

## Special Analysis

### USSR: Breakup of the Empire

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*Failure of the coup has dramatically accelerated the democratic and nationalist revolutions in the USSR. Breakup of the Soviet empire is advancing rapidly, and achievement of even the qualified federal power sought by Gorbachev a week ago is now beyond reach. Secession of the Baltic republics, the transformation of Russia, Ukraine, and other republics into largely independent states, the replacement of the once tightly centralized economy by a voluntary economic union, and formation of a residual central political authority with limited functions and power are all likely in the near term. Breakdowns of social order are probable, but most leaders are working to guide this process in an orderly fashion.* [REDACTED]

### The Democratic Revolution

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Through their actions, the coup plotters created the opportunity for the stunning triumph of the Russian democrats and delegitimized the core of traditionalist extremism. At the same time, the complicity of the Communist Party apparatus in the coup has made the rapid meltdown of the party irreversible. These developments have eliminated the basis for effective traditionalist opposition to reform. They, together with measures now being taken to establish firm control over the army and the security services, reduce fear that military force or police action could be used against the democrats in Russia or to protect imperial interests in the non-Russian republics. [REDACTED]

### The Nationalist Revolution

*As provided  
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Yel'tsin is exploiting the current vacuum of power at the center to equip his government with the authority and resources necessary to rule Russia. He is in effect taking into receivership various assets of a delegitimized and immobilized Soviet Government through a transfer of functions to the Russian Republic, direct intervention in all-union agencies, and the filling of key posts in the central government with his own people. [REDACTED]

Yel'tsin's record and his current support of Baltic independence suggest that his aim is not to reassert Russian imperial dominion but to advance the interests and welfare of Russia. Nevertheless, the

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self-empowerment of Russia unleashed by the coup failure has heightened fears in the non-Russian republics of Russian hegemony and undoubtedly will spur national assertiveness. [REDACTED]

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Other republics are rapidly declaring independence, seizing control of union assets, moving toward the creation or expansion of national armed formations, and neutralizing their own Communist parties. The most important instance is Ukraine's declaration of independence and nullification of the USSR Constitution on Ukrainian territory, which—while not yet consummated—is a watershed event that renders highly unlikely the establishment of a federal USSR, whatever happens in Moscow. [REDACTED]

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The nationalist revolution places the task of state building on the immediate agenda of all the republics. Acceptance of Baltic independence is certain, whether Gorbachev agrees quickly or not. No basis of support remains for maintaining a repressive Soviet military presence in Azerbaijan, and without this, Communist rule there will be replaced by a regime committed to independence. In Central Asia, the status quo will crumble, as these republics begin their own voyage of political self-discovery. New ethnic violence in Central Asia and the Caucasus and further forced migration are strong possibilities and may revive the danger of an authoritarian reaction. Expanding external activities by the new states will rapidly complicate regional geopolitics in Europe and Southwest Asia. [REDACTED]

### The Center

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Discussions among the republics about their future relations will resume, but the context now is radically changed. Before the coup, constraints on the writ of the Russian government, the strong residual authority of the Soviet Government, and apprehensiveness about instability and military intervention made a compromise union treaty providing for still significant central power an attractive path for Yel'tsin to enhance Russian authority. For other republics—especially in Central Asia—endorsement of the old draft promised access to subsidies and sociopolitical stability. Now, the sharp reduction in the center's authority makes such concessions unnecessary for Yel'tsin and will change the other republics' views of what sort of center they might buy into. [REDACTED]

Agreement among interested republics probably lies in accepting the distinction between economic and political association—a step Gorbachev has strongly resisted. Most republics could agree to join

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some kind of economic union. Some probably will find it in their interest to create a union political authority with jurisdiction sharply limited to a few functions—first of all security affairs—that it would share with the republics and exercise under their supervision. Such an arrangement would entail a strong Russian role. [REDACTED]

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#### In the Meantime . . .

The new military leadership will clean house quickly and solidify its operational control over all central military forces. It will move, in discussions with republic leaders, to clarify authority over central forces stationed in republics now declaring independence and over emerging republic forces. [REDACTED]

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The coup has thrown economic policy making into chaos. Although the assertion of republic sovereignty may improve reform prospects in Russia and some other republics, it will severely impede restoration of a unified economic space except on a common market basis once participating republics have established their own statehood. Rising trade barriers among republics will compound the unemployment problem that will be generated by rapid marketization, producing new instability. [REDACTED]

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The Soviet military-industrial complex has suffered a critical reversal because of its links to the junta. General Shaposhnikov and other military reform advocates in the Ministry of Defense will move to assert greater control over weapons acquisition and delivery. Direct control of resources by the republics and marketization will accelerate defense spending cuts and dismemberment of military industry. [REDACTED]

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USSR

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**Ivan Silayev Russian Republic Premier,  
Chairman of Interim Committee To  
Manage Soviet Economy**

Gorbachev yesterday named Silayev to chair committee to organize management of USSR's national economy . . . his deputies include Arkadiy Vol'skiy, reformist chairman of Scientific-Industrial Union and Gorbachev confidant, and free market economist Grigoriy Yavlinskiy . . . Silayev will seek other free-marketeers for new USSR government, but committee's members all will be engineers accustomed to central planning, with no experience managing a large economy.

Currently most powerful economic official in USSR, [REDACTED]

[REDACTED] . . . has issued decrees severely weakening Soviet Government's control over Russian Republic's economy . . . will focus on stepping up privatization plans . . . good relations with Yel'tsin for two decades . . . before 1990 appointment as premier, had served almost 40 years in defense-industry sector . . . age 61.

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