

- o Sharp popular reactions are aroused in the West by excessive use of force to repress popular movements, thus limiting the policy choices of Western leaders.
- o Trade relations suffer. Efforts to achieve arms reductions agreements continue, however.

Scenario 3: Reforms fail and attempts are made to reverse course

a) Domestic

- o *Perestroika* fails to improve the lot of most Soviet citizens, either because reform is not pursued vigorously, or because drastic measures lead to inflation and/or high levels of unemployment. Popular discontent ensures the demise of the old guard of the Communist Party. Lacking a popular mandate, Gorbachev, or his successor, uses the powers of the Presidency to impose a form of martial law, and reverts to a command economy system.
- o Efforts continue to find democratic means of reflecting popular will, however, and there is no turning back to one-Party rule. The non-Slavic Republics continue to press for greater independence despite the stand-off in the talks with the Baltic Republics. Violence in the Caucasus requires the police to use force.

b) Foreign

- o Soviet leaders follow a hands-off policy towards Eastern Europe, but try to maintain Warsaw Pact security arrangements, and retain some Soviet forces in Germany. The second round of CFE talks reaches an impasse, and negotiations to reduce strategic arms proceed more slowly. However, continuing value is attached to trade and aid relations with the West, and major confrontations are avoided. The main lines of Gorbachev's foreign policies are preserved.