government</td>
<td>• Clear body of traditions and laws on which government is based</td>
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<td></td>
<td>• Widespread education about how government works</td>
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<td></td>
<td>• National acceptance of majority decisions</td>
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<td>• Shared belief that no one is above the law</td>
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TAKING NOTES

Summarizing

Use a chart to sum up the steps Brazil, Mexico, and Argentina have taken toward democracy.

<table>
<thead>
<tr>
<th>Nation</th>
<th>Steps toward democracy</th>
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<tr>
<td>Brazil</td>
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<tr>
<td>Mexico</td>
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<tr>
<td>Argentina</td>
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Democratic institutions may not ensure stable, civilian government if other conditions are not present. The participation of a nation’s citizens in government is essential to democracy. Education and literacy—the ability to read and write—give citizens the tools they need to make political decisions. Also, a stable economy with a strong middle class and opportunities for advancement helps democracy. It does so by giving citizens a stake in the future of their nation.

Other conditions advance democracy. First, a firm belief in the rights of the individual promotes the fair and equal treatment of citizens. Second, rule by law helps prevent leaders from abusing power without fear of punishment. Third, a sense of national identity helps encourage citizens to work together for the good of the nation.

The struggle to establish democracy continued into the 21st century as many nations abandoned authoritarian rule for democratic institutions. However, a United Nations study released in July 2002 warned that the spread of democracy around the world could be derailed if free elections in poor countries are not followed by economic growth. The UN Development Program’s annual report warned particularly about Latin America.

**CASE STUDY: Brazil**

**Dictators and Democracy**

Many Latin American nations won their independence from Spain and Portugal in the early 1800s. However, three centuries of colonial rule left many problems. These included powerful militaries, economies that were too dependent on a single crop, and large gaps between rich and poor. These patterns persisted in the modern era.

After gaining independence from Portugal in 1822, Brazil became a monarchy. This lasted until 1889, when Brazilians established a republican government, which a wealthy elite controlled. Then, in the 1930s, Getulio Vargas became dictator. Vargas suppressed political opposition. At the same time, however, he promoted economic growth and helped turn Brazil into a modern industrial nation.

**Kubitschek’s Ambitious Program** After Vargas, three popularly elected presidents tried to steer Brazil toward democracy. Juscelino Kubitschek (zhoo•suh•LEE•nuh KOO•bih•chehk), who governed from 1956 to 1961, continued to develop Brazil’s economy. Kubitschek encouraged foreign investment to help pay for development projects. He built a new capital city, Brasília (bruh•ZIHL•yuh), in the country’s interior. Kubitschek’s dream proved expensive. The nation’s foreign debt soared and inflation shot up.

Kubitschek’s successors proposed reforms to ease economic and social problems. Conservatives resisted this strongly. They especially opposed the plan for land reform—breaking up large estates and distributing that land to peasants. In 1964, with the blessing of wealthy Brazilians, the army seized power in a military coup.

**Military Dictators** For two decades military dictators ruled Brazil. Emphasizing economic growth, the generals fostered foreign investment. They began huge development projects in the Amazon jungle. The economy boomed.

The boom had a downside, though. The government froze wages and cut back on social programs. This caused a decline in the standard of living, or level of material comfort, which is judged by the amount of goods people have. When Brazilians protested, the government imposed censorship. It also jailed, tortured, and sometimes killed government critics. Nevertheless, opposition to military rule continued to grow.

**The Road to Democracy** By the early 1980s, a recession, or slowdown in the economy, gripped Brazil. At that point, the generals decided to open up the political system. They allowed direct elections of local, state, and national officials.
**GEOGRAPHY SKILLBUILDER: Interpreting Maps**

1. **Location** Which country—Argentina, Brazil, or Mexico—spans the equator?
2. **Region** Which one of the three countries has a coast on the Caribbean Sea?
In 1985, a new civilian president, José Sarney (zhoh•ZAY SAHR•nay), took office. Sarney inherited a country in crisis because of foreign debt and inflation. He proved unable to solve the country’s problems and lost support. The next elected president fared even worse. He resigned because of corruption charges. In 1994 and again in 1998, Brazilians elected Fernando Henrique Cardoso, who achieved some success in tackling the nation’s economic and political problems. Although trained as a Marxist scholar, Cardoso became a strong advocate of free markets. One of his main concerns was the widening income gap in Brazil. He embarked on a program to promote economic reform.

The 2002 Presidential Election In the presidential election of October 2002, Cardoso’s handpicked successor to lead his centrist coalition was José Serra. Serra faced two candidates who proposed a sharp break with Cardoso’s pro-business policies. These candidates included Luiz Inácio Lula da Silva, a candidate of the leftist Workers Party.

An economic crisis hit many countries in South America, including Brazil, in 2002. Because of stalled economic growth, rising unemployment, and poverty, there was a backlash against free-market economic policies. This made the election of 2002 a close contest. Da Silva, the leftist candidate, won the hotly disputed election, defeating the ruling party candidate, Serra. Da Silva has proved a more moderate president than his supporters and opponents had expected. Although Brazil faces many challenges, it continues on the path of democracy.

**CASE STUDY: Mexico**

**One-Party Rule**

Unlike Brazil, Mexico enjoyed relative political stability for most of the 20th century. Following the Mexican Revolution, the government passed the Constitution of 1917. The new constitution outlined a democracy and promised reforms.

**Beginnings of One-Party Domination** From 1920 to 1934, Mexico elected several generals as president. However, these men did not rule as military dictators. They did create a ruling party—the National Revolutionary Party, which dominated Mexico under various names for the rest of the 20th century.
From 1934 to 1940, President Lázaro Cárdenas (KAHR•day•nahs) tried to improve life for peasants and workers. He carried out land reform and promoted labor rights. He nationalized the Mexican oil industry, kicking out foreign oil companies and creating a state-run oil industry. After Cárdenas, however, a series of more conservative presidents turned away from reform.

The Party Becomes the PRI
In 1946, the main political party changed its name to the Institutional Revolutionary Party, or PRI. In the half-century that followed, the PRI became the main force for political stability in Mexico.

Although stable, the government was an imperfect democracy. The PRI controlled the congress and won every presidential election. The government allowed opposition parties to compete, but fraud and corruption tainted the elections.

Even as the Mexican economy rapidly developed, Mexico continued to suffer severe economic problems. Lacking land and jobs, millions of Mexicans struggled for survival. In addition, a huge foreign debt forced the government to spend money on interest payments. Two episodes highlighted Mexico's growing difficulties. In the late 1960s, students and workers began calling for economic and political change. On October 2, 1968, protesters gathered at the site of an ancient Aztec market in Mexico City. Soldiers hidden in the ruins opened fire on the protesters. The massacre claimed several hundred lives.

A second critical episode occurred during the early 1980s. By that time, huge new oil and natural gas reserves had been discovered in Mexico. The economy had become dependent on oil and gas exports. In 1981, world oil prices fell, cutting Mexico's oil and gas revenues in half. Mexico went into an economic decline.

Economic and Political Crises
The 1980s and 1990s saw Mexico facing various crises. In 1988, opposition parties challenged the PRI in national elections. The PRI candidate, Carlos Salinas, won the presidency. Even so, opposition parties won seats in the congress and began to force a gradual opening of the political system.
During his presidency, Salinas signed NAFTA, the North American Free Trade Agreement. NAFTA removed trade barriers between Mexico, the United States, and Canada. In early 1994, peasant rebels in the southern Mexican state of Chiapas staged a major uprising. Shortly afterward, a gunman assassinated Luis Donaldo Colosio, the PRI presidential candidate for the upcoming election.

**The PRI Loses Control** After these events, Mexicans grew increasingly concerned about the prospects for democratic stability. Nevertheless, the elections of 1994 went ahead. The new PRI candidate, Ernesto Zedillo, won. Opposition parties continued to challenge the PRI.

In 1997, two opposition parties each won a large number of congressional seats, denying the PRI control of congress. Then, in 2000, Mexican voters ended 71 years of PRI rule by electing center-right candidate Vicente Fox as president.

**New Policies and Programs** Fox’s agenda was very ambitious. He advocated reforming the police, rooting out political corruption, ending the rebellion in Chiapas, and opening up Mexico’s economy to free-market forces.

Fox also argued that the United States should legalize the status of millions of illegal Mexican immigrant workers. Fox hoped that a negotiated agreement between the United States and Mexico would provide amnesty for these undocumented Mexican workers in the United States. In the wake of the terrorist attacks of September 11, 2001, any such agreement appeared remote. However, in 2002, Fox created a cabinet-level agency to lobby for the interests of Mexico’s 22 million citizens who lived abroad, a great many of whom lived in the United States. In the meantime, Mexico’s democracy continued to strengthen.

**CASE STUDY: Argentina**

**Political and Economic Disorder** Mexico and Brazil were not the only Latin American countries where democracy had made progress. By the late 1990s, most of Latin America was under democratic rule.

**Perón Rules Argentina** Argentina had struggled to establish democracy. It was a major exporter of grain and beef. It was also an industrial nation with a large working class. In 1946, Argentine workers supported an army officer, Juan Perón, who won the presidency and then established a dictatorship.
Perón did not rule alone. He received critical support from his wife, Eva—known as Evita to the millions of Argentines who idolized her. Together, the Peróns created a welfare state. The state offered social programs with broad popular appeal but limited freedoms. After Eva's death in 1952, Perón's popularity declined and his enemies—the military and the Catholic Church—moved against him. In 1955, the military ousted Perón and drove him into exile.

Repression in Argentina For many years, the military essentially controlled Argentine politics. Perón returned to power once more, in 1973, but ruled for only a year before dying in office. By the mid-1970s, Argentina was in chaos.

In 1976, the generals seized power again. They established a brutal dictatorship and hunted down political opponents. For several years, torture and murder were everyday events. By the early 1980s, several thousand Argentines had simply disappeared, kidnapped by their own government.

Democracy and the Economy In 1982, the military government went to war with Britain over the nearby Falkland Islands and suffered a defeat. Disgraced, the generals agreed to step down. In 1983, Argentines elected Raúl Alfonsín (ahl•fohn•SEEN) president in the country's first free election in 37 years.

During the 1980s, Alfonsín worked to rebuild democracy and the economy. Carlos Menem gained the presidency in 1989 and continued the process. He attempted to stabilize the currency and privatize industry. By the late 1990s, however, economic problems intensified as the country lived beyond its means.

A Growing Crisis In December 2001, the International Monetary Fund (IMF) refused to provide financial aid to Argentina. Then President Fernando de la Rua resigned in the face of protests over the economy. He was succeeded by Eduardo Duhalde, who tried to deal with the economic and social crisis. In 2002, Argentina had an unemployment rate of about 24 percent. The country defaulted on $132 billion in debt, the largest debt default in history, and devalued its currency. In 2003, Argentina struggled to regain its political and economic footing. In elections that year, Nestor Kirchner became the new president of Argentina.

CONNECT TO TODAY MAKING A GRAPH
Research the economies of Mexico, Brazil, and Argentina to determine which is doing the best. Present your findings in a graph.
The Challenge of Democracy in Africa

**MAIN IDEA**

**REVOLUTION** As the recent histories of Nigeria and South Africa show, ethnic and racial conflicts can hinder democracy.

**WHY IT MATTERS NOW**

In 1996, as Nigeria struggled with democracy, South Africa adopted a bill of rights that promotes racial equality.

**TERMS & NAMES**

- federal system
- martial law
- dissident
- apartheid
- Nelson Mandela

**SETTING THE STAGE**

Beginning in the late 1950s, dozens of European colonies in Africa gained their independence and became nations. As in Latin America, the establishment of democracy in Africa proved difficult. In many cases, the newly independent nations faced a host of problems that slowed their progress toward democracy. The main reason for Africa’s difficulties was the negative impact of colonial rule. European powers had done little to prepare their African colonies for independence.

**Colonial Rule Limits Democracy**

The lingering effects of colonialism undermined efforts to build stable, democratic economies and states. This can be seen throughout Africa.

**European Policies Cause Problems**

When the Europeans established colonial boundaries, they ignored existing ethnic or cultural divisions. New borders divided peoples of the same background or threw different—often rival—groups together. Because of this, a sense of national identity was difficult to develop. After independence, the old colonial boundaries became the borders of the newly independent states. As a result, ethnic and cultural conflicts remained.

Other problems had an economic basis. European powers had viewed colonies as sources of wealth for the home country. The colonial powers encouraged the export of one or two cash crops, such as coffee or rubber, rather than the production of a range of products to serve local needs. Europeans developed plantations and mines but few factories. Manufactured goods were imported from European countries. These policies left new African nations with unbalanced economies and a small middle class. Such economic problems lessened their chances to create democratic stability.

European rule also disrupted African family and community life. In some cases, colonial powers moved Africans far from their families and villages to work in mines or on plantations. In addition, most newly independent nations still lacked a skilled, literate work force that could take on the task of building a new nation.

**Short-Lived Democracies**

When Britain and France gave up their colonies, they left fragile democratic governments in place. Soon problems threatened those governments. Rival ethnic groups often fought for power. Strong militaries became tools for ambitious leaders. In many cases, a military dictatorship replaced democracy.
Civil War in Nigeria

Nigeria, a former British colony, won its independence peacefully in 1960. Nigeria is Africa’s most populous country and one of its richest. However, the country was ethnically divided. This soon created problems that led to war.

A Land of Many Peoples Three major ethnic groups live within Nigeria’s borders. In the north are the Hausa-Fulani, who are mostly Muslim. In the south are the Yoruba and the Igbo (also called Ibo), who are mostly Christians, Muslims, or animists, who believe that spirits are present in animals, plants, and natural objects. The Yoruba, a farming people with a tradition of kings, live to the west. The Igbo, a farming people who have a democratic tradition, live to the east.

After independence, Nigeria adopted a federal system. In a federal system, power is shared between state governments and a central authority. The Nigerians set up three states, one for each region and ethnic group, with a political party in each.

War with Biafra Although one group dominated each state, the states also had ethnic minorities. In the Western Region, non-Yoruba minorities began to resent Yoruba control. In 1963, they tried to break away and form their own region. This led to fighting. In January 1966, a group of army officers, most of them Igbo, seized power in the capital city of Lagos. These officers abolished the regional governments and declared martial law, or temporary military rule.

The Hausa-Fulani, who did not trust the Igbo, launched an attack from the north. They persecuted and killed many Igbo. The survivors fled east. In 1967, the Eastern Region seceded from Nigeria, declaring itself the new nation of Biafra (bee•AF•ruh).

The Nigerian government then went to war to reunite the country. The Igbo were badly outnumbered and outgunned. In 1970, Biafra surrendered. Nigeria was reunited, but perhaps more than a million Igbo died, most from starvation.
Nigeria’s Nation-Building

After the war, Nigerians returned to the process of nation-building. “When the war ended,” noted one officer, “it was like a referee blowing a whistle in a football game. People just put down their guns and went back to the business of living.” The Nigerian government did not punish the Igbo. It used federal money to rebuild the Igbo region.

Federal Government Restored  The military governed Nigeria for most of the 1970s. During this time, Nigerian leaders tried to create a more stable federal system, with a strong central government and a number of regional units. The government also tried to build a more modern economy, based on oil income.

In 1979, the military handed power back to civilian rulers. Nigerians were cheered by the return to democracy. Some people, however, remained concerned about ethnic divisions in the nation. Nigerian democracy was short-lived. In 1983, the military overthrew the civilian government, charging it with corruption. A new military regime, dominated by the Hausa-Fulani, took charge.

A Return to Civilian Rule  In the years that followed, the military governed Nigeria, while promising to bring back civilian rule. The army held elections in 1993, which resulted in the victory of popular leader Moshood Abiola. However, officers declared the results invalid, and a dictator, General Sani Abacha, took control.

General Abacha banned political activity and jailed dissidents, or government opponents. Upon Abacha’s death in 1998, General Abdulsalami Abubakar seized power and promised to end military rule. He kept his word. In 1999, Nigerians elected their first civilian president, Olusegun Obasanjo, in nearly 20 years. In 2003, Obasanjo was reelected.
President Obasanjo  Obasanjo was an ethnic Yoruba from southwest Nigeria. As a critic of Nigerian military regimes, he had spent three years in jail (1995–1998) under Sani Abacha. As a former general, Obasanjo had the support of the military. Obasanjo worked for a strong, unified Nigeria. He made some progress in his battle against corruption. He also attempted to draw the attention of the world to the need for debt relief for Nigeria. In May 2001, he called on President George W. Bush to support the canceling of Nigeria’s $30 billion debt to the international community. Obasanjo saw debt relief as essential to the relief of hunger and the future of democracy in Nigeria and the rest of Africa.

Despite Obasanjo’s efforts, Nigeria was still beset by a variety of problems. These included war, violence, corruption, poverty, and hunger. Nonetheless, Nigeria was increasing its oil exports and experiencing economic growth.

South Africa Under Apartheid

In South Africa, racial conflict was the result of colonial rule. From its beginnings under Dutch and British control, South Africa was racially divided. A small white minority ruled a large black majority. In 1910, South Africa gained self-rule as a dominion of the British Empire. In 1931, it became an independent member of the British Commonwealth. Although South Africa had a constitutional government, the constitution gave whites power and denied the black majority its rights.

Apartheid Segregates Society  In 1948, the National Party came to power in South Africa. This party promoted Afrikaner, or Dutch South African, nationalism. It also instituted a policy of apartheid, complete separation of the races. The minority government banned social contacts between whites and blacks. It established segregated schools, hospitals, and neighborhoods.

In 1959, the minority government set up reserves, called homelands, for the country’s major black groups. Blacks were forbidden to live in white areas unless they worked as servants or laborers for whites. The homelands policy was totally unbalanced. Although blacks made up about 75 percent of the population, the government set aside only 13 percent of the land for them. Whites kept the best land.

Blacks Protest  The blacks of South Africa resisted the controls imposed by the white minority. In 1912, they formed the African National Congress (ANC) to fight for their rights. The ANC organized strikes and boycotts to protest racist policies. The government banned the ANC and imprisoned many of its members. One was ANC leader Nelson Mandela (man•DEHL•uh).

The troubles continued. In 1976, riots over school policies broke out in the black township of Soweto, leaving about 600 students dead. In 1977, police beat popular protest leader Stephen Biko to death while he was in custody. As protests mounted, the government declared a nationwide state of emergency in 1986.
Struggle for Democracy

By the late 1980s, South Africa was under great pressure to change. For years, a black South African bishop, Desmond Tutu, had led an economic campaign against apartheid. He asked foreign nations not to do business with South Africa. In response, many nations imposed trade restrictions. They also isolated South Africa in other ways, for example, by banning South Africa from the Olympic Games. (In 1984, Tutu won the Nobel Peace Prize for his nonviolent methods.)

The First Steps In 1989, white South Africans elected a new president, F. W. de Klerk. His goal was to transform South Africa and end its isolation. In February 1990, he legalized the ANC and also released Nelson Mandela from prison.

These dramatic actions marked the beginning of a new era in South Africa. Over the next 18 months, the South African parliament repealed apartheid laws that had segregated public facilities and restricted land ownership by blacks. World leaders welcomed these changes and began to ease restrictions on South Africa.

Although some legal barriers had fallen, others would remain until a new constitution was in place. First, the country needed to form a multiracial government. After lengthy negotiations, President de Klerk agreed to hold South Africa’s first universal elections, in which people of all races could vote, in April 1994.

Majority Rule Among the candidates for president were F. W. de Klerk and Nelson Mandela. During the campaign, the Inkatha Freedom Party—a rival party to the ANC—threatened to disrupt the process. Nevertheless, the vote went smoothly. South Africans of all races peacefully waited at the polls in long lines. To no one’s surprise, the ANC won 63 percent of the vote. They won 252 of 400 seats in the National Assembly (the larger of the two houses in Parliament). Mandela was elected president. Mandela stepped down in 1999, but the nation’s democratic government continued.

A New Constitution In 1996, after much debate, South African lawmakers passed a new, more democratic constitution. It guaranteed equal rights for all citizens. The constitution included a bill of rights modeled on the U.S. Bill of Rights. The political changes that South Africa had achieved gave other peoples around the world great hope for the future of democracy.

South Africa Today In 1999, ANC official Thabo Mbeki won election as president in a peaceful transition of power. As Mbeki assumed office, he faced a number of serious challenges. These included high crime rates—South Africa’s
rape and murder rates were among the highest in the world. Unemployment stood at about 40 percent among South Africa’s blacks, and about 60 percent lived below the poverty level. In addition, an economic downturn discouraged foreign investment.

Mbeki promoted a free-market economic policy to repair South Africa’s infrastructure and to encourage foreign investors. In 2002, South Africa was engaged in negotiations to establish free-trade agreements with a number of countries around the world, including those of the European Union as well as Japan, Canada, and the United States. This was an attempt at opening the South African economy to foreign competition and investment, and promoting growth and employment.

One of the biggest problems facing South Africa was the AIDS epidemic. Some estimates concluded that 6 million South Africans were likely to die of AIDS by 2010. Mbeki disputed that AIDS was caused by HIV (human immunodeficiency virus). His opinion put South Africa at odds with the scientific consensus throughout the world. The New York Times stated that Mbeki was in danger of undermining “all his good work with his stance on AIDS.”

In Section 3, you will read how democratic ideas changed another part of the world, the Communist Soviet Union.
The Collapse of the Soviet Union

**MAIN IDEA**

**REVOLUTION** Democratic reforms brought important changes to the Soviet Union.

**WHY IT MATTERS NOW**

Russia continues to struggle to establish democracy.

**TERMS & NAMES**

- Politburo
- Mikhail Gorbachev
- glasnost
- perestroika
- Boris Yeltsin
- CIS
- “shock therapy”

**SETTING THE STAGE** After World War II, the Soviet Union and the United States engaged in a Cold War, which you read about in Chapter 33. Each tried to increase its worldwide influence. The Soviet Union extended its power over much of Eastern Europe. By the 1960s, it appeared that communism was permanently established in the region. During the 1960s and 1970s, the Soviet Union’s Communist leadership kept tight control over the Soviet people. But big changes, including democratic reforms, were on the horizon.

**Gorbachev Moves Toward Democracy**

Soviet premier Leonid Brezhnev and the Politburo—the ruling committee of the Communist Party—crushed all political disagreement. Censors decided what writers could publish. The Communist Party also restricted freedom of speech and worship. After Brezhnev’s death in 1982, the aging leadership of the Soviet Union tried to hold on to power. However, each of Brezhnev’s two successors died after only about a year in office. Who would succeed them?

**A Younger Leader** To answer that question, the Politburo debated between two men. One was Mikhail Gorbachev (mih•KYL GAWR•buh•chawf). Gorbachev’s supporters praised his youth, energy, and political skills. With their backing, Gorbachev became the party’s new general secretary. In choosing him, Politburo members did not realize they were unleashing another Russian Revolution.

The Soviet people welcomed Gorbachev’s election. At 54, he was the youngest Soviet leader since Stalin. Gorbachev was only a child during Stalin’s ruthless purge of independent-minded party members. Unlike other Soviet leaders, Gorbachev decided to pursue new ideas.

**Glasnost Promotes Openness** Past Soviet leaders had created a totalitarian state. It rewarded silence and discouraged individuals from acting on their own. As a result, Soviet society rarely changed, and the Soviet economy stagnated. Gorbachev realized that economic and social reforms could not occur without a free flow of ideas and information. In 1985, he announced a policy known as glasnost (GLAHS•nuhst), or openness.

Glasnost brought remarkable changes. The government allowed churches to open. It released dissidents from prison and allowed the publication of books by previously banned authors. Reporters investigated problems and criticized officials.
Reforming the Economy and Politics

The new openness allowed Soviet citizens to complain about economic problems. Consumers protested that they had to stand in lines to buy food and other basics.

Economic Restructuring  Gorbachev blamed these problems on the Soviet Union’s inefficient system of central planning. Under central planning, party officials told farm and factory managers how much to produce. They also told them what wages to pay and what prices to charge. Because individuals could not increase their pay by producing more, they had little motive to improve efficiency.

In 1985, Gorbachev introduced the idea of perestroika (peh•ehr•ih•STROY•kuh), or economic restructuring. In 1986, he made changes to revive the Soviet economy. Local managers gained greater authority over their farms and factories, and people were allowed to open small private businesses. Gorbachev’s goal was not to throw out communism, but to make the economic system more efficient and productive.

Democratization Opens the Political System  Gorbachev also knew that for the economy to improve, the Communist Party would have to loosen its grip on Soviet society and politics. In 1987, he unveiled a third new policy, called democratization. This would be a gradual opening of the political system.

The plan called for the election of a new legislative body. In the past, voters had merely approved candidates who were handpicked by the Communist Party. Now, voters could choose from a list of candidates for each office. The election produced many surprises. In several places, voters chose lesser-known candidates and reformers over powerful party bosses.

Foreign Policy  Soviet foreign policy also changed. To compete militarily with the Soviet Union, President Ronald Reagan had begun the most expensive military buildup in peacetime history, costing more than $2 trillion. Under pressure from U.S. military spending, Gorbachev realized that the Soviet economy could not afford the costly arms race. Arms control became one of Gorbachev’s top priorities. In December 1987, he and Reagan signed the Intermediate-Range Nuclear Forces (INF) Treaty. This treaty banned nuclear missiles with ranges of 300 to 3,400 miles.
The Soviet Union Faces Turmoil

Gorbachev’s new thinking led him to support movements for change in both the economic and political systems within the Soviet Union. Powerful forces for democracy were building in the country, and Gorbachev decided not to oppose reform. Glasnost, perestroika, and democratization were all means to reform the system. However, the move to reform the Soviet Union ultimately led to its breakup.

Various nationalities in the Soviet Union began to call for their freedom. More than 100 ethnic groups lived in the Soviet Union. Russians were the largest, most powerful group. However, non-Russians formed a majority in the 14 Soviet republics other than Russia.

Ethnic tensions brewed beneath the surface of Soviet society. As reforms loosened central controls, unrest spread across the country. Nationalist groups in Georgia, Ukraine, and Moldavia (now Moldova) demanded self-rule. The Muslim peoples of Soviet Central Asia called for religious freedom.

Lithuania Defies Gorbachev

The first challenge came from the Baltic nations of Lithuania, Estonia, and Latvia. These republics had been independent states between the two world wars, until the Soviets annexed them in 1940. Fifty years later, in March 1990, Lithuania declared its independence. To try to force it back into the Soviet Union, Gorbachev ordered an economic blockade of the republic.

Although Gorbachev was reluctant to use stronger measures, he feared that Lithuania’s example might encourage other republics to secede. In January 1991, Soviet troops attacked unarmed civilians in Lithuania’s capital. The army killed 14 and wounded hundreds.

Yeltsin Denounces Gorbachev

The assault in Lithuania and the lack of economic progress damaged Gorbachev’s popularity. People looked for leadership to Boris Yeltsin. He was a member of parliament and former mayor of Moscow. Yeltsin criticized the crackdown in Lithuania and the slow pace of reforms. In June 1991, voters chose Yeltsin to become the Russian Federation’s first directly elected president.

In spite of their rivalry, Yeltsin and Gorbachev faced a common enemy in the old guard of Communist officials. Hard-liners—conservatives who opposed reform—were furious that Gorbachev had given up the Soviet Union’s role as the dominant force in Eastern Europe. They also feared losing their power and privileges. These officials vowed to overthrow Gorbachev and undo his reforms.
The August Coup  On August 18, 1991, the hardliners detained Gorbachev at his vacation home on the Black Sea. They demanded his resignation as Soviet president. Early the next day, hundreds of tanks and armored vehicles rolled into Moscow. However, the Soviet people had lost their fear of the party. They were willing to defend their freedoms. Protesters gathered at the Russian parliament building, where Yeltsin had his office.

Around midday, Yeltsin emerged and climbed atop one of the tanks. As his supporters cheered, Yeltsin declared, “We proclaim all decisions and decrees of this committee to be illegal. . . . We appeal to the citizens of Russia to . . . demand a return of the country to normal constitutional developments.”

On August 20, the hardliners ordered troops to attack the parliament building, but they refused. Their refusal turned the tide. On August 21, the military withdrew its forces from Moscow. That night, Gorbachev returned to Moscow.

End of the Soviet Union  The coup attempt sparked anger against the Communist Party. Gorbachev resigned as general secretary of the party. The Soviet parliament voted to stop all party activities. Having first seized power in 1917 in a coup that succeeded, the Communist Party now collapsed because of a coup that failed.

The coup also played a decisive role in accelerating the breakup of the Soviet Union. Estonia and Latvia quickly declared their independence. Other republics soon followed. Although Gorbachev pleaded for unity, no one was listening. By early December, all 15 republics had declared independence.

Yeltsin met with the leaders of other republics to chart a new course. They agreed to form the Commonwealth of Independent States, or CIS, a loose federation of former Soviet territories. Only the Baltic republics and Georgia declined to
join. The formation of the CIS meant the death of the Soviet Union. On Christmas Day 1991, Gorbachev announced his resignation as president of the Soviet Union, a country that ceased to exist.

## Russia Under Boris Yeltsin

As president of the large Russian Federation, Boris Yeltsin was now the most powerful figure in the CIS. He would face many problems, including an ailing economy, tough political opposition, and an unpopular war.

### Yeltsin Faces Problems

One of Yeltsin’s goals was to reform the Russian economy. He adopted a bold plan known as “shock therapy,” an abrupt shift to free-market economics. Yeltsin lowered trade barriers, removed price controls, and ended subsidies to state-owned industries.

Initially, the plan produced more shock than therapy. Prices soared; from 1992 to 1994, the inflation rate averaged 800 percent. Many factories dependent on government money had to cut production or shut down entirely. This forced thousands of people out of work. By 1993, most Russians were suffering economic hardship:

**PRIMARY SOURCE**

A visitor to Moscow cannot escape the feeling of a society in collapse. Child beggars accost foreigners on the street. . . . Children ask why they should stay in school when educated professionals do not make enough money to survive. . . . A garment worker complains that now her wages do not cover even the food bills, while fear of growing crime makes her dread leaving home.

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David M. Kotz, "The Cure That Could Kill"

Economic problems fueled a political crisis. In October 1993, legislators opposed to Yeltsin’s policies shut themselves inside the parliament building. Yeltsin ordered troops to bombard the building, forcing hundreds of rebel legislators to surrender. Many were killed. Opponents accused Yeltsin of acting like a dictator.

### Chechnya Rebels

Yeltsin’s troubles included war in Chechnya (CHEHCH•nee•uh), a largely Muslim area in southwestern Russia. In 1991, Chechnya declared its independence, but Yeltsin denied the region’s right to secede. In 1994, he ordered 40,000 Russian troops into the breakaway republic. Russian forces reduced the capital city of Grozny (GROHZ•nee) to rubble. News of the death and destruction sparked anger throughout Russia.

With an election coming, Yeltsin sought to end the war. In August 1996, the two sides signed a cease-fire. That year, Yeltsin won reelection. War soon broke out again between Russia and Chechnya, however. In 1999, as the fighting raged, Yeltsin resigned and named Vladimir Putin as acting president.
Russia Under Vladimir Putin

Putin forcefully dealt with the rebellion in Chechnya—a popular move that helped him win the presidential election in 2000. Nonetheless, the fighting in the region dragged on for years.

Troubles Continue in Chechnya In 2002, Russia said that the war in Chechnya was nearing an end. In July 2002, the Kremlin said it would begin pulling some of its 80,000 troops out of Chechnya, but Russia had made and broken such a promise before. Then, in October 2002, Chechen rebels seized a theater in Moscow, and more than 150 people died in the rescue attempt by Russian forces.

Economic, Political, and Social Problems The nation’s economic problems continued, and some observers wondered whether Russian democracy could survive. A decade of change and reform between 1992 and 2002 caused enormous social upheaval in Russia. Experts estimated that there were between 30,000 and 50,000 homeless children on the streets of Moscow. About half of these children were younger than 13. Other indications of a society experiencing severe stress included high rates of domestic violence and unemployment, a steep population decline, and declines in the standard of living and the average life expectancy.

Nonetheless, there were some signs of improvement under Putin. He stated that he favored a market economy, but one adapted to Russia’s special circumstances. Unrest in the Soviet Union had an enormous impact on Central and Eastern Europe, as you will read in the next section.
CULTURAL INTERACTION
Changes in the Soviet Union led to changes throughout Central and Eastern Europe.

WHY IT MATTERS NOW
Many Eastern European nations that overthrew Communist governments are still struggling with reform.

TERMS & NAMES
• Solidarity
• Lech Walesa
• reunification
• ethnic cleansing

SETTING THE STAGE
The Soviet reforms of the late 1980s brought high hopes to the people of Central and Eastern Europe. For the first time in decades, they were free to make choices about the economic and political systems governing their lives. However, they soon discovered that increased freedom sometimes challenges the social order. Mikhail Gorbachev’s new thinking in the Soviet Union led him to urge Central and Eastern European leaders to open up their economic and political systems.

Poland and Hungary Reform

The aging Communist rulers of Europe resisted reform. However, powerful forces for democracy were building in their countries. In the past, the threat of Soviet intervention had kept such forces in check. Now, Gorbachev was saying that the Soviet Union would not oppose reform.

Poland and Hungary were among the first countries in Eastern Europe to embrace the spirit of change. In 1980, Polish workers at the Gdansk shipyard went on strike, demanding government recognition of their union, Solidarity. When millions of Poles supported the action, the government gave in to the union’s demands. Union leader Lech Walesa (lehk vah•WEHN•sah) became a national hero.

Solidarity Defeats Communists
The next year, however, the Polish government banned Solidarity again and declared martial law. The Communist Party discovered that military rule could not revive Poland’s failing economy. In the 1980s, industrial production declined, while foreign debt rose to more than $40 billion. Public discontent deepened as the economic crisis worsened. In August 1988, defiant workers walked off their jobs. They demanded raises and the legalization of Solidarity. The military leader, General Jaruzelski (YA H•roo•ZEHL•skee), agreed to hold talks with Solidarity leaders. In April 1989, Jaruzelski legalized Solidarity and agreed to hold Poland’s first free election since the Communists took power.

In elections during 1989 and 1990, Polish voters voted against Communists and overwhelmingly chose Solidarity candidates. They elected Lech Walesa president.

Poland Votes Out Walesa
After becoming president in 1990, Lech Walesa tried to revive Poland’s bankrupt economy. Like Boris Yeltsin, he adopted a strategy of shock therapy to move Poland toward a free-market economy. As in Russia, inflation and unemployment shot up. By the mid-1990s, the economy was improving.
Nevertheless, many Poles remained unhappy with the pace of economic progress. In the elections of 1995, they turned Walesa out of office in favor of a former Communist, Aleksander Kwasniewski (kfahs•N’YEHF•skee).

**Poland Under Kwasniewski** President Kwasniewski led Poland in its drive to become part of a broader European community. In 1999, Poland became a full member of NATO. As a NATO member, Poland provided strong support in the war against terrorism after the attack on the World Trade Center in New York on September 11, 2001. In appreciation of Poland’s support, President Bush invited Kwasniewski to Washington for a formal state visit in July 2002.

Kwasniewski continued the efforts of previous leaders to establish a strong market economy in Poland. Although unemployment and poverty continued to be deep-rooted problems, Kwasniewski pushed for democracy and free markets.

**Hungarian Communists Disband** Inspired by the changes in Poland, Hungarian leaders launched a sweeping reform program. To stimulate economic growth, reformers encouraged private enterprise and allowed a small stock market to operate. A new constitution permitted a multiparty system with free elections.

The pace of change grew faster when radical reformers took over a Communist Party congress in October 1989. The radicals deposed the party’s leaders and then dissolved the party itself. Here was another first: a European Communist Party had voted itself out of existence. A year later, in national elections, the nation’s voters put a non-Communist government in power.

In 1994, a socialist party—largely made up of former Communists—won a majority of seats in Hungary’s parliament. The socialist party and a democratic party formed a coalition, or alliance, to rule.

In parliamentary elections in 1998, a liberal party won the most seats in the National Assembly. In 1999, Hungary joined the North Atlantic Treaty Organization as a full member. In the year 2001, there was a general economic downturn in Hungary. This was due to weak exports, decline in foreign investment, and excessive spending on state pensions and increased minimum wages.

**Germany Reunifies** While Poland and Hungary were moving toward reform, East Germany’s 77-year-old party boss, Erich Honecker, dismissed reforms as unnecessary. Then, in 1989, Hungary allowed vacationing East German tourists to cross the border into Austria. From there they could travel to West Germany. Thousands of East Germans took this new escape route to the west.

**Fall of the Berlin Wall** In response, the East German government closed its borders entirely. By October 1989, huge demonstrations had broken out...
in cities across East Germany. The protesters demanded the right to travel freely, and later added the demand for free elections. Honecker lost his authority with the party and resigned on October 18.

In June 1987, President Reagan had stood before the Berlin Wall and demanded: “Mr. Gorbachev, tear down this wall!” Two years later, the wall was indeed about to come down. The new East German leader, Egon Krenz, boldly gambled that he could restore stability by allowing people to leave East Germany. On November 9, 1989, he opened the Berlin Wall. The long-divided city of Berlin erupted in joyous celebration. Krenz’s dramatic gamble to save communism did not work. By the end of 1989, the East German Communist Party had ceased to exist.

**Reunification** With the fall of Communism in East Germany, many Germans began to speak of *reunification*—the merging of the two Germanys. However, the movement for reunification worried many people, who feared a united Germany.

The West German chancellor, Helmut Kohl, assured world leaders that Germans had learned from the past. They were now committed to democracy and human rights. Kohl’s assurances helped persuade other European nations to accept German reunification. Germany was officially reunited on October 3, 1990.

**Germany’s Challenges** The newly united Germany faced serious problems. More than 40 years of Communist rule had left eastern Germany in ruins. Its railroads, highways, and telephone system had not been modernized since World War II. East German industries produced goods that could not compete in the global market.

Rebuilding eastern Germany’s bankrupt economy was going to be a difficult, costly process. To pay these costs, Kohl raised taxes. As taxpayers tightened their belts, workers in eastern Germany faced a second problem—unemployment. Inefficient factories closed, depriving millions of workers of their jobs.

**A New Chancellor** In 1998, voters turned Kohl out of office and elected a new chancellor, Gerhard Schroeder, of the Socialist Democratic Party. Schroeder started out as a market reformer, but the slow growth of the German economy made the task of reform difficult. Although Germany had the world’s third largest economy, it was the slowest-growing economy in Europe in the early years of the 21st century. Germany’s unemployment rate was among the highest in Europe, and rising inflation was also a continuing problem. Nonetheless, Schroeder won re-election in 2002.

Reunification forced Germany to rethink its role in international affairs. As Central Europe’s largest country, Germany gained global responsibilities. Schroeder and his foreign minister took an active role in European affairs.
Democracy Spreads in Czechoslovakia

Changes in East Germany affected other European countries, including Czechoslovakia and Romania.

Czechoslovakia Reforms While huge crowds were demanding democracy in East Germany, neighboring Czechoslovakia remained quiet. A conservative government led by Milos Jakes resisted all change. In 1989, the police arrested several dissidents. Among these was the Czech playwright Václav Havel (VAH•tslahv HA•vehl), a popular critic of the government.

On October 28, 1989, about 10,000 people gathered in Wenceslas Square in the center of Prague. They demanded democracy and freedom. Hundreds were arrested. Three weeks later, about 25,000 students inspired by the fall of the Berlin Wall gathered in Prague to demand reform. Following orders from the government, the police brutally attacked the demonstrators and injured hundreds.

The government crackdown angered the Czech people. Huge crowds gathered in Wenceslas Square. They demanded an end to Communist rule. On November 25, about 500,000 protesters crowded into downtown Prague. Within hours, Milos Jakes and his entire Politburo resigned. One month later, a new parliament elected Václav Havel president of Czechoslovakia.

Czechoslovakia Breaks Up In Czechoslovakia, reformers also launched an economic program based on shock therapy. The program caused a sharp rise in unemployment. It especially hurt Slovakia, the republic occupying the eastern third of Czechoslovakia.

Unable to agree on economic policy, the country’s two parts—Slovakia and the Czech Republic—drifted apart. In spite of President Václav Havel’s pleas for unity, a movement to split the nation gained support among the people. Havel resigned because of this. Czechoslovakia split into two countries on January 1, 1993.

Havel was elected president of the Czech Republic. He won reelection in 1998. Then, in 2003, Havel stepped down as president, in part because of ill health. The Czech parliament chose Vaclav Klaus, a right-wing economist and former prime minister, to succeed him. The economy of the Czech Republic slowly improved in the face of some serious problems. The Czech Republic pushed to become a full member of the European Union (EU) by 2004.

Slovakia, too, proceeded on a reformist, pro-Western path. It experienced one of the highest economic growth rates in the region in 2002. It hoped to join both NATO and the EU in the near future.

Overthrow in Romania

By late 1989, only Romania seemed unmoved by the calls for reform. Romania’s ruthless Communist dictator Nicolae Ceausescu (chow•SHES•koo) maintained a firm grip on power. His secret police enforced his orders brutally. Nevertheless, Romanians were aware of the reforms in other countries. They began a protest movement of their own.

A Popular Uprising In December, Ceausescu ordered the army to fire on demonstrators in the city of Timisoara.
(tee•mee•SHWAH•rah). The army killed and wounded hundreds of people. The massacre in Timisoara ignited a popular uprising against Ceausescu. Within days, the army joined the people. Shocked by the collapse of his power, Ceausescu and his wife attempted to flee. They were captured, however, and then tried and executed on Christmas Day, 1989. Romania held general elections in 1990, 1992, and 1996. In the 2000 elections, Ion Iliescu was elected to a third term as president.

**The Romanian Economy** Throughout the 1990s, Romania struggled with corruption and crime as it tried to salvage its economy. In 2001, overall production was still only 75 percent of what it had been in 1989, the year of Ceausescu’s overthrow. In the first years of the 21st century, two-thirds of the economy was still state owned. However, the government made economic reforms to introduce elements of capitalism. The government also began to reduce the layers of bureaucracy in order to encourage foreign investors. Furthermore, in order to achieve membership in the European Union, the Romanian government began to move away from a state-controlled economy.

**The Breakup of Yugoslavia**

Ethnic conflict plagued Yugoslavia. This country, formed after World War I, had eight major ethnic groups—Serbs, Croats, Muslims, Slovenes, Macedonians, Albanians, Hungarians, and Montenegrins. Ethnic and religious differences dating back centuries caused these groups to view one another with suspicion. After World War II, Yugoslavia became a federation of six republics. Each republic had a mixed population.

**A Bloody Breakup** Josip Tito, who led Yugoslavia from 1945 to 1980, held the country together. After Tito’s death, ethnic resentments boiled over. Serbian leader Slobodan Milosevic (mee•LOH•sheh•vihch) asserted leadership over Yugoslavia. Many Serbs opposed Milosevic and his policies and fled the country.

Two republics, Slovenia and Croatia, declared independence. In June 1991, the Serbian-led Yugoslav army invaded both republics. After months of bloody fighting, both republics freed themselves from Serbian rule. Early in 1992, Bosnia-Herzegovina joined Slovenia and Croatia in declaring independence. (In April, Serbia and Montenegro formed a new Yugoslavia.) Bosnia’s population included Muslims (44 percent), Serbs (31 percent), and Croats (17 percent). While Bosnia’s Muslims and Croats backed independence, Bosnian Serbs strongly opposed it. Supported by Serbia, the Bosnian Serbs launched a war in March 1992.

During the war, Serbian military forces used violence and forced emigration against Bosnian Muslims living in Serb-held lands. Called **ethnic cleansing**, this policy was intended to rid Bosnia of its Muslim population. By 1995, the Serbian military controlled 70 percent of Bosnia. In December of that year, leaders of the three factions involved in the war signed a UN- and U.S.-brokered peace treaty. In September 1996, Bosnians elected a three-person presidency, one leader from each ethnic group. By 2001, Bosnia and
Ethnic Groups in the Former Yugoslavia

Many ethnic and religious groups lived within Yugoslavia, which was a federation of six republics. The map shows how the ethnic groups were distributed. Some of those groups held ancient grudges against one another. The chart summarizes some of the cultural differences among the groups.

**Differences Among the Ethnic Groups**

<table>
<thead>
<tr>
<th>Group</th>
<th>Language (slavic unless noted)</th>
<th>Religion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albanians</td>
<td>Albanian (not Slavic)</td>
<td>mostly Muslim</td>
</tr>
<tr>
<td>Croats</td>
<td>dialect of Serbo-Croatian*</td>
<td>mostly Roman Catholic</td>
</tr>
<tr>
<td>Hungarians</td>
<td>Magyar (not Slavic)</td>
<td>many types of Christians</td>
</tr>
<tr>
<td>Macedonians</td>
<td>Macedonian</td>
<td>mostly Eastern Orthodox</td>
</tr>
<tr>
<td>Montenegrins</td>
<td>dialect of Serbo-Croatian*</td>
<td>mostly Eastern Orthodox</td>
</tr>
<tr>
<td>Muslims</td>
<td>dialect of Serbo-Croatian*</td>
<td>Muslim (converted under Ottoman rule)</td>
</tr>
<tr>
<td>Serbs</td>
<td>dialect of Serbo-Croatian*</td>
<td>mostly Eastern Orthodox</td>
</tr>
<tr>
<td>Slovenes</td>
<td>Slovenian</td>
<td>mostly Roman Catholic</td>
</tr>
</tbody>
</table>

* Since Yugoslavia broke apart, many residents of the former republics have started to refer to their dialects as separate languages: Croatian for Croats, Bosnian for Muslims, Serbian for Serbs and Montenegrins.

**SKILLBUILDER: Interpreting Visuals**

1. **Analyzing Issues** Use the chart to find out information about the various groups that lived in Bosnia and Herzegovina (as shown on the map). What were some of the differences among those groups?
2. **Contrasting** Kosovo was a province within Serbia. What group was in the majority there, and how did it differ from Serbs?
Herzegovina began to stand on its own without as much need for supervision by the international community.

**Rebellion in Kosovo** The Balkan region descended into violence and bloodshed again in 1998, this time in Kosovo, a province in southern Serbia made up almost entirely of ethnic Albanians. As an independence movement in Kosovo grew increasingly violent, Serbian military forces invaded the province and fought back with a harsh hand. In response to growing reports of atrocities—and the failure of diplomacy to bring peace—NATO began a bombing campaign against Yugoslavia in the spring of 1999. After enduring more than two months of sustained bombing, Yugoslav leaders finally withdrew their troops from Kosovo.

**The Region Faces Its Problems** In the early years of the 21st century, there were conflicting signs in Yugoslavia. Slobodan Milosevic was extradited to stand trial for war crimes. A large portion of the country’s foreign debt was erased. Despite an independence movement in Kosovo, parliamentary elections under UN supervision took place in November 2001 without violence.

And in Montenegro (which together with Serbia made up Yugoslavia), an independence movement seemed to lack support from the people as well as from the international community. Nonetheless, in February 2003, Yugoslavia’s parliament voted to replace what remained of the federation with a loose union of Serbia and Montenegro. Outright independence for each could come as early as 2006. However, problems remained, as indicated by the assassination of the Serbian prime minister, Zoran Djindjic, in March 2003.

The nations of Central and Eastern Europe made many gains in the early years of the 21st century. Even so, they continued to face serious obstacles to democracy. Resolving ethnic conflicts remained crucial, as did economic progress. If the nations of Central and Eastern Europe and the former Soviet Union can improve their standard of living, democracy may have a better chance to grow. Meanwhile, economic reforms in Communist China sparked demands for political reforms, as you will read in the next section.
China: Reform and Reaction

**MAIN IDEA**

**CULTURAL INTERACTION** In response to contact with the West, China’s government has experimented with capitalism but has rejected calls for democracy.

**WHY IT MATTERS NOW**

After the 1997 death of Chinese leader Deng Xiaoping, President Jiang Zemin seemed to be continuing Deng’s policies.

**TERMS & NAMES**

- Zhou Enlai
- Deng Xiaoping
- Four Modernizations
- Tiananmen Square
- Hong Kong

**SETTING THE STAGE**

The trend toward democracy around the world also affected China to a limited degree. A political reform movement arose in the late 1980s. It built on economic reforms begun earlier in the decade. However, although the leadership of the Communist Party in China generally supported economic reform, it opposed political reform. China’s Communist government clamped down on the political reformers. At the same time, it maintained a firm grip on power in the country.

**The Legacy of Mao**

After the Communists came to power in China in 1949, Mao Zedong set out to transform China. Mao believed that peasant equality, revolutionary spirit, and hard work were all that was needed to improve the Chinese economy.

However, lack of modern technology damaged Chinese efforts to increase agricultural and industrial output. In addition, Mao’s policies stifled economic growth. He eliminated incentives for higher production. He tried to replace family life with life in the communes. These policies took away the peasants’ motive to work for the good of themselves and their families.

Facing economic disaster, some Chinese Communists talked of modernizing the economy. Accusing them of “taking the capitalist road,” Mao began the Cultural Revolution in 1966 to cleanse China of antirevolutionary influences.

**Mao’s Attempts to Change China**

<table>
<thead>
<tr>
<th><strong>Mao’s Programs</strong></th>
<th><strong>Program Results</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>First Five-Year Plan</td>
<td>• Industry grew 15 percent a year.</td>
</tr>
<tr>
<td>1953–1957</td>
<td>• Agricultural output grew very slowly.</td>
</tr>
<tr>
<td>Great Leap Forward</td>
<td>• China suffered economic disaster—industrial declines and food shortages.</td>
</tr>
<tr>
<td>Cultural Revolution</td>
<td>• Mao regained influence by backing radicals.</td>
</tr>
<tr>
<td>1966–1976</td>
<td>• Purges and conflicts among leaders created economic, social, and political chaos.</td>
</tr>
</tbody>
</table>
Instead of saving radical communism, however, the Cultural Revolution turned many people against it. In the early 1970s, China entered another moderate period under Zhou Enlai (joh eh•n•ly). Zhou had been premier since 1949. During the Cultural Revolution, he had tried to restrain the radicals.

**China and the West**

Throughout the Cultural Revolution, China played almost no role in world affairs. In the early 1960s, China had split with the Soviet Union over the leadership of world communism. In addition, China displayed hostility toward the United States because of U.S. support for the government on Taiwan.

**China Opened Its Doors** China’s isolation worried Zhou. He began to send out signals that he was willing to form ties to the West. In 1971, Zhou startled the world by inviting an American table-tennis team to tour China. It was the first visit by an American group to China since 1949.

The visit began a new era in Chinese-American relations. In 1971, the United States reversed its policy and endorsed UN membership for the People’s Republic of China. The next year, President Nixon made a state visit to China. He met with Mao and Zhou. The three leaders agreed to begin cultural exchanges and a limited amount of trade. In 1979, the United States and China established diplomatic relations.

**Economic Reform** Both Mao and Zhou died in 1976. Shortly afterward, moderates took control of the Communist Party. They jailed several of the radicals who had led the Cultural Revolution. By 1980, Deng Xiaoping (duhng show•pihng) had emerged as the most powerful leader in China. He was the last of the “old revolutionaries” who had ruled China since 1949.

Although a lifelong Communist, Deng boldly supported moderate economic policies. Unlike Mao, he was willing to use capitalist ideas to help China’s economy. He embraced a set of goals known as the Four Modernizations. These called for progress in agriculture, industry, defense, and science and technology. Deng launched an ambitious program of economic reforms.

First, Deng eliminated Mao’s communes and leased the land to individual farmers. The farmers paid rent by delivering a fixed quota of food to the government. They could then grow crops and sell them for a profit. Under this system, food production increased by 50 percent in the years 1978 to 1984.

Deng extended his program to industry. The government permitted private businesses to operate. It gave the managers of state-owned industries more freedom to set production goals. Deng also welcomed foreign technology and investment.

Deng’s economic policies produced striking changes in Chinese life. As incomes increased, people began to buy appliances and televisions. Chinese youths now wore stylish clothes and listened to Western music. Gleaming hotels filled with foreign tourists symbolized China’s new policy of openness.
Massacre in Tiananmen Square

Deng’s economic reforms produced a number of unexpected problems. As living standards improved, the gap between the rich and poor widened. Increasingly, the public believed that party officials profited from their positions.

Furthermore, the new policies admitted not only Western investments and tourists but also Western political ideas. Increasing numbers of Chinese students studied abroad and learned about the West. In Deng’s view, the benefits of opening the economy exceeded the risks. Nevertheless, as Chinese students learned more about democracy, they began to question China’s lack of political freedom.

Students Demand Democracy  In 1989, students sparked a popular uprising that stunned China’s leaders. Beginning in April of that year, more than 100,000 students occupied Tiananmen (tyahn•ahn•mehn) Square, a huge public space in the heart of Beijing. The students mounted a protest for democracy. (See photograph on page 1064.)

The student protest won widespread popular support. When thousands of students began a hunger strike to highlight their cause, people poured into Tiananmen Square to support them. Many students called for Deng Xiaoping to resign.

Deng Orders a Crackdown  Instead of considering political reform, Deng declared martial law. He ordered about 100,000 troops to surround Beijing. Although many students left the square after martial law was declared, about 5,000 chose to remain and continue their protest. The students revived their spirits by defiantly erecting a 33-foot statue that they named the “Goddess of Democracy.”

On June 4, 1989, the standoff came to an end. Thousands of heavily armed soldiers stormed Tiananmen Square. Tanks smashed through barricades and crushed the Goddess of Democracy. Soldiers sprayed gunfire into crowds of frightened students. They also attacked protesters elsewhere in Beijing. The assault killed hundreds and wounded thousands.

Training the Chinese Army

After the massacre in Tiananmen Square, Xiao Ye (a former Chinese soldier living in the United States) explained how Chinese soldiers are trained to obey orders without complaint.

PRIMARY SOURCE

We usually developed bleeding blisters on our feet after a few days of . . . hiking. Our feet were a mass of soggy peeling flesh and blood, and the pain was almost unbearable. . . . We considered the physical challenge a means of tempering [hardening] ourselves for the sake of the Party. . . . No one wanted to look bad. . . .

And during the days in Tiananmen, once again the soldiers did not complain. They obediently drove forward, aimed, and opened fire on command. In light of their training, how could it have been otherwise?

XIAO YE, “Tiananmen Square: A Soldier’s Story”

DOCUMENT-BASED QUESTIONS

1. Making Inferences  For whom did the soldiers seem to believe they were making their physical sacrifices?

2. Drawing Conclusions  What attitude toward obeying orders did their training seem to encourage in the soldiers?
The attack on Tiananmen Square marked the beginning of a massive government campaign to stamp out protest. Police arrested thousands of people. The state used the media to announce that reports of a massacre were untrue. Officials claimed that a small group of criminals had plotted against the government. Television news, however, had already broadcast the truth to the world.

**China Enters the New Millennium**

The brutal repression of the prodemocracy movement left Deng firmly in control of China. During the final years of his life, Deng continued his program of economic reforms.

Although Deng moved out of the limelight in 1995, he remained China’s leader. In February 1997, after a long illness, Deng died. Communist Party General Secretary Jiang Zemin (jee•ahng zeh•meen) assumed the presidency.

**China Under Jiang**

Many questions arose after Deng’s death. What kind of leader would Jiang be? Would he be able to hold on to power and ensure political stability? A highly intelligent and educated man, Jiang had served as mayor of Shanghai. He was considered skilled, flexible, and practical. However, he had no military experience. Therefore, Jiang had few allies among the generals. He also faced challenges from rivals, including hard-line officials who favored a shift away from Deng’s economic policies.

Other questions following Deng’s death had to do with China’s poor human rights record, its occupation of Tibet, and relations with the United States. During the 1990s, the United States pressured China to release political prisoners and ensure basic rights for political opponents. China remained hostile to such pressure. Its government continued to repress the prodemocracy movement. Nevertheless, the desire for freedom still ran through Chinese society. If China remained economically open but politically closed, tensions seemed bound to surface.

In late 1997, Jiang paid a state visit to the United States. During his visit, U.S. protesters demanded more democracy in China. Jiang admitted that China had made some mistakes but refused to promise that China’s policies would change.

President Jiang Zemin and Premier Zhu Rongji announced their retirement in late 2002. Jiang’s successor was Hu Jintao. However, Jiang was expected to wield influence over his successor behind the scenes. Hu became president of the country and general secretary of the Communist Party. Jiang remained political leader of the military. Both supported China’s move to a market economy.

**Transfer of Hong Kong**

Another major issue for China was the status of Hong Kong. Hong Kong was a thriving business center and British colony on the southeastern coast of China. On July 1, 1997, Great Britain handed Hong Kong over to China, ending 155 years of colonial rule. As part of the transfer, China promised to respect Hong Kong’s economic system and political liberties for 50 years.

Many of Hong Kong’s citizens worried about Chinese rule and feared the loss of their freedoms. Others, however, saw the transfer as a way to reconnect with their Chinese
heritage. In the first four or five years after the transfer, the control of mainland China over Hong Kong tightened.

**China Beyond 2000**

The case of China demonstrates that the creation of democracy can be a slow, fitful, and incomplete process. Liberal reforms in one area, such as the economy, may not lead immediately to political reforms.

**Economics and Politics** In China, there has been a dramatic reduction in poverty. Some experts argue that China managed to reform its economy and reduce poverty because it adopted a gradual approach to selling off state industries and privatizing the economy rather than a more abrupt approach. At any rate, as the global economy slowed in the early years of the 21st century, China managed to maintain economic growth.

People in China and around the world have a desire for more political freedom. As economic and social conditions improve—for example, as the middle class expands and educational opportunities grow—the prospects for democracy also may improve. In addition, as countries are increasingly linked through technology and trade, they will have more opportunity to influence each other politically. In 2000, for example, the U.S. Congress voted to normalize trade with China. Supporters of such a move argue that the best way to prompt political change in China is through greater engagement rather than isolation. Another sign of China’s increasing engagement with the world is its successful campaign to host the 2008 Summer Olympics in Beijing.

**TERMS & NAMES**

1. For each term or name, write a sentence explaining its significance.
   - Zhou Enlai
   - Deng Xiaoping
   - Four Modernizations
   - Tiananmen Square
   - Hong Kong

**USING YOUR NOTES**

2. Other than the demonstration in Tiananmen Square, which of these events was most important? Explain.

**MAIN IDEAS**

3. What effect did Mao’s policies have on economic growth?
4. What were some of Deng Xiaoping’s economic reforms?
5. How would you describe China’s record on human rights?

**CRITICAL THINKING & WRITING**

6. SUPPORTING OPINIONS Judging from what you have read about the Chinese government, do you think Hong Kong will keep its freedoms under Chinese rule? Explain.
7. FOLLOWING CHRONOLOGICAL ORDER What were some of the events that followed the demonstration in Tiananmen Square?
8. COMPARING AND CONTRASTING Has there been greater progress in political or economic reform in China?
9. WRITING ACTIVITY Imagine that you are a Chinese student visiting the West. Write a letter home in which you explain what you have seen abroad.

**CONNECT TO TODAY**

MAKING A POSTER

China will be hosting the 2008 Summer Olympics in Beijing. Research the efforts that China is making to prepare the city for the festivities and present your findings in a poster.