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The Impact of Gorbachev’s Policy of Perestroika and ‘New Thinking’ on Soviet–Nicaraguan Relations

In order to understand the effects of Gorbachev’s policy of Perestroika on Soviet–Nicaraguan relations it is necessary to look first not only at the impact of this policy on USSR–Third World relations in general, but also how the ‘new political thinking’ had itself been shaped by broader national-security and domestic economic concerns.

When Mikhail Gorbachev assumed the leadership of the Communist Party of the Soviet Union in March 1985, he inherited, as one observer described it, an ‘exhausted empire’. ¹ Though the Soviet Union still ranked as a superpower with a formidable military arsenal, its economy was in a shambles averaging just below 2 per cent GNP growth per annum between 1981 and 1985.²

After decades of trying to catch up with the West in a wide range of fields, and having succeeded in establishing itself as a global power,³ the Soviet Union was faced at the beginning of the 1980s with the prospect of stagnation and declining economic growth. The expansion of economic problems and the technology gap between the Soviet Union and the West suggested a decreasing ability of the Soviet economy to support the basic needs of its own people, and to ensure military security as well as the global standing of the Soviet state in the twenty-first century.

Disillusionment and a feeling of betrayal by Marxist-Leninist predictions that capitalism was on the brink of collapse and socialism in the lead was felt among a number of Soviet analysts and policymakers when they finally conceded that not capitalism but the Soviet model of socialism was in decay. To quote Alexander Bovin, the well-

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known journalist, adviser to Gorbachev, and one of the intellectual architects of *perestroika*:

Under the form of socialism that took shape…socialism’s principal economic task – overtaking capitalism in labour productivity and per-capita output – was not solved. We had not created a society that in every respect was capable of serving as an example, as a model for imitation, and as a stimulus in the struggle for the socialist transformation of the world…Apathy and social passivity grew…the management system…has completely exhausted its capabilities. Rationing it was causing economic stagnation, bringing our society to the brink of a crisis, and weakening the Soviet Union’s prestige and influence in the international arena. 

Gorbachev himself observed that:

The present stage of the crisis [of capitalism] does not lead to any absolute stagnation of capitalism and does not rule out possible growth of its economy and the mastery of new scientific and technical trends.

The slowdown of the Soviet economy had not only international political implications but also disastrous social consequences. It had created corruption, job absenteeism, low productivity, alcoholism, inertia and popular discontent. This situation could hardly constitute an endorsement of the Soviet model of development or provide inspiration for other revolutions.

Internationally, Gorbachev had inherited, firstly, a renewed Cold War with revised US nuclear strategies. The announcement of the Strategic Defense Initiative by President Reagan in March 1983 signalled that the USSR had lost the technological race. The pursuit of a more aggressive foreign policy by the Reagan administration, and of technological advancement through the SDI programme, suggested a readiness to engage in limited nuclear war against what Reagan referred to as the ‘evil empire’. As early as the beginning of the 1980s Soviet leaders had expressed their concern about it. As one senior Soviet military analyst observed:
Considering that many people in the new administration base their nuclear strategy on the possibility of a ‘limited’ nuclear war, it should be noted that this fact is fraught with extreme danger. Directives like PD-59 give the Secretary of Defense and the joint Chiefs of Staff a foundation for convincing the country's political leadership of the possibility of military victory in a nuclear war.7

Secondly, the growing costs of Soviet commitments to the Third World began to exceed its real political and economic potential. During the Brezhnev years the Soviet Union had acquired a significant military stake in Third World countries, but often at an economic cost that exceeded the benefits derived. In particular, Moscow’s direct involvement in regional conflicts proved to be not only of high economic, but also political and diplomatic, cost. For example, the Soviet military intervention in Afghanistan contributed to the end of détente. Moreover, Moscow had lost the support of the Islamic world and most members of the non-aligned movement. Finally, Gorbachev inherited the unresolved Polish crisis, where the political and economic demands of the Solidarity independent trade union movement threatened political stability throughout the East-European empire and the Soviet Union itself. Although there had been other workers’ revolts in Eastern Europe since the Second World War (1953, 1956, 1970), none had been as fundamental as Solidarity’s challenge in Poland (1980), which had caused great concern in Moscow. In other words, the economies of Eastern Europe were as much in need of reform as the Soviet economy.

These problems, in a nutshell, formed the Brezhnev (and Andropov and Chernenko) legacy to Mikhail S. Gorbachev, who, when he became General Secretary of the Communist Party, had committed himself, under a policy of perestroika (restructuring), to a major reform of the entire Soviet socio-economic and political system to resolve these problems.

In the context of this radical restructuring, glasnost (openness) was conceived as a necessary prerequisite for the transfer of technology and innovation, and demokratizatsiia (democratization) to making officials more responsive to the needs of economic rationality. As Abel Aganbegyan put it:
We plan to step up the pace of growth in the economy, but this cannot be separated from the process of democratization and of what we call glasnost, a greater openness in all aspects of government and social organization.  

Gorbachev himself described the concept of glasnost in the following terms:

Glasnost accentuates an environment allowing citizens to effectively participate in discussing all of the country’s affairs, in elaborating and making decisions that affect the interests of all of us and monitoring the implementation of these decisions.

Also, Gorbachev made it clear that the process of perestroika was to be carried out within the socialist framework despite the introduction of the market economy. To quote him:

I would like to point out once again that we are conducting all our reform in accordance with the socialist choice.

The essence of perestroika lies in the fact that it unites socialism with democracy and revives the Leninist concept of socialist construction both in theory and in practice.

The Soviet leader and his team of reformers increasingly acknowledged the viability of market forces as a legitimate means of economic development capable of coexisting with socialism. But the reforms were not meant to turn the Soviet Union into a Western-style free market democracy; they were designed to improve the efficiency, productivity and humanity of the existing one-party system and thereby ensure the viability of the USSR as a superpower in world affairs.

Gorbachev’s programme of domestic reforms was accompanied by calls for ‘new thinking’ (novoe politicheskoe myshlenie) in the realm of foreign relations. It is to state the obvious that a nation’s foreign policy is in large part determined by its domestic and economic potential. Thus, ‘new thinking’ and perestroika were mutually reinforcing.

The policy of ‘new thinking’ in international relations was inaugurated by Mikhail Gorbachev in his political report to the 27th Congress.
of the Communist Party of the Soviet Union (CPSU) in February 1986, and further developed in speeches and statements thereafter. It consisted of three basic components, which Vernon V. Aspaturian summarized as follows:

- Recasting the ideological parameters of Soviet foreign policy and reconceptualizing perceptions of the international system, national security, defence, military doctrine, and strategy in accordance with the ‘new foreign policy philosophy’, essentially a subset of the ‘new political thinking’.
- Redirecting Soviet foreign policy goals and reordering Soviet foreign policy priorities.
- Reorganizing the foreign policy decision-making system, involving personnel, institutions, and processes.¹³

The new thinking demonstrated a greater synchronization of domestic and economic policy with foreign and security policy, with the preeminence of Soviet ‘national interest’ over all other commitments. This approach clearly marked a departure from previous USSR attitudes.

Gorbachev and other top leaders realized that the Soviet economic revival badly needed a non-threatening environment which would not place demands upon the Soviet system and drain its resources while it proceeded along the path of economic and political reforms. Defence spending had to be cut in order to increase investment in the civilian economy. Thus, Gorbachev’s leadership placed a heavy emphasis on decreasing international tension and improving Soviet–American relations. In this context Moscow displayed increasing flexibility and willingness to compromise in arms reduction and other East–West negotiations, notably the settlement of regional conflicts in the Third World. To implement these policies Gorbachev first needed to get rid of the old thinkers. Within four months of coming to power he had removed Gromyko and initiated sweeping changes in party and government foreign policy personnel in favour of the ‘new thinkers’.¹⁴

Gorbachev’s ‘new thinking’, in Soviet foreign policy, adopted the position that there can be no victory in a nuclear war; that military superiority is impossible and that Soviet foreign policy should therefore give priority to Soviet–US and also Sino-Soviet détente in order to develop interdependence and mutual security, rather than, as Brezhnev had, give priority to the global struggle against ‘imperialism’. As
Evgenii Primakov, a prominent Soviet academician and Gorbachev’s key foreign policy adviser throughout the entire period from 1985, said:

Searches for military superiority will inevitably backfire against those who make them – after all, the other side will inevitably search for and find countermeasures.\(^\text{15}\)

Furthermore, the new political thinking supported the view that Soviet security was closely tied to international and global security. Gorbachev’s leadership argued that in today’s world the concept of security had changed in the sense that national security must now become mutual security, and that, in the interdependent world, an adversary’s security was as important as that of one’s own. Gorbachev, in his 27th Party Congress speech, called for a ‘world security system’ to provide guidelines for dialogue among leaders of the world community. In this context, he emphasized the role of politics and diplomacy in ensuring security, by stating that:

The nature of today’s weapons leaves no state with the hope of defending itself by technical means alone – let us say, with the creation of a defence, even the most powerful one. Ensuring security is more and more taking the form of a political task and it can be solved only by political means.\(^\text{16}\)

Gorbachev insisted that arms control at all levels between the superpowers was critical for the deterrence of nuclear war. It was more critical than the possession of superior military capability. His first priority was to eliminate intermediate-range nuclear forces (INF) in Central Europe. Thus, the INF treaty was signed between the Soviet Union and the United States in December 1987 and came into force in June 1988.\(^\text{17}\) Beyond agreeing to asymmetric nuclear weapons reduction in the 1987 INF accord, Gorbachev acceded to on-site inspections of military installations to verify compliance with the INF agreement.\(^\text{18}\)

These steps reflected a significant shift in Soviet military doctrine, which had begun in the late 1970s, when Soviet leaders both civilian and military recognized the objective reality of the doctrine of Mutual Assured Destruction (MAD), and had striven for nuclear parity with
the United States and the West. Gorbachev's leadership advocated military sufficiency, instead of strict parity, and defensive rather than offensive strategy. By sufficiency in military policy, they meant the possession of adequate military means to defend against an attack, but not enough to gain victory through aggressive action.\(^\text{19}\)

Moreover, the 'new political thinking' aimed at integrating the socialist economies into the world economy and at a more active participation in international organizations. This attitude was based upon new perceptions of the realities of economic life. Many observers in the USSR during the 1970s had realized that the international economy operated more as a single interdependent system than as two opposed socialist and capitalist camps.\(^\text{20}\) Also, problems facing the contemporary world, such as those affecting the environment, natural resources and world cultures, demanded common solutions and thus indicated an interdependence in the world. The continued belief in opposing systems led to Soviet isolation from international trade and monetary institutions, which in turn made Moscow's exports uncompetitive and hindered domestic technological progress.

The revised thinking about the international economic system and strategic military competition had far-reaching effects. Above all, it enhanced the role of politics in Soviet foreign relations. The new Soviet leadership and analysts began to focus their attention on the political balance of power, and on political competition between the two systems instead of military competition. However, this is not to say that the USSR had given up military power altogether as an instrument of foreign policy, nor that it had rejected the Marxist-Leninist perception of competition between capitalism and communism. Gorbachev had only moved away from the narrow and belligerent Marxist-Leninist approach in his endorsement of a flexible cooperation between communists and capitalists.\(^\text{21}\)

Overall, the 'new thinking' in Soviet foreign policy was designed to manage East-West relations more effectively in a quest for economic revival and strategic priorities. By pushing arms control Gorbachev had tried to undermine the rationale for the SDI project and an expensive arms race in outer space, and so slow down the procurement of new weapons in the US,\(^\text{22}\) which ultimately would lessen the cost of Soviet military spending and divert scarce resources to the civilian sector, reduce East-West tensions and create a more
favourable international environment for economic and technological cooperation.

Another aspect of the ‘new thinking’ that promoted the very same goal – a relaxation of international tensions and the attendant financial savings – was the Third World issue. Gorbachev’s ‘new thinking’ introduced major changes in Soviet foreign policy towards the Third World.

By the time Leonid Brezhnev died (November 1982), Moscow’s policy towards the Third World had already entered a period of reassessment. There were two major concerns that had preoccupied Soviet analysts as to Soviet Third World involvement: the escalating costs borne by the Soviet Union in supporting clients; and the poor record of these clients in creating stable political systems and functioning economies once they had achieved independence. In most of these countries economic production was falling and governments were faced with guerrilla or civil war – for example, Nicaragua, Angola and Afghanistan (though in all these instances the counter-revolutionaries received external backing). And lastly, Soviet Third World policies had an adverse effect on relations with the United States and China.23

However, Brezhnev’s leadership did not seem to pay much attention to analyses and recommendations given by the Third World experts.24 In contrast, Brezhnev’s successor, Iurii Andropov, during his brief tenure as CPSU General Secretary, made a number of statements that appeared to question the benefits gained from extensive Soviet involvement in the Third World, and the capability of these regimes to build socialism. He made it clear that he was not prepared to extend any further Soviet economic assistance to ‘socialist oriented’ states, and that these regimes would have to build socialism by their own efforts:

We contribute also, to the extent of our ability, to economic development. But on the whole their economic development, just as the entire social progress of those countries, can be, of course, only the result of the work of their peoples and of a correct policy of their leadership.25

On another occasion, during his important speech in 1982, Andropov underlined the difficulties experienced by different regimes of
'socialist orientation’ that had received aid from the USSR, and stated, ‘it is one thing to proclaim socialism and quite another to build it’.\textsuperscript{26} However, like so much in the Andropov and Chernenko terms, the illness of the two leaders makes it difficult to know to what extent a change of policy was contemplated.

Thus, when Gorbachev acceded to office in 1985, the analytical groundwork for a change of policy had already been laid down by Soviet Third World experts, and their earlier observation had become increasingly valid. Moreover, by then it had also become clear that a Soviet victory in Afghanistan was not to be expected soon, if at all. Gorbachev in his report to the 27th CPSU Congress publicly referred to the Afghan situation as a ‘bleeding wound’ that had to be healed. The civil wars being waged in Cambodia and Angola had not produced victories for Moscow’s proxies, Vietnam and Cuba respectively, or for the Soviet Union itself, and in Ethiopia the separatist rebels’ movements of Eritrea and Tigre had intensified their fight against the Mengistu regime. Furthermore, Gorbachev’s predecessors, and notably Andropov, as mentioned earlier, had already begun to set out the agenda for changes in the Soviet approach to its Third World client states.

In the climate of \textit{glasnost}, academic literature had gone even further in its criticism of past Soviet Third World policies. Viacheslav Dashichev, of the Institute of the Economics of the World Socialist System, argued that the Brezhnev leadership had no clear ideas about the USSR’s state interest when it embarked on its Third World policy in the 1970s, and that it misused material resources in the pursuit of petty gains.\textsuperscript{27}

From these analyses one could assume that Soviet Third World policies in the pre-Gorbachev era were pursued without any regard for East–West relations and for broader economic and security concerns. On the contrary, Soviet Third World activities had always been conditioned by USSR–US bilateral ties, and so had reflected prevailing Soviet assumptions about economic and strategic goals, but perhaps their negative impact on these Soviet priorities had not been sufficiently considered. However, at times Moscow demonstrated its willingness to sacrifice Third World positions for more important interests in the West.

Gorbachev’s ‘new thinking’ in relation to the Third World incorporated the views expressed in previous academic writings. His
leadership recognized that Third World policies could not be orchestrated as a spin-off from more dominant East-West relations, but had to be viewed in terms of how they affected central economic and strategic interests. This new concern about Soviet policy in the Third World had an important impact on a reconceptualization of regional conflicts and the most appropriate Soviet response to those conflicts.

The directives for Moscow’s new approach to the Third World were presented by Gorbachev at the 27th Party Congress and further elaborated in his speech to the United Nations in December 1988. He suggested the following:

- the demilitarization of regional conflicts and the search for political solutions based on a balance of interests.
- de-ideologization (secularization) of interstate relations, in other words not viewing regional conflicts through the prism of East-West, ideology-guided confrontation, and taking mutual interest as the basis for those relationships.
- refraining from violating the sovereignty of another nation, and hence, opposing the export of revolution.

For Gorbachev the resolution of regional conflicts was the most urgent issue, as it had proved to be one of the most important obstacles to the improvement of relations with the United States and, to a lesser degree, for the broadening of cooperation with Western Europe, Japan and China. As one Soviet foreign ministry official pointed out:

Our direct and indirect involvement in regional conflicts leads to colossal losses by increasing general international tension, justifying the arms race and hindering the establishment of mutually advantageous ties with the West.28

Furthermore, regional conflicts placed a drain upon Soviet resources and distorted the USSR’s economic, domestic and military interests. Also, they had led to the deterioration of Soviet relations with yet other Third World states, especially those bordering conflict areas. Finally, but most importantly, they had posed a danger to global security. According to Evgenii Primakov:

Most important, however, is that under persisting international tension regional conflicts could upset the military-political stability in the world and pose a real threat to universal security.29
The most dangerous regional conflicts to threaten world peace were those where superpowers were already involved or could become involved. Primakov considered these to be the ‘Arab–Israeli and Iran–Iraq conflicts, the conflicts in Afghanistan and around it, in Central America, around Kampuchea and Southern Africa’. It is interesting to note that Moscow had accepted the concept of ‘regional conflicts’, which until then had been rejected by both Soviet analysts and officials on ideological grounds, for being simply an ‘imperialist’ concept that lumped together ‘wars of national and social liberation’, or ‘just wars’, with ‘imperialist wars’, or ‘unjust wars’.

Traditionally, national liberation movements were identified as anti-colonial movements, but once they had achieved independence they were seen as movements likely to develop along independent paths which could possibly advance towards ‘pro-socialist paths of development’. Thus, the Soviets perceived such movements to be important allies of the socialist bloc, at a time when the socialist world was confronted by a Western anti-communist alliance, and so providing them with direct or indirect support in their struggle against ‘imperialism’. This Soviet assistance came in the form of military, economic and political support. The USSR justified their involvement in most of the Third World conflicts on the grounds of having a moral obligation to support progressive forces throughout the Third World opposed to regimes backed by the United States and its allies. The Third World thereby had become a battlefield of military antagonism and rivalry between the great powers.

In the context of new political thinking, the key role ascribed to ‘imperialism’ in the earlier analysis of the wars in the Third World was played down, and the moral distinction between ‘just and unjust’ wars lost its significance, because both were capable of escalating into thermonuclear war. One Soviet academic, Yegor Plimak, came out in support of this argument, stating that in the nuclear age even a revolutionary struggle was dangerous, because it could lead to a regional or local war and thus to a superpower confrontation. Instead, the speeches and statements made by Gorbachev and Shevardnadze, and Primakov’s academic analyses, indicated that traditional concepts such as ‘national interests’ and ‘defence’, defined within a non-offensive context, were assuming a greater conceptual and analytical role in the USSR’s thinking about foreign relations.
Having acknowledged that either direct or indirect military intervention in regional conflicts could result in nuclear war, and that the costs of these interventions now exceeded benefits, Gorbachev and his close advisers had repeatedly expressed a desire to form a new international security system based on demilitarized norms of behaviour and problem-solving approaches. This meant finding political solutions to regional conflicts by means of superpower cooperation with all other parties involved (internal or external local actors), and with the help of international bodies such as the UN offices. To quote Gorbachev:

Regional conflicts in Asia, Africa and Latin America... are spawned by the colonial past, new social processes, or recurrences of predatory policy, or by all three... The main thing here is to take the interests of all sides into consideration and... search for a just political settlement.34

Evgenii Primakov confirmed this in one of his articles by calling for ‘a joint search [by the US and the Soviet Union] for a way to solve regional conflicts – in the Near East, in Central America, in South Africa – everywhere that breeding grounds exist for a military threat’.35 Furthermore, Primakov, in his call for understanding the real causes of regional conflicts, cautioned against viewing them ‘solely through the prism of confrontation between the USSR and the US’,36 and underlined the importance of paying more attention to internal causes of these conflicts. Paraphrasing Gorbachev, he said:

Mikhail Gorbachev emphasised the need to analyse in their complexity the various economic, political, social, historical and military causes that lie at the root of each conflict situation.37

Primakov stated that the Arab–Israeli and the Afghan conflicts were clear examples of such a complexity, and added that a clear-cut distinction between the internal and external causes of conflict situations would make it possible to take a much more realistic approach to solving them.38 In this context the idea of national reconciliation was favoured as a means of eliminating the internal causes of regional conflicts or to lessen their impact; in Primakov’s words: ‘perhaps the
only acceptable platform which offers the possibility of joint action by neighbouring states in order to end regional conflicts’.39

The pursuit of such a policy was embarked upon in Afghanistan, which Kabul endorsed in January 1987. At the time, Najibullah declared a six-month cease-fire (though this was promptly rejected by the Mujahideen), and claimed that Kabul was now ready to compromise with the opposing Afghan elements based abroad. Cambodia together with Vietnam sanctioned the national reconciliation policy in mid-1987 which resulted in the withdrawal of Vietnamese forces (accomplished in September 1989) simultaneously with the ending of outside interference in the country, and establishment of a coalition government. In Nicaragua, with the cooperation of the Sandinista regime, an agreement on a regional settlement reached by the five Central American governments in April 1987 facilitated direct talks between the government and the counter-revolutionary forces, the Contras. Finally, Angola endorsed such a policy in 1989, when the conditions for the pulling out of Cuban troops from the country was arranged, so setting the stage for talks between Unita’s leader, Jonas Savimbi, and the leader of the Angolan government, Dos Santos, in June 1989.

Furthermore, Moscow increasingly advocated the idea of involving international bodies in solving international problems, in particular the United Nations as well as some regional organizations and commissions. This approach was demonstrated by Soviet support for UN involvement in peace-keeping efforts and by their endorsement of UN resolution 598, designed to bring an end to the Iran–Iraq war. Also, the USSR supported the UN call for a United Nations arms embargo on Iraq and eventual military action. In a September Pravda article, Gorbachev even suggested enhancing the role of the UN and strengthening the role of the Secretary General.40 This, indeed, marked a major departure from previous policies. As regards the Gulf War which followed the Iraqi invasion of Kuwait in 1990, a number of Soviet scholars agreed that in the earlier times Moscow would have supported Iraq’s action ‘as an overthrow of a reactionary monarchist regime in Kuwait’.41 Most commentators agreed that the Soviet position on the Gulf crisis was in keeping with their national interests and prevailing realities.

At this juncture, however, it should be noted that this change in the USSR’s attitude to conflict resolution was facilitated by the
down-playing of ideology in Soviet foreign policy. In fact, the policy of ‘new thinking’ called for ‘removing the ideological edge from interstate relations’.42

Gorbachev and his close aides, notably Alexander Iakovlev and Edward Shevardnadze, claimed that Soviet foreign policy should no longer be subordinated to ideology, that the class struggle was no longer considered a primary objective in international relations, and that the class interests would have to be subordinated to the interests of nations and mankind.43

This no doubt marked a break with the past two-track approach to Soviet foreign policy, (one, Party, and the other, State, each operating in two separate spheres, the former ideological and non-state and the latter non-ideological and non-Party). Admittedly, under Brezhnev the distinction between Party and State activities in international relations became increasingly blurred. The Gorbachev leadership had recognized that this approach contributed to the creation of international tensions, the deterioration of Soviet–US relations, and a negative image of Soviet international behaviour in general. Soviet security, prestige and ideological commitments in the conduct of its foreign policy led to the military intervention in Afghanistan and to military and economic support for Marxist-Leninist revolutionary movements and regimes in the Third World. According to Aspaturian:

> The overt subordination of Soviet foreign policy to ideology and the priority of class interests were more clearly pronounced [by invading Afghanistan] than on any other occasion.44

Thus, the de-ideologization of Soviet foreign relations, and the subordination of the international class struggle to ‘peaceful coexistence’ and the ‘interests of mankind’ signalled the abandonment of support for Third World Marxist-Leninist regimes and movements. In other words future Soviet foreign relations were to be guided by traditional diplomacy where mutual interest would be taken into account as the basis for those relations regardless of socio-economic system. Shevardnadze in his important address to the Soviet foreign policy establishment on 25 July 1988, confirmed this by stating:

> The principle of the new political thinking…most clearly evidences the direct dependence of a state’s foreign policy on its
domestic affairs. And here rising before us is that mighty range of vitally important categories brought together by the concept of ‘national interests.’... National interests are a very mobile category, dynamic and constantly changing.... In the light of this concept, the philosophy of peaceful coexistence, as a universal principle of international relations, takes on a different content.... Quite validly, we refuse to see it in a specific form of class struggle. Coexistence... cannot be identified with the class struggle.... It is difficult to reconcile the equating of international relations to a class struggle with a recognition of the real possibility and inevitability of peaceful coexistence, as a higher universal principle, and mutually advantageous cooperation between states with different socio-political systems.... In order to correctly assess and and ensure our national interests, it is essential to recognize the trends and understand the directions in the common movement of mankind.45

The non-ideological approach to Soviet foreign relations was closely associated with Gorbachev’s third directive – opposing the export of revolution or counter-revolution. Evoking Lenin’s belief, Primakov stated that ‘a revolutionary situation cannot be introduced from outside’; however, at the same time he was trying to defend Soviet support for revolutions which were the products of internal forces. This approach seemed to indicate a problem in reconciling Moscow’s acceptance of the concept of ‘regional conflicts’ with previous thinking about ‘wars of national liberation’ and ‘just wars’; thus, the inconsistency with the new thinking that was attempting to abandon an ideological commitment.

At the same time the denial of external assistance in creating a revolutionary situation has nothing in common with a refusal to assist revolutionary forces which rely on objective conditions in their struggle to end the national and social oppression of their peoples.46

The concept of exporting counter-revolution was also strongly disapproved of by Primakov, who seemed to suggest a trade-off between the Soviet non-export of revolution for the United States agreement not to export counter-revolution against the existing
Marxist-Leninist regimes. As the most explicit example of American support for counter-revolutionary forces he quoted the Contras in Nicaragua fighting against the Sandinista revolutionary regime. This approach undoubtedly illustrated the Soviet desire to preserve the existence of those regimes, but at the expense of not supporting ‘movements of national liberation’ fighting for dominance.\(^\text{47}\) Indeed, Moscow decided to stop supporting national liberation movements in countries such as Panama, the Philippines, Oman and South Africa, where the success of revolution would ultimately have impaired United States security interests. Nevertheless, the Gorbachev leadership still granted some military aid and propaganda support to the PLO, ANC, SACP and, until Namibian independence, to SWAPO.\(^\text{48}\)

Moscow’s de-emphasis on the export of revolution was even more drastic in Central America. Gorbachev, in his speech to the Cuban National Assembly on 5 April 1989, signalled to Castro that he wanted him to renounce revolutionary adventurism in the area, and called for the ‘cessation of [the supply of] military arms to Central America from any quarter’.\(^\text{49}\) Moscow had down-played support for the revolutionaries in El Salvador, Guatemala and Honduras and had sought to establish diplomatic relations with their respective governments. Gorbachev regarded any aggressive revolutionary activity as unlawful interference in the affairs of another nation. This strong emphasis on respect for other nations’ sovereignty indicated a repudiation of the Brezhnev doctrine, which was reflected not only in Soviet policy towards Third World countries, but also towards its East European allies. Moscow called for the United States to adopt a similar approach and so discard the validity of the Monroe Doctrine.\(^\text{50}\)

Closely linked with the shift away from strong support of and major involvement in regional conflicts, was the appraisal of the cost and long-term value to the Soviet Union of both the military and economic relationships that had been established ever since Khrushchev came to power.

Encouraged by glasnost, the economic, political and human cost of the Afghan war came under fierce scrutiny by Soviet analysts and officials, who also began to criticize the entire gamut of Third World policy. For example, in the pre-glasnost era, casualty figures and the traumas of fighting in Afghanistan were hidden from the Soviet population. After Gorbachev’s accession to power, the horrors of Afghanistan were disclosed, the decision-making process itself was
questioned, and journalists were forced to admit lying to the Soviet public.\textsuperscript{51}

Also, some basic theoretical issues such as the concept of socialist oriented states, the non-capitalist path of development, and the understanding of the whole process of socio-economic development in the Third World, were questioned. The pinnacle of the debate on these issues was reached during 1988 and 1989 and thereafter resulted in a general agreement that the theoretical foundations of Soviet policy towards the Third World had been ‘unsubstantiated and faulty’.\textsuperscript{52} For instance, it was argued that the traditional approach of Soviet theoreticians, that blamed ‘imperialism’ and the legacy of colonialism and neo-colonialism for all Third World problems, obscured the fact that, as one analyst noted:

The crises which have hit many Third World countries in the 1980s are explained not so much by external causes as by mistakes in the economic policies of their regimes.\textsuperscript{53}

Marina Chumakova, a Latin American specialist, in a round table discussion on ‘totalitarianism, authoritarianism and democracy’, came out in support of this argument, stating with reference to Nicaragua that the growing crises in the Nicaraguan economy could be attributed to a great extent to economic mismanagement, wastefulness of Soviet aid, and to the course of economic and political development taken by the Sandinista ruling government, which she held was heading towards totalitarianism. Even such an important ally as Castro’s Cuba did not escape her criticism. She referred to it as ‘a left-wing authoritarian regime’ and stated, with regret, that as far as such regimes were concerned, ‘we do not, as a rule, touch upon the observance of human rights, political and civil freedoms’, and whenever this subject was brought up, it was in the context of the ‘intrigues of imperialism, intended to destabilize progressive governments’.\textsuperscript{54}

Special criticism was levelled at Soviet economic assistance to Third World clients. In January 1990, the Supreme Soviet for the first time disclosed the value of economic aid provided to Third World allies up to November 1989: approximately 78 billion roubles. The major recipients of that aid were, in order, Cuba, Mongolia, Vietnam, India, Iraq, and Afghanistan.\textsuperscript{55} Compared to Western aid, the amount was not that great, but it was still substantial for the Soviet economy. As
domestic problems and crises arising out of *perestroika* were mounting, more harsh criticism was forthcoming. There were some who argued that the USSR should be guided by the principles of mutual advantage in its economic relations with the Third World. For example, Andrei Koslov pointed out that:

Economic expediency, not ideological and political preferences, should become the determinant for developing economic ties with the Third World.\(^5^6\)

Similarly, one foreign ministry official, while describing what type of policy the USSR should no longer follow towards the Third World, also suggested the adoption of a more beneficial economic policy *vis-à-vis* the developing world similar to that of the West:

Our interests in the developing countries must be defined above all by the real potential for setting up mutually advantageous economic and technological cooperation. From this point of view, it is not difficult to see that the West’s interests of this kind are immeasurably deeper and broader. To attempt to balance this asymmetry by building up the potential of one’s naval presence and strengthening one’s strategic ties with individual states that might ‘act in opposition to Western influence’ would be to construct one’s relations with the developing countries on a very shaky and short-term basis.\(^5^7\)

Nikolai Volkov, for example, suggested that instead of indulging in criticism, no matter how beneficial in seeking alternatives, it would be more constructive to go straight into setting up new programmes for economic cooperation with the developing world. He also stressed the importance of mutually advantageous exchanges. Thus he proposed the following:

The new programs should furnish an answer to the question of not what we must but rather how we have to employ new patterns of external economic activities in forging viable and, therefore, the most efficient forms of economic relations between the USSR and the Third World.\(^5^8\)
From the above examination it appears evident that throughout the Soviet political spectrum there was a recognition that future Soviet involvement in the Third World would have to be more cost-effective and so contribute both directly and immediately to the interests of the Soviet Union.

Moreover, a number of Soviet officials and analysts argued that the emphasis of USSR policy in the Third World should shift from weak Marxist-Leninist states to large, more developed and geopolitically important capitalist states in Latin America and Asia, such as Mexico, Argentina, Brazil and India. This view was strongly propagated by Karen Brutents, a deputy head of the CPSU Central Committee’s International Department since mid-1970, and Alexander Iakovlev, one of Gorbachev’s closest advisers and the party secretary with main responsibility for implementing the policy of glasnost. Brutents had never in fact expressed particular enthusiasm for Marxist-Leninist vanguard parties. He was consistently sceptical about the possibility of building genuinely socialist institutions in backward developing countries. Indeed, high-level official visits to Latin America and Asia, in the early years of perestroika, demonstrated that the policies recommended by Iakovlev and Brutents had been put into action. Shevardnadze visited Mexico in October 1986 and shortly after followed with visits to Brazil, Argentina, and Uruguay. Gorbachev himself went to India in November 1986, which clearly demonstrated its continued importance to Moscow (the Soviets had maintained close relations with the country since the mid-1950s). Gorbachev and other officials viewed Soviet–Indian relations as a model for Moscow’s ties with Third World countries. Gorbachev in his address to the Indian parliament said:

To me personally, it is quite obvious that much of what we call new political thinking manifested itself internationally for the first time in relations between the Soviet Union and India. And the fact that differences of socio-political system and ideology and our national, cultural and other distinctions have not hampered our dialogue is extremely important as a guiding example for others.

In addition, Moscow tried to develop better economic cooperation with South-East Asian countries, notably Malaysia, Indonesia and Thailand.
Overall, the Soviet policy of *perestroika* and the ‘new thinking’ led to a number of policy changes which resulted in a reorientation of its policies in key conflict regions throughout the Third World and became more evident towards the end of the 1980s. The USSR decision to withdraw its military forces from Afghanistan, which began in May 1988 and was completed in February 1989, was the most dramatic indication of the implementation of the new thinking in the Third World. Also, Moscow began gradually to reduce commitments to some of its established ideological allies. Nevertheless, as far as Cuba was concerned, Gorbachev tried to continue giving the highest priority to economic cooperation with its Caribbean ally. This was in spite of ongoing intensive debates in Moscow among politicians and party and government officials as to the prudence and morality of ideologically and strategically motivated, large-scale economic assistance to Cuba while the economic crisis in the USSR was deepening.\(^\text{62}\) According to Iuri Pavlov, the head of the Soviet Foreign Ministry’s Latin American Department, some Soviet parliamentarians, notably Nikolai Shmelyov, a well-known economist, were publicly demanding a halt to the ‘hidden’ sugar and oil subsidies.\(^\text{63}\) Indeed, Gorbachev in his speech to the Cuban National Assembly on 2 April 1989, indicated that the Soviet Union was intending to introduce changes in its economic relations with Cuba by stating:

> As life moves ahead, new demands are made on the quality of our interaction. This applies particularly to economic contacts; they should be more dynamic and effective and bring greater returns for both our countries, our peoples.\(^\text{64}\)

Indeed, soon afterwards Soviet economic relations with Cuba underwent transformation and the bilateral arrangements reached in December 1990 between the respective countries comprised reduction of price subsidies, credits, and technical assistance with the aim of eventually placing them on a commercial basis.\(^\text{65}\) From January until May 1991, Soviet supplies to Havana were limited almost exclusively to oil and petroleum products (4,160,000 barrels as planned). Other basic necessities such as rice, beans, butter and many other products previously exported to Cuba, were no longer delivered. Out of the total value of $710 million for products supplied, oil and its byproducts accounted for $650 million.\(^\text{66}\) However, despite declining
industrial production and its worsening financial position the USSR still continued some of its economic assistance programmes to Cuba. For example, in the first five months of 1991, 4.7 per cent of the total expenditure went to finance the economic and military aid to Afghanistan, Cuba and other client states.\textsuperscript{67} Democratic political forces in the Kremlin who demanded an end to support for Cuba, faced the opposition of Gorbachev himself, who maintained the views held by his predecessors that the political and strategic benefits from close cooperation with Cuba had justified the massive economic expenditure involved in preserving this \textit{de facto} alliance. According to Pavlov: ‘the relationship with Cuba was the biggest single expenditure of the USSR on a friendly political regime, amounting to hundreds of millions of tons of oil and other raw materials.’\textsuperscript{68} None the less, in the middle of 1991, the reduction of Soviet assistance to Cuba was under way. Castro towards the end of 1991 repeatedly raised the alarm about the progressive reduction of Soviet oil supplies.\textsuperscript{69}

I shall, in the light of these changes in the Soviet Third World approach under Gorbachev’s \textit{perestroika}, be discussing how Soviet–Nicaraguan relations were affected.

From the outset, and especially in 1987 and 1988, Gorbachev supported all proposed negotiated settlements to the Central American conflict that would guarantee Nicaragua peaceful coexistence with other Central American states, the United States, and at the same time remove one of the major obstacles to the Soviet–US \textit{rapprochement}. Thus, Moscow, unlike the United States, gave unconditional support to the Contadora peace process from the moment of its inception (January 1983), and later endorsed its successor, the Arias Plan or the Esquipulas II, which was signed by all Central American states in Guatemala (August 1987).\textsuperscript{70}

However, in the meantime the Gorbachev leadership continued its military and economic support to the Sandinista regime. During President Ortega’s trip to Moscow at the end of April 1985, Gorbachev confirmed that the USSR would step up its support for Nicaragua, in response to the US trade embargo of 1 May 1985, while not furthering any special relationship that could mean new heavy investments, which the Soviets wished to avoid for both economic and political reasons. Any dramatic increase in the Soviet presence in Nicaragua would have given fresh credibility to the arguments put forward by the hostile Reagan administration that the country had become a
'Soviet satellite'. There was also an understanding in Moscow that continued international support for the Sandinistas depended very much on the maintenance by the FSLN of a strategy of diversified relations with the outside world. For their part, the Sandinistas themselves did not wish to lose their links with the capitalist economic system, and Cuba kept reminding them not to follow in its footsteps. In mid-June 1985, the Nicaraguan government signed debt rescheduling agreements with 130 private banks in New York, in an attempt to pave the way for further loans. Despite severe currency shortages, the Sandinistas had maintained debt servicing as an indication of their commitment to stay within the international economy. The FSLN had some success in overcoming the US trade embargo: for instance, it had managed to secure spare parts from US subsidiaries in Canada and Mexico, helped by the decision of the 24 countries of the Latin American Economic System (SELA). If the embargo was to hit Nicaragua really hard, it would have to embrace US subsidiaries overseas and include pressures against other major trading partners with Nicaragua, both of which would entail heavy political battles for the Reagan administration. Western and Eastern European manufacturers were to become the principal suppliers of advanced technology and machinery, while Latin America was to fill the gap in raw material supplies. According to the head of an Economic Research Institute in Managua: The embargo will in the medium to long term be beneficial to Nicaragua, in that it will procure better trading relationships with Europe, Latin America, the Socialist bloc and the rest of the world; but in the short term it will be painful to readjust. It is within these limits that the USSR had increased its commitment to Nicaragua. Tass, the official Soviet news agency, quoted Gorbachev in 1985 as saying that the Soviet Union would assist Nicaragua in 'resolving urgent problems of economic development and political and diplomatic support in its efforts to uphold its sovereignty'. President Ortega was reported to be seeking economic aid to the tune of $200 million cash from Moscow; however, he received less than requested, an equivalent sum in credits, $130 million. On his return, Ortega commented that although the Soviet-bloc states had
pledged economic help, ‘we are not expecting abundance and a solution to all our problems from this’.

Apparently, the Soviet economic assistance for 1985 was three times greater than military aid. Although the Nicaraguan leader said that his country was not seeking military aid during this visit, none the less, the presence of Joaquín Cuadra Lacayo, chief of staff of the Sandinista People’s Army, in the Nicaraguan delegation, indicated that some talks may have had been held on this matter.

In 1985, it was estimated that the Soviet Union provided $100 million in military aid alone. According to Pentagon officials a Soviet ship docked at the Pacific port of Corinto on 13 May 1985 unloaded more than 100 cargo containers, some of which supposedly contained Mi-18 Hip helicopters and spare parts for the Hind helicopter gunship. This was said to be the first direct shipment from the Soviet Union to Nicaragua since 1984.

In early 1985, the Defence Minister, Humberto Ortega, announced a year-long major offensive to give the Contras a ‘strategic blow’ and to root them out from Nicaragua. While the Contras still did not pose a strategic threat to the Nicaraguan revolution in 1985, their sabotage attacks were disrupting socio-economic development plans, and thus the course of the revolution.

In fact, the FSLN military campaigns, (i.e., handing out rifles to peasants and organizing local self-defence militias) put the Contras into strategic decline during 1985. Not only were Contra fighters outfought by the apparently highly motivated Sandinista Popular Army (EPS) and militia forces, but the Contras proved logistically weak and unable to counter the EPS’s heavy artillery. Moreover, according to US Embassy sources in Nicaragua, the Sandinistas by 1985 had deeply penetrated the Contras with intelligence agents. Furthermore, the introduction of the more sophisticated Mi-24 Hind helicopters into combat (August 1985) made a decisive impact on the war in 1985.

US domestic political pressure on the Reagan administration and the Contras to produce results against the FSLN led, in the fall of 1985, to talks in the United States about wider Contra assaults or even a US military intervention in 1986. President Reagan in June 1986 began a new campaign for Congressional approval of military aid to the Contras worth $100 million, which finally was successful. In turn the Sandinistas sought new arms. Apparently, according to the
-Reagan administration source, new shipments including more T-54 tanks were on their way to Nicaragua through Cuba in November 1985, which caused a renewed alarm in Washington. Defence Minister Ortega justified it by saying that Washington was sending small, armoured, high-powered speed boats to the Contras and that Nicaragua would obtain any air, land, and naval material needed to counter what were expected to be decisive confrontations with the Contras in 1986. Thus, Nicaragua continued to brace itself for major Contra assaults and for a US military move.

According to the Pentagon spokesman, the Soviet Union surpassed its previous records for arms shipments to Nicaragua in the year of 1986, that up to October 1986 the USSR had delivered 18,800 metric tonnes of military and military associated equipment by 43 ships. During the first half of 1987, the CIA estimated that the amount of Soviet arms shipments to the Sandinistas was more than $300 million. Significantly, Eastern-bloc military aid shipments came in response to US regional military activities. With each major escalation in US rhetoric or military presence new shipments of arms arrived in Managua.

Contrary to United States propaganda, Nicaragua’s military posture remained defensive and unsuited to any offensive actions against its neighbours, despite its military build-up and weapons purchases from the Soviet bloc. Firstly, Nicaragua was dependent on imported oil which was received at one main port (Corinto), and thus an enemy could easily cut off the supply route. Secondly, it had a limited number of military vehicles and air transportation facilities. Furthermore, it had no military industry of its own and lacked back-up support for offensive moves.

At the Comecon summit in Warsaw (June 1985) the Nicaraguan Minister for Foreign Cooperation (formerly the Minister of Planning), Henry Ruiz, stated that Nicaragua needed much more assistance from the Soviet bloc in the face of the growing costs of the war against the Contras and the cumulative effect of US economic sanctions.

This reflected the plight of other nations which also enjoyed observer status with the Comecon countries. The granting of this status did not automatically lead to closer links with the Eastern-bloc economies or receipt of assistance. For example, both Ethiopia and the PDRY enjoyed the status, but had rather limited trade exchanges with the USSR and other Comecon countries, purely because of the lack of
economic complementarity with the latter. It can be said that this very same reason applied to Nicaragua.\(^5\) Cuba was an exception.

In October 1986, the Soviet delegation headed by the Deputy Economic Planning Minister, Nikolai Lebedinski, visited Nicaragua. As a consequence, an economic co-operation agreement was signed between the two countries worth about $250 million.\(^6\) Indeed, the year 1986 witnessed a substantial increase in the total volume of Soviet–Nicaraguan trade, reaching 277.1 million roubles (in 1985 it was 212.6 million roubles).\(^7\) Moscow supplied more than 80 per cent of Nicaragua’s total oil needs from mid-1985 at a much lower price than the market one.

However, in 1987 the USSR cut its oil delivery to Nicaragua, which triggered off a severe fuel shortage. Nicaragua would have run out of oil by mid-autumn. The Soviets provided only 300,000 tonnes out of 760,000 needed that year; and other Comecon countries were to provide about 310,000 to 320,000, tonnes, thus leaving Nicaragua with a shortfall of approximately 150,000 tonnes. Most of the extra oil needed in 1987 was to fuel a growing fleet of Soviet-made combat helicopters for the Nicaraguan air force. The Sandinistas’ attempt to seek relief from Mexico, Venezuela, Iran and other oil states proved to be fruitless as Nicaragua had no hard currency to pay with. It already owed substantial amounts to Mexico and Venezuela. According to Jonathan Steele, the Guardian’s correspondent in Moscow, the USSR denied its cutback in oil deliveries to Nicaragua. The Soviet Foreign Ministry spokesman, Gennady Gerasimov, in reply to the statement made earlier by the Nicaraguan Vice-President, Sergio Ramírez, that Nicaragua was facing a severe oil crisis, said: ‘If other countries cut back, it does not automatically mean the USSR should increase its supplies.’ Moreover, he said that Nicaragua’s oil crisis was the result of a cut in Mexican and Venezuelan deliveries.\(^8\)

However, in early September 1987, Gorbachev’s special envoy to Managua, Deputy Head of the International Department of the Central Committee, Vadim Zagladin, informed the FSLN leaders that Moscow agreed to send 100,000 tonnes of crude oil to avert the crisis situation. Nonetheless, President Ortega admitted that despite this Nicaragua was still left with a shortfall of some 55,000 tonnes.\(^9\) The total Soviet oil delivery for that year constituted just over 50 per cent of Nicaragua’s fuel needs. It can be said that Zagladin’s announcement made it clear that Moscow was not prepared to abandon the
Sandinistas; however, at the same time, it indicated Soviet reluctance to remain the sole supplier of such a crucial commodity. Furthermore, the Soviet decision can also be interpreted as a sign of its displeasure with the Sandinistas' economic mismanagement, especially with the alleged wastefulness of Soviet aid. Although the disruption in oil supplies in 1987 led to an increase in petrol prices, this did not lead to oil being used more economically. In the end, perhaps the USSR's intention was to put pressure on the Sandinistas to be more flexible in their negotiations with other Central American states in order to get the Esquipulas II peace accord signed.

It is noteworthy that a chance to restore peace in Nicaragua was on the table, as talks between Moscow and Washington were already under way. The Reagan administration had come to the conclusion that the regional realities of the mid-1980s and thereafter were such that a military solution would be too costly both in the short and long-term not only for relations with Central American states but also with the rest of Latin America. Thus the US was more willing to accept a peaceful settlement to the Central American conflict, as well as Soviet participation.

In October 1988, when the presidential campaign was under way in the United States, on the initiative of the Foreign Ministry, a decision was reached in Moscow to suspend temporarily the delivery of heavy weapons to Nicaragua and, also, to limit the deliveries of light weapons. There were two main motives behind this decision: firstly, the suspension, since February 1988, of US military aid to the Nicaraguan Contras; secondly, the considered view, in the light of this situation, that continued Soviet deliveries of heavy weapons, in particular, would have had an adverse effect on the formulation of a policy towards Nicaragua by the new administration. Apparently, Moscow made this move without first informing Washington, Nicaragua or Cuba.90

Shevardnadze, the then Soviet Foreign Minister, put a special emphasis on the importance of shifting away from general declarations about the USSR's willingness to help negotiate settlements of regional conflicts, to taking practical steps towards bringing these about. He emphasized that priority should be given to the long-term interests of the Soviet Union and warned against acceding to the whims of foreign ideological friends if they run counter to these interests. He ordered a revision of Soviet priorities on all regional
conflicts and spoke in favour of cooperation with all those who wished to contribute to a peaceful resolution.\textsuperscript{91} Shevardnadze's tone clearly indicated that the role of ideology in the definition of priorities and formulation of Soviet foreign policy had begun to decline. So, there was a corresponding decline in the influence of the CPSU Central Committee apparatus in the foreign-policy decision-making process.

It should be noted here, that due to these changes Cuba began to lose influence on Soviet policy towards the Third World. Havana was involved, with Moscow's blessing, in regional conflicts, notably in Central America and Africa. Cuba had become leader of the militant group of developing countries with radical left-wing regimes, which provided active political and material support to 'national liberation movements' worldwide. Castro was involved in coordinating their strategies in the Third World with those of Moscow through direct contacts with the CPSU Central Committee, bypassing the USSR Foreign Ministry.\textsuperscript{92}

The loss of Cuban direct influence on Soviet foreign policy became particularly apparent after the Kremlin, following its decision to withdraw Soviet troops from Afghanistan in 1988, undertook a policy of cooperation with the US in the settlement of regional conflicts. In addition, the new Bush administration was more willing than its predecessor to shift away from confrontation with the Soviet Union over regional conflicts, to cooperation in facilitating their political settlement. This provided Moscow an opportunity for restoration of peace in Nicaragua.

In May 1989, Gorbachev, without consulting Castro and Ortega, informed President Bush that 'In order to promote a peaceful settlement of the conflict, bearing in mind that the attacks by the Contras' troops against Nicaragua have stopped, the USSR has not been sending weapons since the end of 1988.'\textsuperscript{93} This news no doubt caused great anger and suspicion in Nicaragua and Cuba.

Apparently, Iuri Pavlov, the head of the Latin American Section of the Foreign Ministry, travelled urgently together with a Foreign Ministry official, Georgi Mamedov, on Shevardnadze's instructions, to calm the situation in both Havana and Managua. The Cubans and Sandinistas warned that the suspension of Soviet military aid to Nicaragua was putting the Sandinista revolution at grave risk, and that Washington could never be trusted to accept the existence of the
Sandinista regime, regardless of the results of the elections which were scheduled for February 1990 in compliance with the Esquipulas II peace accord signed in Guatemala (1987).\textsuperscript{94}

The Sandinista government, faced with the \textit{fait accompli} of Moscow's moratorium on arms shipments to Nicaragua, finally, not having much choice, declared that it was prepared to suspend imports of arms until the February 1990 elections, provided that the Contras completely stopped their armed activities.

Furthermore, Shevardnadze during his trip to Managua in early October (1989) stated that the USSR was prepared to maintain contacts with all parties in the conflict situation in Central America, including those states with which ‘we have no diplomatic relations’. He added that he was referring to both the Salvadoran government and the FMLN as well, suggesting that the time was ripe for Moscow to consider the establishment of diplomatic relations with all Central American countries. Moscow did not consult Castro on these steps either.\textsuperscript{95} In any case, Castro would not have approved of them.

Despite Moscow's pledges, arms were still being delivered to Nicaragua and to the Salvadoran rebels through third parties. While conceding that Moscow had stopped direct arms supplies to Nicaragua, the White House had repeatedly claimed that Cuba and unnamed Eastern-bloc countries continued to run weapons to the FMLN and the Sandinistas. The Sandinistas had, in fact, received more weapons than before the Soviet suspension of arms deliveries to Nicaragua. According to the State Department spokesman there was an indication that Nicaragua had received 27 shipments of military goods from the Soviet Union and its allies. US officials claimed that in 1988 the Soviet Union supplied $575 million worth of military equipment and $50 million in economic aid to Nicaragua.\textsuperscript{96}

The US Secretary of State, James Baker, stated that the ‘Soviet Union bears a special responsibility because its arms and money moving through Cuba and Nicaragua, continue to support violence, destruction and war’. Moreover, he added that ‘the lack of Soviet “new thinking” on resolving regional conflicts was our biggest disappointment to date in the relationship’.\textsuperscript{97}

The November 1989 offensive of the FMLN forces in El Salvador threatened to cause a crisis of confidence between the USSR and the United States because there was evidence that the Sandinistas had not only continued to supply the FMLN with Soviet-made small arms and
ammunition, despite Moscow’s assurance to the contrary, but also had delivered for the first time surface-to-air missiles to the Salvadoran guerrillas.

This clearly demonstrated that Castro was intentionally misleading the Soviet Foreign Minister with regard to the weapons deliveries. Cuba and Nicaragua were both, apparently, given instructions by Moscow a few days before the December 1989 Malta summit, not to transfer USSR-supplied weapons to any other party without prior Soviet consent. Castro denied any Cuban involvement in the transport and delivery of Soviet surface-to-air SAM-7 missiles through Nicaraguan territory into El Salvador. Supplying sophisticated Soviet arms to the FMLN was a sheer betrayal of the Soviet policy in the area, and of the widely supported negotiation process.  

Castro not only opposed Gorbachev’s policy in Central America, but the whole concept of ‘new thinking’ and perestroika. From the outset, he was sceptical about the prospects of national reconciliation and democratization in Nicaragua, and considered this to be a betrayal of the revolution. He remained very defiant to any application of perestroika in Cuba.

However, further exchanges between the two superpowers regarding Nicaragua and Cuba during the Gorbachev–Bush summit in Malta at the beginning of December 1989, gave fresh impetus to US and the Soviet Union to search for ways and measures both of promoting a peace settlement in Nicaragua and El Salvador as well as trying to neutralize Cuba’s negative influence on some of the main parties to the regional conflict.

The United States demanded that the USSR show its commitment to demilitarizing the Central American conflict by compelling Cuba and Nicaragua to cease all arms shipments to the Salvadoran guerrillas and by forcing the Sandinistas to deny, in compliance with the Esquipulas agreement, the use of Nicaragua’s territory to third parties arming the FMLN. Indeed, the Soviet Union took several steps designed to demonstrate its commitment to making the superpower partnership work. On one occasion Moscow rejected the Sandinistas’ request for emergency funds to improve the Nicaraguan economy, a request which, if fulfilled, might have strengthened the Sandinista appeal to voters in the upcoming elections. On another occasion the USSR persuaded the Sandinista leadership to turn their back on the Salvadoran rebels and to sign a declaration with other Central Amer-
ican presidents at San Isidoro, Costa Rica, on 12 December 1989, calling on the FMLN forces to disarm and enter into negotiations with the Salvadoran government.99 This move led to a serious rift between Managua and Havana. Castro kept reminding the Sandinistas that it was their revolutionary duty to continue to aid the FMLN.

Due to Washington’s pressure, the Soviets eventually expressed a willingness to reduce considerably the volume of their military cooperation with Cuba, on condition, however, that the United States was prepared to take appropriate steps to lessen the military tension in the region and not to threaten Cuba’s security.

Apparently, Gorbachev himself conceded to President Bush that Soviet economic ties with Cuba were undergoing changes, but this would take some time. The Soviet–American dialogue continued well into 1991 without any tangible results.

In the meantime, the Sandinistas succeeded in holding out militarily but were losing economically. Apparently, in view of the worsening economic situation in Nicaragua, Shevardnadze expressed some concern about the Sandinistas’ chances of winning the February 1990 elections. He said that ‘Daniel Ortega’s defeat would be a terrible blow to progressive forces – worse than in Poland – and all possible measures should be taken to satisfy Managua’s requests for additional economic assistance’.100

Fortunately, the Sandinista leaders were not as obsessed with power and socialist dogma as their Cuban mentors, and did not allow these sentiments to prevail over their common sense. They understood that the Soviet Union would neither welcome nor give support to a socialist revolution in Nicaragua to the same extent as it had done in Cuba.

Thus, left with not much choice, the Sandinista government, in compliance with the February 1989 agreement, prepared for the elections scheduled for 25 February 1990 by constituting a Supreme Electoral Tribunal with UNO (Unión Nacional Opositora, the opposition party led by Violeta Barrios de Chamorro, and backed by the United States) representation. The UN and OAS observer teams were invited into all electoral districts to monitor the entire process.

The Bush administration proposed that the US and Soviet governments agree to respect the results of free and fair elections in Nicaragua, to recognize the elected government, and to support its respect for democratic pluralism and human rights. This agreement was incorporated into the Baker–Shevardnadze joint communiqué signed
in Moscow on 9 February 1990. In fact, this was a mutual Soviet–American guarantee against the possibility of a breach in the rules of the democratic game in Nicaragua by the loser, whoever that was.

When the election results were announced and President Daniel Ortega conceded defeat, there were apprehensions in Moscow that Cuba might try to use its influence in Managua to hamper the process of transfer of power to Violeta Chamorro. However, the Kremlin took the necessary steps to let both Castro and the Sandinistas know that, regardless of the outcome of the elections, it would not accept any actions that would worsen the situation in Nicaragua and thereby lead to hostilities being resumed.

Though the Sandinistas were voted out of power on 25 February 1990, they still carried weight in the National Assembly, and they also dominated the armed forces, the national bureaucracy, and the unions, but they no longer exercised executive authority.

From the USSR perspective, in terms of old thinking, the Sandinistas’ loss of power was a great setback, but in terms of the new thinking it was a positive outcome.

In summary, Gorbachev’s policy towards Nicaragua during the FSLN’s rule reflected revised assumptions about the Soviet role in the Third World. By analysing what had happened to the Soviet Union as a result of Brezhnev’s expansionism of the 1970s, Gorbachev and his advisers concluded that Moscow’s aggressive military policies undermined its fundamental security interests. It led to the formation of rival coalitions to combat Soviet expansionism and unleashed an economically damaging and unwinnable arms race with the United States. The Gorbachev leadership realized that a more pragmatic and de-ideologized approach to the Third World was needed, more in tune with Soviet economic capabilities and reform objectives and less geared to concepts of class struggle and military competition with the West. A more aggressive political and commercial approach to developed Third World countries suppressed support for national liberation movements. Diplomacy and the politics of cooperation replaced military intervention and security assistance as the preferred options in regional conflict situations. This approach, indeed, contrasted markedly with the Soviet Union’s previous tendency to try to capitalize on regional conflict situations to advance its own position and to undermine the position of the United States. By its own behaviour in the Third World, the USSR also altered the regional
environment and affected American behaviour. The United States became more willing to cooperate with the Soviet Union in regional conflict resolution. Indeed, Soviet–American cooperation led to the resolution of conflict in ‘hot spots’ around the Third World, notably Afghanistan, Angola, Cambodia and Nicaragua.

The Soviet–US partnership proved to be very effective in settling the Nicaraguan crisis and trying to resolve the Salvadoran civil war. For example, in January 1991 after Salvadoran guerrillas downed a series of Salvadoran and US planes with Soviet missiles, four officers in the Sandinista Popular Army (EPS) were arrested for smuggling Soviet missiles (stolen from EPS warehouses) to the FMLN. The Soviets were reported to have helped the United States to verify the origin of the missiles. Furthermore, the USSR volunteered to send a delegation to Nicaragua to make an inventory of remaining Soviet arms from pre-1989 deliveries still held by the Nicaraguan army. One Sandinista military officer criticized this proposal as unnecessary interference in Nicaragua’s affairs. A former Sandinista diplomat described Soviet actions throughout this period, as ‘a dark chapter in the relations between Nicaragua and the USSR, which has opened the doors to a new campaign against the EPS [which was still under Sandinista command] and the Revolution’. Other Sandinista critics spoke contemptuously of Soviet actions as ‘the USSR’s submission to Washington’s interest’ and ‘collaboration among the powerful’.