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Assessment of Pathways to Collapse in the DPRK

NSI Pathways™ Report



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Introduction and Purpose of Study

The collapse of the North Korean economy and disastrous famine of the mid-1990s forced the regime to adapt its centrally-planned economy—most notably by allowing limited and small-scale private entrepreneurship among a starving population that the government’s Public Distribution System could no longer support. In this context, the North Koreans had turned to informal markets for sustenance in order to survive (Gause, 2018; Park, 2018; Platte, 2018; Rinna, 2018). This “bottom up” marketization resulted in policy reforms that followed rather than led the transition (Haggard & Noland, 2005; Park, 2018; Platte, 2018; Rinna, 2018). While the regime acknowledged the need for these informal markets to meet needs that it could not fulfill, and even instructed state institutions to find profit-making opportunities, the regime nonetheless remained ideologically opposed to marketization and capitalism. The leadership even enacted policy reversals in late 2005 intended to roll back some of this change—including “banning private trade in grain, resuscitating the quantity rationing system, and...rever[ting back] to confiscatory seizures from rural cultivators” (Haggard & Noland, 2005). The regime’s 2007 and 2009 efforts to inhibit private entrepreneurship and decelerate marketization (e.g., through currency reform) were ultimately unsuccessful (Park, 2018).

The informal economy is still in place, represents a substantial sector of the total economy, and has fostered a new stratum of wealthy North Koreans, unattached to the military or traditional elite (Hastings, 2017). The result today is the emergence and continued growth of private entrepreneurs. One estimate is that 20% of the North Korean population is directly or indirectly reliant on “general markets” for survival (DailyNK, 2018). Simultaneously, there are party and military organizations with their own trading companies. This leaves the DPRK with public institutions funded by the state and private corporations liable for paying a percentage of proceeds to the state.

Nonetheless, marketization in the DPRK has remained limited overall. Though Kim Jong Un’s own statements (Kuznar, 2017; Platte, 2018) have highlighted the need for economic development in North Korea, he remains suspicious of further economic liberalization and broad marketization, which he views as a strong threat to the security and survival of his regime (Bennett, 2018; Cheng, 2018; Cronin, 2018; Gause, 2018; Goto, 2018; Park, 2018; Platte, 2018; Sun, 2018). Indeed, observers and scholars continue to question the longer-term implications of these economic developments, and whether there is an insurmountable tension between economic reform and marketization on the one hand, and stability of Kim family political control on the other. This analysis thus addresses the following question: ***Has marketization put the North Korean regime on a path to near-term collapse?***

NSI applied its NSI Pathways™ methodology and model to search for and identify indicators that marketization in North Korea could lead to collapse of the Kim regime.

Overview of NSI Pathways™ and DPRK Application

The NSI Pathways™ model is designed to provide a descriptive analysis of pathways and subpaths to a given outcome, in this case, to regime collapse. An NSI Pathway model includes four key elements: antecedent conditions necessary for a particular path, catalysts that have the power to propel movement down a given path, markers that indicate evidence consistent with existence of the path, and buffers that serve to prohibit further progression toward a given outcome.

In most cases, the pathways to an outcome of interest are divided into several subpaths indicating the possible ways that a path, such as regime collapse, may occur. We collect both information that is consistent and inconsistent with each of the components so that the results of the analysis indicate the path or subpath on which the preponderance of evidence lies rather than deciding on a single subpath

toward collapse. Doing so enables us to determine which, if any, of the subpaths is dominant and in which ways. The assessment also produces indicators and warnings (I&W) that can be used to guide subsequent analyses or updates and track progress toward an outcome, or down one or another pathway over time. In fact, one of the main benefits of this model is its ability to be easily updated as new information becomes available, and to guide identification—in a very targeted way—of indicators and warnings as they emerge.

For this NSI Pathways application to the Democratic People’s Republic of Korea (DPRK), we began by developing a theoretical base model for potential regime collapse associated with marketization. We consider regime collapse to be the dysfunction of a government to the point that it loses both efficacy and legitimacy and thus can no longer maintain its functions, or even falls out of power completely (Goldstone, 2008). We began with the initial proposition that marketization—or transition from a planned to a market economy—exerts pressure on a governing system that under some conditions can push it down a path toward instability and eventual collapse.

After deriving an initial set of model components, three subpaths to collapse via marketization relevant to the DPRK were identified. These aligned with the different groups within North Korea that theoretically could exert pressure on the regime, at present or in the future. The three subpaths are thus: regime collapse as the result of pressure for reform and the frustration of the new class of entrepreneurs not directly tied to the Communist Party or the military (i.e., the “nouveau riche” path); pressure arising from the broader, mainly rural population, for example, who are frustrated with the regime’s inability to distribute goods (i.e., the “grassroots” path), or a coup led by members of the military, or military support to one of the other two groups (i.e., “military or military assisted” path).

Five case studies of state stability impacted by marketization (China, Poland, the USSR, Somalia, and Yugoslavia) were conducted in order to enable further development and refinement of the base model and to gauge the generalizability of specific instances of model components. Cases were chosen to enable exploration of regimes that did collapse, as well as those that were at risk but ultimately were resilient to marketizing forces. Countries undergoing marketization also varied by the speed with which this transition was accomplished. Model components appearing most frequently across the case studies were identified as “Tier 1” markers and deemed to be the most critical or generalizable to collapse.¹ The final NSI Pathways model of regime collapse from marketization was used as a tool to assess evidence that North Korea was indeed on a path associated with eventual regime collapse in other cases.

The following presents our assessment of the DPRK’s current position on the three collapse subpaths. It includes [indicators and warnings](#) (I&W) of further movement along each subpath—both those signaling movement toward collapse and those suggesting resiliency of state institutions. The full results of the five case studies plus the full DPRK assessment are provided in tables throughout this report, one per subpath section: nouveau riche subpath ([Table 1](#)), grassroots subpath ([Table 2](#)), and military coup subpath ([Table 3](#)). The [table key](#) is on the following page. A summary of the evidence relating only to the most critical subpath components (i.e., Tier 1 markers) of the DPRK regime collapse impacted by marketizing forces can be found in [Appendix A](#). The individual case studies can be found in the appendices that follow, beginning with [Appendix B](#).

¹ Three tiers of markers were identified as follows, Tier 1 = most critical = present in all five cases and/or in the direction of hypothesized effect for all five cases, Tier 2 = moderately important = present (and/or as hypothesized) in four out of five cases, and Tier 3 = less critical = present (and/or as hypothesized) in three or fewer out of five cases.

Key for Collapse Model Country Assessments

KEY:

Green = component present

Red = component absent

Orange = component partially present

Blue = component may have been present

Purple = opposite of model component

Gray = no reliable data discoverable

TIERS:

Tier 1 = most critical = present in all five cases and/or in the direction of hypothesized effect for all five cases

Tier 2 = moderately important = present (and/or as hypothesized) in four out of five cases

Tier 3 = less critical = present (and/or as hypothesized) in three or fewer out of five cases

*Note: Tier markings in purple text indicate grading "override" based on logic/prior findings

Results of NSI Pathways Assessment of DPRK Collapse

An assessment of the most critical (Tier 1)² components on all three subpaths (nouveau riche, grassroots, and military or military-assisted coup) provides little evidence that the DPRK is currently on a pathway to regime collapse. As shown in [Table 1](#), few components (antecedents, catalysts, and markers for each subpath) are present in the DPRK, and with only one exception, are typically outnumbered by model components that are absent. However, the Tier 1 evidence is most consistent with the nouveau riche subpath, although state control mechanisms provide a strong buffer against collapse at this time. Consideration of the full set of model components, Tiers 1 - 3, strengthens this picture—one where the DPRK is seemingly at risk for proceeding along the nouveau riche subpath to collapse, given the presence of key antecedents, multiple catalysts, and a majority of subpath markers—but also exhibits significant means for ongoing resilience. Despite the absence of several buffers (e.g., robust economic growth and performance, government performing reasonably well for the majority), the buffers present far outnumber those absent, by a factor of about 3:1. However, given the evidence consistent with the DPRK’s possibly heading down a nouveau riche subpath, attention should be paid to the nouveau riche subpath components that do not yet appear to be present. In fact, these may serve as early indicators and warnings of regime instability.

Tier 1 model components do not indicate that the DPRK is at present solidly on a regime collapse pathway impacted by marketization. However, there are several early indications, consistent with a nouveau riche subpath, which suggest that the DPRK may begin moving down that path with the introduction of additional subpath antecedents or catalysts and/or a removal of current buffers. Further, early warnings indicate that regime conflict with the military has the potential to develop.

There is less evidence consistent with the DPRK currently being on a path to collapse via military coup, although friction among the DPRK military officials does occasionally come to light in the form of power struggles, crackdowns on “corruption,” and policy differences. To date, these have generally been met with swift and final suppression, which is in fact a key buffer against a military coup. However, the military is an organized interest group with obvious access to the means for rebellion. For this reason, rifts among the officer corps and the regime are an important indicator of regime weakness.

Finally, there is little evidence to suggest that the DPRK would proceed along a grassroots subpath toward collapse at this point in time. There is a lack of antecedents and catalysts as well as markers, including lack of grassroots organization or access to the means for resistance, along with buffers such as totalitarian state control. Lack of ethnic divisions and a unifying superordinate identity further mitigate any potential grassroots uprising.

Overall Risk and Resilience for the DPRK

Despite the presence of multiple antecedents, several moderately important catalysts, and a significant number of markers, the DPRK has clearly not collapsed. As noted above, the clue to this resilience is the significant number of *buffers* to collapse that remain present. Importantly, almost all Tier 1 buffers to regime collapse appear to be present in North Korea. These include a tightly controlled media, coalescing ideology (*Juche*), and an abiding sense of nationalism. Moderately important buffers present include those such as the presence of external threats, government monopoly over the means of violent coercion, and mechanisms for quelling dissent.

² Tier 1 model components were present and/or in the direction of hypothesized effects for all five case studies. As such, these components were determined to be the most critical or at least the most generalizable.

Evidence for Nouveau Riche Subpath

Tier 1 Antecedents

The first of two important antecedents of the nouveau riche subpath, is that a distinct nouveau riche identity has emerged that is separate from other elite identities (military, political, etc.). While direct evidence of this social identity is limited, its existence is arguably present, given the naming of the new class of wealthy elites, known as *donju*. Sharing common economic interests and, in some senses, a common fate, can also serve to organize their perception that they are members of a defined subgroup (for related discussions, see: Bodenhausen, Kang, & Peery, 2012; Campbell, 1958; Levy & Killen, 2008; Tajfel, 2010b). This kind of social identity has been shown to be an important source of social worth and can serve to shape people's thoughts and behaviors, as well as provide a set of common norms and values. Perceived threats to a group's identity can become a source of instability if groups are willing to fight to maintain their ingroup interests or the integrity of their group-based ideals (Brown, 2000; Tajfel, 2010b; Tajfel, Billig, Bundy, & Flament, 1971). In the pursuit of limited resources (perceived or actual), intergroup relationships may devolve further into hostility and competition as group members try to gain or maintain an advantage, either perceived or real, for their ingroup.

A second important antecedent to the nouveau riche subpath is that there has been a period of growing marketization that has been improperly or incompletely managed. This is seemingly evident in the bottom-up initiation of marketization that resulted in (rather than followed) policy reforms (Haggard & Noland, 2005; Park, 2018; Platte, 2018; Rinna, 2018) and the unsuccessful attempts by the regime at later policy reversals (Park, 2018), as well as the active demands among the nouveau riche for increasing liberalization of the economy (Bennett, 2018; Cronin, 2018; Gause, 2018), which are presently unmet. While the 2009 reforms did not result in strong public opposition or outright rebellion, the resistance that was in fact encountered suggests that there was some degree of disapproval for these policies and their effect on the marketization process (Haggard & Noland, 2010). Depending on how marketization is managed moving forward, it could also result in several downstream negative economic effects that would alter outcomes for the nouveau riche. We see examples of this in the Eastern European countries that moved toward liberalizing their economies post-communism but postponed radical economic reform, resulting in what some have dubbed economic "shock without therapy," which left these states on a very long road to recovery (Dobbs, 1993).

The emerging market activities created the new class of wealthy elites known as "*donju*," who have been able to leverage their wealth to purchase influence in the country's economic and political institutions (Gause, 2018; Goto, 2018; Park, 2018). Market changes have also increased the perceived differences between economic classes (Gause, 2018), likely creating and reinforcing distinct social identities. These identities potentially challenge the DPRK's politically mandated social hierarchy, the *Songbun* (Collins, 2012).

The DPRK is currently missing two crucial antecedents, however. Common leadership for this new class of economic elite does not appear to have emerged and the government has not undergone a true crisis of legitimacy. However, given the rising expectations among the nouveau riche following from early and limited marketization, a failure of the current regime to further develop and stimulate the economy could ultimately harm regime legitimacy, which could escalate to crisis levels if expectations and reality deviated severely enough (Bennett, 2018; Cheng, 2018; Gause, 2018; Park, 2018; Platte, 2018; Rinna,

2018).³ While strong and charismatic leadership would typically prove problematic if it were to come into fruition, the DPRK's particularly tight control and use of repressive methods likely would stifle such leadership before it took hold or increased in influence. Thus, the emergence of a crisis of legitimacy would likely serve as a stronger indicator and warning of additional movement along the nouveau riche subpath to state collapse.

Tier 1 Markers

Several critical nouveau riche subpath markers are also assessed to be partially or fully present in the DPRK. The regime is characterized by corruption in the form of state predation (Collins, 2012; Human Rights Watch, 2017; Oh & Hassig, 2000; Transparency International, 2017), and there has been deep neglect of infrastructure development (Lankov, 2016; Rinna, 2018). The latter could be mitigated if sanctions were to be softened or removed and the state used subsequent increases in foreign aid and private capital to invest in infrastructure development (Goto, 2018). Aside from sanctions, a lack of infrastructure development, along with missing legal protections, also serves to inhibit foreign investment (Park, 2018), thereby limiting economic growth and development. A third marker is also partially present—that of a perceived decrease in quality of life among the nouveau riche—which arguably is manifest in the form of thwarted expectations. While the economic elites may have not experienced a drastic decline in their overall financial or other aspects of well-being, their increasing and largely unmet expectations (e.g., for increased liberalization of the economy and the opportunities that would follow) may make their current status appear to have worsened over time (Bennett, 2018; Cronin, 2018; Gause, 2018). News reports of possible public protests and government crackdowns (Haggard 2010), even if not fully verified, indicates the possibility that the new merchant class feels discontent. Further decrements in their perceived quality of life could, moreover, prove to be an early indicator or warning. While earlier measures such as the currency reform of 2009 angered the economic elites given their direct and negative impact on income and savings, and these reforms were met with some degree of resistance, they did not result in strong public opposition or outright rebellion (Haggard & Noland, 2010). Evidence or public articulation of common nouveau riche grievance moreover remains limited.

Additional Tier 2 and Tier 3 Subpath Components

Examination of the Tier 2 and Tier 3 components reveals additional evidence that the DPRK has the potential for eventual movement down the nouveau riche collapse subpath. For example, there are active demands among the nouveau riche for increasing liberalization of the economy (Bennett, 2018; Cronin, 2018; Gause, 2018). Several potential catalysts for this subpath already exist, including government repression, current sanctions on the economy that limit economic growth and development, and overall financial mismanagement. While these catalysts have been shown in the case study analyses to be of moderate rather than critical importance to progression along this subpath, they nonetheless indicate a risk for the DPRK. If the regime were to enact major additional policy shifts that were not conducive to this group's interest, these could serve as a catalyst of progression down this subpath.

In addition to the Tier 1 markers present, several additional Tier 2 and Tier 3 markers of this subpath are present in the DPRK. These Tier 2 and Tier 3 markers include a feeling of economic insecurity among the nouveau riche, as well as government regulation of commercial activities perceived as being harsh, and public scapegoating of group members due to their acquisition of wealth, status, and power.

³ It should also be acknowledged that the nouveau riche are not the only new entrepreneurs in the DPRK. For example, military officers are also benefitting from marketization, attaining wealth via military holding companies. However, the emphasis in this analysis is on the group of entrepreneurs who have no, or limited, ties to the military or the party, and thus are attaining wealth outside of the traditional elite and patronage systems.

The DPRK moreover faces a dilemma in that the further opening up of the economy that might placate the nouveau riche and help to ensure its capacity to provide for the needs of its citizens could simultaneously place it in a situation in which some of its buffers to collapse are removed—namely, a less tightly controlled media, some mechanisms for quelling dissent, and isolation (Bennett, 2018).

Table 1: Country Assessments for Nouveau Riche Subpath Components

		Tiers	China	Poland	USSR	Somalia	Yugoslavia	DPRK
<i>Nouveau Riche Subpath</i>								
Antecedents	Emergence of nouveau riche group identity	T1	Green	Yellow	Red	Red	Red	Green
	Period of growing (unmanaged , mismanaged) marketization	T1	Green	Green	Green	Red	Green	Green
	Common leadership for new class	T1	Red	Red	Red	Red	Red	Red
	Crisis of governing legitimacy	T1	Red	Red	Green	Green	Green	Red
	Popular perception (by nouveau riche) of ineffective governance	T3	Red	Yellow	Red	Green	Green	Blue
	Modernization plan	T3	Green	Green	Green	Red	Red	Yellow
	Demands for increasing liberalization among nouveau riche	T3	Yellow	Green	Red	Red	Red	Green
Catalysts	Government repression	T2	Green	Red	Yellow	Green	Green	Green
	Fast transformation	T2	Red	Green	Green	Green	Green	Red
	Major policy shifts not conducive to group interest	T2	Green	Red	Green	Green	Green	Red
	Financial crisis	T2	Red	Red	Green	Green	Green	Green
	Generation change among entrepreneurial class	T3	Green	Red	Green	Grey	Blue	Grey
	Sanctions on economy	T3	Green	Red	Red	Grey	Grey	Green
Markers	Evidence or public articulation of common nouveau riche grievance	T1	Green	Yellow	Green	Green	Green	Red
	Infrastructure projects become neglected	T1	Yellow	Yellow	Green	Green	Green	Green
	Perceived decline in quality of life (for nouveau riche)	T1	Green	Yellow	Green	Green	Green	Yellow
	Government corruption (e.g., state predation, patronage, nepotism, etc.)	T1	Green	Green	Green	Green	Green	Green
	Government regulation of commercial activities perceived as harsh	T2	Green	Red	Green	Grey	Green	Green
	Feeling of economic insecurity (at risk)	T2	Green	Red	Yellow	Green	Green	Green
	Ruling cadres oppress, extort, and harass majority/repress some groups	T2	Green	Red	Yellow	Green	Green	Green

	Public scapegoating of groups believed to have acquired wealth, status, or power	T2	Green	Red	Green	Green	Green
	Wide-ranging economic decline or slow/inefficient recovery	T2	Red	Green	Green	Green	Red
	Fragmented social structure	T2	Red	Yellow	Green	Green	Red
	Lack of openness to trade	T3	Red	Red	Green	Red	Red
	Group flight / emigration	T3	Green	Red	Red	Green	Green
	Over-valued currency	T3	Red	Red	Red	Grey	Grey
	Emergence of linkages between grievance and ideological groups	T3	Red	Red	Red	Yellow	Green
Buffers	Economy integrated into regional & international markets	T2	Green	Green	Green	Blue	Red
	Building on or creating new economic institutions before old ones destroyed	T2	Green	Red	Yellow	Green	Red
	Increase in foreign direct investment (FDI)	T3	Green	Green	Red	Grey	Red
	Increase in foreign study and training	T3	Green	Red	Red	Grey	Red
	State maintains control over almost all foreign trade	T3	Green	Red	Yellow	Grey	Red
	Interchange with foreign cultures	T3	Green	Green	Red	Yellow	Yellow

(Lack of) Evidence for Grassroots and Military or Military-Assisted Coup Subpaths

Tier 1 Grassroots Subpath Components

The grass roots subpath (see [Table 2](#) below) is missing a critical antecedent—a crisis of governing legitimacy among the grassroots. Relative to prior periods (e.g., the period of famine), the grassroots are also not experiencing the catalyst of rapidly deteriorating standards of living. However, there is a good deal of inequality between the elite and the grassroots, which is expanding dramatically with the advent of informal marketization. Inequality has been shown to be associated powerfully with instability and eventual collapse (e.g., Fund for Peace, 2017; Goldstone, 2008; Rotberg, 2002). This remains, however, the only significant catalyst present for the grassroots subpath to collapse. Markers present for the grassroots subpath include government corruption and neglected infrastructure. Additionally, regional instability has the potential to impact movement down this subpath. While there is a dearth of effective channels to handle grievances, the absence of grassroots grievance expressed (whether due to fear, learned helplessness, or actual acceptance—or even embrace—of the existing situation) makes the absence of effective grievance channels less important. However, the emergence of new grievances

At present, there is no compelling evidence to suggest that the DPRK would move onto a grassroots subpath, given the absence of several antecedents and catalysts, as well as a majority of markers.

among the general population could serve as an indicator and warning that the DPRK may be moving onto this subpath.

Additional Grassroots Subpath Components (Tier 2 and Tier 3)

Examination of the broader set of subpath components reveals that there is an apparent absence of a common grassroots identity, and consequently no common leadership for an anti-government grassroots movement that is opposed to the government. The presence of government repression and economic factors such as sanctions and financial crisis, however, provide some very limited additional evidence that the DPRK could find itself on this subpath, particularly if evidence of other model components were to emerge. Just under a third of the total set of grassroots subpath markers are present; these are approximately evenly distributed across the Tier 1 grouping versus the combined Tier 2 and Tier 3 grouping. Tier 2 markers present include an absence of political voice and denial of autonomy, self-determination, or political independence, along with group flight/emigration. In the former case, several of the dynamics discussed above are also likely to be relevant here, including the absence of expressed grievance and strong presence of government suppression of dissent. However, acute or frequent procedural justice violations such as denial of voice—if perceived as unjust by the grassroots—may serve as an early indicator or warning, particularly in conjunction with other markers.⁴

Buffers Against Grassroots Pathway in the DPRK

The one buffer unique to the grassroots pathway, foreign aid effectively enabling rebuilding, appears to be absent, given a lack of effective coordination in development aid with foreign countries and disincentives to investment (Lankov, 2016). The grassroots pathway also shares a number of critical buffers with the nouveau riche and military coup subpaths, including a tightly controlled media, coalescing ideology (*Juche*), and an abiding sense of nationalism. Moderately important buffers include those such as the presence of external threats, government monopoly over the means of violent coercion, and mechanisms for quelling dissent.

⁴ Research shows that strong emotions such as moral outrage can be experienced in response to perceived injustice and may result both in a desire to punish the perceived perpetrator and a desire to change the system seemingly responsible for the perceived injustice (e.g., Iyer et al., 2007; Martorana et al., 2005; Nelissen & Zeelenberg, 2009; Pagano & Huo, 2007). While effects originally observed in Western samples for procedural justice have in some cases been shown to be attenuated in Asian cultures (e.g., due to power distance or norms of harmony) (Kim & Leung, 2007; Leung & Lind, 1986; Tyler, Lind, & Huo, 2000), several studies also show that procedural effects generalize and remain robust across cultures (e.g., Lam et al., 2002; Morris & Leung, 2000). As such, there remains a possibility—if highly unlikely—that denial of voice and other procedural justice violations in the DPRK, if perceived as such, could come to be associated with outward expressions of dissatisfaction, particularly if constraints on such expression were minimized and other acute factors, such as the noted catalysts, were present.

Table 2: Country Assessments for Grassroots Subpath Components

		Tiers	China	Poland	USSR	Somalia	Yugoslavia	DPRK
<i>Grassroots Subpath</i>								
Antecedents	Crisis of governing legitimacy	T1	Red	Red	Green	Green	Green	Red
	Emergence of grassroots identity	T1	Red	Yellow	Green	Green	Green	Red
	Popular perception (among grassroots) of ineffective governance	T2	Red	Green	Green	Green	Green	Blue
	Common leadership/voice for grassroots	T3	Red	Yellow	Green	Red	Green	Red
	Modernization plan	T3	Green	Green	Green	Red	Red	Yellow
	Demands for increasing liberalization among grassroots	T3	Green	Green	Green	Grey	Grey	Red
Catalysts	Rapid deterioration in standards of living	T1	Yellow	Green	Yellow	Green	Yellow	Red
	Unequal development or treatment for specific groups	T1	Green	Green	Green	Green	Green	Green
	Major policy shifts not conducive to group interest	T1	Green	Green	Green	Green	Green	Red
	Government repression	T2	Green	Red	Yellow	Green	Green	Green
	Fast transformation	T2	Red	Green	Green	Green	Green	Red
	Financial crisis	T2	Red	Red	Green	Green	Green	Green
	Sanctions on economy	T3	Green	Red	Red	Grey	Grey	Green
	Sizable/disruptive separatist movements persist	T1	Red	Red	Green	Green	Green	Red
	Government failure to provide expected services	T1	Green	Red	Green	Green	Green	Red
	Evidence or public articulation of common grassroots grievance	T1	Yellow	Green	Green	Green	Green	Red
	Dearth of effective channels to handle grievances	T1	Green	Green	Purple	Green	Green	Green
	Intercommunal conflict	T1	Green	Green	Green	Green	Green	Red
	Government corruption (e.g., state predation, patronage, nepotism, etc.)	T1	Green	Green	Green	Green	Green	Green
	Infrastructure projects become neglected	T1	Yellow	Yellow	Green	Green	Green	Green

Markers	Regional instability and/or conflict	T1	Yellow	Green	Yellow	Green	Green	Green
	Perceived decline in quality of life (for grassroots)	T1	Green	Green	Green	Green	Green	Red
	Rise in unemployment	T2	Green	Green	Purple	Green	Green	Red
	No political voice; group grievance due to denial of autonomy, self-determination, or political independence	T2	Green	Red	Green	Green	Green	Green
	Group flight/emigration	T2	Red	Red	Red	Green	Green	Green
	Ruling cadres oppress, extort, and harass majority/repress some groups	T2	Green	Red	Yellow	Green	Green	Green
	Emergence of armed resistance (among grassroots) to governing authority	T2	Red	Red	Red	Green	Green	Red
	Arms trafficking, increased availability/ source of arms (e.g., by foreign providers)	T2	Yellow	Grey	Red	Green	Green	Red
	War	T2	Red	Red	Green	Green	Blue	Red
Markers	Wide-ranging economic decline or slow/ inefficient recovery	T2	Red	Green	Green	Green	Green	Red
	Fragmented social structure	T2	Green	Yellow	Green	Green	Green	Red
	Influx of refugees	T3	Red	Green	Red	Green	Red	Red
	Mounting demographic pressures from epidemics/contagious diseases or famine	T3	Green	Red	Red	Grey	Red	Red
	Growing sense of physical insecurity; growth of criminal violence	T3	Grey	Green	Red	Green	Green	Red
	Emergence of linkages between grievance and ideological groups	T3	Red	Red	Green	Yellow	Green	Red
Buffers	Foreign aid effectively enables rebuilding	T1	Green	Green	Red	Grey	Grey	Red
	Land reform designed to create entrepreneurial farmers out of peasant class	T2	Green	Red	Red	Grey	Green	Red
	Economy integrated into regional & international markets	T2	Green	Green	Green	Blue	Red	Yellow
	Building on or creating new economic institutions before old ones destroyed	T2	Green	Red	Yellow	Green	Green	Red
	State maintains control over almost all foreign trade	T3	Green	Red	Yellow	Grey	Red	Green
	Interchange with foreign cultures	T3	Green	Green	Red	Yellow	Yellow	Red

Tier 1 Military Coup Subpath Components

The military coup subpath (see [Table 3](#)) is missing a crucial Tier 1 antecedent, the emergence of a popular military leader. It is difficult to know the extent to which there is any dissatisfaction or dissent within the military or between the military and the Kim regime due to the lack of media penetration and strict government control and repression. Evidence that there are periodic shake-ups in the DPRK military, most recently regarding differences with the regime over denuclearization (Friedman, 2018), indicate that rifts do occur. However, any existing dissent is quickly squashed (Sang-hun, 2017).

In terms of catalysts for the military coup pathway, the fact that there is occasional evidence for friction between some military officials and the regime suggests that ruler actions occasionally cause grievances among military officials. However, major policy shifts not in the general interest of the military or a crisis of legitimacy for the Kim regime do not appear to be present at this time. The informal marketization that has occurred has yielded some benefits for the military (e.g., in the form of increased wealth attainment via military holding companies). Arguably, if the regime took actions that compromised current gains or prevented future gains, this could become a source of tension and would work against this group's interest.

Three out of five Tier 1 markers for the military coup subpath are absent. There are no obvious major cleavages within the military, there is certainly no public articulation of military grievances, and power struggles with the regime appear quickly quashed, as already noted. Two markers are present, however, including that the region is unstable. The DPRK's provocations, disputes among China, Taiwan, and Japan over sovereignty of the Senkaku Islands, and tensions between South Korea and the DPRK are just a few of the disputes that breach politics and erupt into shows of force. Another marker for a military coup subpath is rampant corruption, which has already been noted.

Additional Military Subpath Tier 2 and 3 Components

Two Tier 2 and 3 catalysts are strongly present for the military coup pathway. The DPRK has been very heavily sanctioned, and as such, is in the middle of a financial crisis due to these sanctions, which may be leading to crackdowns on corrupt military officials (Killalea, 2018).

Only one out of ten Tier 2 and Tier 3 markers of the military coup subpath is present: As described in the nouveau riche subpath, the *donju* have been scapegoated by the government, although that scapegoating may not threaten the military since alternative civilian economies would actually threaten the incomes of corrupt military officials. Regime and DPRK military responses to Tier 2 and 3 catalysts may serve as important indicators and warnings of future possible movement toward a military challenge of the Kim regime.

At present, there is limited evidence to suggest that the DPRK would move onto a military coup/military assisted subpath. A critical Tier 1 antecedent is missing, along with several Tier 1 markers. However, two Tier 2 and Tier 3 catalysts are strongly present (sanctions and financial crisis). Regime and DPRK military responses to these catalysts may serve as important indicators and warnings of future possible movement toward a military challenge of the Kim regime.

Table 3: Country Assessments for Military or Military-assisted Coup Subpath Components

		Tiers	China	Poland	USSR	Somalia	Yugoslavia	DPRK
Military or Military-assisted Coup Subpath								
Antecedent	Emergence of popular leader(s) within military or party ranks	T1	Red	Red	Yellow	Red	Green	Red
Catalysts	Ruler action or decision that causes grievance among military or party members	T1	Red	Red	Green	Green	Green	Yellow
	Major defense or policy shifts not conducive to group interest	T1	Green	Green	Green	Green	Green	Red
	Crisis of governing legitimacy	T1	Red	Red	Green	Green	Green	Red
	Financial crisis	T2	Red	Red	Green	Grey	Green	Green
	Sanctions on economy	T3	Green	Red	Red	Grey	Grey	Green
Markers	Cleavages within military (e.g., seniors vs. juniors)	T1	Green	Green	Green	Blue	Green	Red
	Evidence / public articulation of grievance among military	T1	Red	Red	Green	Green	Green	Red
	Power struggles, rifts between military and party leadership	T1	Red	Red	Green	Green	Green	Red
	Regional instability and/or conflict	T1	Yellow	Green	Yellow	Green	Green	Green
	Government corruption (e.g., state predation, patronage, nepotism, etc.)	T1	Green	Green	Green	Green	Green	Green
	Military access to control of weaponry; theft, or loss of weapons	T2	Red	Red	Red	Green	Green	Red
	New (<5 years in power) or entrenched (>15) governing leadership	T2	Green	Green	Green	Grey	Green	Red
	Public scapegoating of groups believed to have acquired wealth, status or power	T2	Yellow	Red	Green	Green	Green	Green
	War	T2	Red	Red	Green	Green	Blue	Red
	Wide-ranging economic decline or slow/inefficient recovery	T2	Red	Green	Green	Green	Green	Red
	Fragmented social structure	T2	Red	Yellow	Green	Green	Green	Red
	Emergence of armed resistance (among military) to governing authority	T3	Red	Red	Red	Green	Green	Red
	Arms trafficking, increased availability/source of arms (e.g. by foreign providers)	T3	Yellow	Grey	Red	Green	Green	Red

	Growing sense of physical insecurity; growth of criminal violence	T3						
	Emergence of linkages between grievance, ideological groups	T3						
Buffers	<<No unique buffers>>							

In Table 4 below, we provide a tabular summary of the buffers that are common to all three subpaths in the collapse model.

Table 4: Common Buffers for All Collapse Model Subpaths

		Tiers	China	Poland	USSR	Somalia	Yugoslavia	DPRK
<i>All Subpaths</i>								
Common Buffers	Tightly controlled media	T1	Green	Yellow	Yellow	Green	Green	Green
	Coalescing ideology	T1	Green	Green	Red	Red	Red	Green
	Robust economic growth and performance	T1	Green	Green	Purple	Red	Red	Red
	Intercommunal enmity absent or not directed at state	T1	Green	Yellow	Purple	Red	Red	Green
	Abiding sense of nationalism	T1	Green	Green	Red	Red	Red	Green
	Government monopoly over means of violent coercion	T2	Green	Green	Green	Red	Red	Green
	Threat of external enemies	T2	Green	Yellow	Green	Green	Red	Green
	Government performs reasonably well for majority	T2	Green	Yellow	Yellow	Red	Red	Red
	Provision of security	T2	Green	Green	Green	Red	Red	Green
	Government maintains writ over entirety of its territory	T2	Green	Green	Green	Red	Red	Green
	Establish limits/constraints on political and economic changes	T2	Green	Yellow	Green	Red	Red	Green
	Mechanisms for quelling dissent	T2	Green	Red	Green	Green	Green	Green
	Generations of accepted living under totalitarian system	T3	Green	Red	Green	Red	Red	Green
	Isolation	T3	Yellow	Red	Red	Yellow	Red	Green
	Tightly controlled <i>political</i> organizations	T3	Green	Red	Green	Red	Red	Green

Summary of Indicators and Warnings (I&W)

This review of antecedent conditions, catalysts, and markers identifies several social changes that may constitute important indicators and warnings that the DPRK is on a pathway to collapse. These indicators and warnings include:

- **Major policy shifts not conducive to nouveau riche or military group interests**
- **Further decrements in quality of life for the nouveau riche**
- **Emergence of common nouveau riche, grassroots, or military grievances**
- **Linkages between interest groups such as the nouveau riche and the military, which would constitute key I&W**
- **Disruptive responses to sanctions and financial crises**
- **Crisis of legitimacy for the regime**, likely arising from a failure to develop the economy and improve overall conditions for the population, and especially the nouveau riche
- **Acute or frequent procedural justice violations** (i.e., unfair processes, as opposed to unfair outcomes) **that are perceived by the grassroots as unjust**

Major policy shifts by the Kim government that threaten key stakeholder interests could lead to the development of commonly perceived grievances within these groups. In the case of the nouveau riche, this could resemble the currency devaluation of 2009 or some other curtailment of the emergent market economy. Such actions would at a minimum frustrate the ambitions of the nouveau riche, or worse, lead to a decrease in their quality of life.

In the case of the military, crackdowns on corruption, or changes in military policy that threaten officer income or social/political status, could lead to the development of a perceived common grievance among the military officer corps.

Internally and alone, the military and the nouveau riche do not appear to mount an effective challenge to the regime. However, should ties form between these interest groups, their ability to join forces (economic and military power) might be an indicator of a particularly potent challenge to regime control. Though presently unlikely, a sharp spike in the perception among the grassroots of procedural injustice could lead to anger and downstream support for punishment of the regime or system change—which might be associated with grassroots support for joint nouveau riche and military efforts to unseat or otherwise undermine the existing government.

The heavy sanctions and attendant financial crisis could exacerbate any missteps of the regime. Potential indicators or warnings would be government responses to these stresses, such as increased disappearances, executions, imprisonment, or reprimands of stakeholder groups such as the *donju* or military officers.

Any of the above indicators could have the effect of challenging and potentially undermining the legitimacy of the Kim regime and the political system upon which it is based. While these indicators mark the potential for collapse, it is as important to monitor the presence and robustness of key buffers, such as the state's ability to suppress dissent.

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Appendix A: Summary Assessment for Tier 1 Collapse Model Components in the DPRK Only

Three Paths to Collapse – Presence of Components in the DPRK <i>Assessed evidence in DPRK (as of 10/2018)</i>		
<i>Nouveau Riche Subpath</i>		
Antecedents	Emergence of nouveau riche group identity	Green
	Period of growing (unmanaged, mismanaged) marketization	Green
	Common leadership for new class	Red
	Crisis of governing legitimacy	Red
Catalysts	<<no Tier 1 catalysts identified for nouveau riche subpath in the base collapse model>>	
Markers	Evidence or public articulation of common nouveau riche grievance	Red
	Infrastructure projects become neglected	Green
	Perceived decline in quality of life (for nouveau riche)	Yellow
	Government corruption (e.g., state predation, patronage, nepotism, etc.)	Green
<i>Grassroots Subpath</i>		
Antecedents	Crisis of governing legitimacy	Red
Catalysts	Rapid deterioration in standards of living	Red
	Unequal development or treatment for specific groups	Green
	Major policy shifts not conducive to group interest	Red
Markers	Sizable/disruptive separatist movements persist	Red
	Government failure to provide expected services	Red
	Evidence or public articulation of common grassroots grievance	Red
	Dearth of effective channels to handle grievances	Green
	Intercommunal conflict	Red
	Government corruption (e.g., state predation, patronage, nepotism, etc.)	Green
	Perceived decline in quality of life (for grassroots)	Red
	Infrastructure projects become neglected	Green
Regional instability and/or conflict	Green	
Buffer	Foreign aid effectively enables rebuilding	Red

<i>Military or Military-assisted Coup Subpath</i>		
Antecedents	Emergence of popular leader(s) within military or party ranks	Red
Catalysts	Ruler action or decision that causes grievance among military or party members	Orange
	Major defense or policy shifts not conducive to group interest	Red
	Crisis of governing legitimacy	Red
Markers	Cleavages within military (e.g., seniors vs. juniors)	Red
	Evidence / public articulation of grievance among military	Red
	Power struggles, rifts between military and party leadership	Red
	Regional instability and/or conflict	Green
	Government corruption (e.g., state predation, patronage, nepotism, etc.)	Green
<i>All Subpaths</i>		
Common Buffers	Tightly controlled media	Green
	Coalescing ideology	Green
	Robust economic growth and performance	Red
	Intercommunal enmity absent or not directed at state	Green
	Abiding sense of nationalism	Green

KEY: **Green** = component present **Red** = component absent **Orange** = component partially present

Appendix B: NSI Pathways™ Analysis – China (1978 – present)

Dr. Sabrina Pagano

This case study analysis is focused on China during the period of 1978 to the present, during which time China has undergone a significant economic restructuring as part of its marketization process, along with subsequent growth. The case of China provides an opportunity to examine a state that, despite the presence of several antecedents, catalysts, and markers that placed it at risk, has not proceeded (from 1978-present) down any of the examined subpaths to collapse. Instead, the communist regime in China has proved to be extremely resilient. Its “reform and opening,” including an economic transition from a centrally planned to a market economy, have resulted in growth described as “remarkable for its geographic spread as well as its speed and longevity” (Brandt & Rawski, 2008). Unlike other transition economies in Central Europe or in the post-Soviet states, China experienced a fast and consistent rate of growth immediately following the start of reform (Svejnar, 2008). This growth, including a rapid advance in output per capita, has helped lift millions from poverty and has also contributed to a great expansion of China’s middle class (Brandt & Rawski, 2008; Yang, 2006). This economic change also saw China emerge from its period of self-imposed isolation under Mao (Brandt & Rawski, 2008).⁵ China began to exchange with foreign cultures, joined the World Trade Organization, and opened up its economy to foreign direct investment (Gilboy, 2004; Hale & Hale, 2003). This is not to say that China’s economic rise has not created weaknesses. Strong economic development has been accompanied by a rise in inequality and social cleavages, such as class conflict (Yang, 2006). Moreover, China’s infrastructure boom, which has resulted in what Ansar and colleagues call “unproductive projects,” puts its economy at risk of a severe downturn that may result not only in economic crisis but also in a larger crisis for the regime, whose legitimacy is largely predicated on economic growth and development (Ansar, Flyvbjerg, Budzier, & Lunn, 2016; see also Balding, 2018).

Our present NSI Pathways™ analysis of China indicates, as would be expected given the Chinese Communist Party’s ongoing resilience, that no preponderance of evidence exists in support of the base model components for any given collapse subpath. However, China does show limited evidence for all three, especially the nouveau riche and grassroots subpaths. China also provides significant support for the list of buffers in the base model. That said, there is also evidence that all common and subpath-specific buffers specified in the base model are present in China. This finding is especially notable when compared to the three case studies of states that did collapse, particularly Somalia and Yugoslavia, and reinforces the relative importance of buffers versus drivers in preventing collapse. As long as China maintains these buffers and does not observe a marked increase in antecedents and catalysts, it should not move further along any of the specific subpaths examined.

China Historical Background

The communist regime in China has managed a historic and to date largely successful transition⁶ first from a centrally planned to a hybridized economy with significant market elements, and then to a market economy (see for example, Naughton, 2008; Qian, 1999). The economic changes that were

⁵ The success of China’s reform and opening is particularly notable when juxtaposed against the failure of Gorbachev’s glasnost (openness) and perestroika (restructuring) within the former USSR.

⁶ Since initiation of its reform and opening in the late 1970s, China has become one of the world’s fastest growing economies, with real GDP growth through 2017 averaging 9.5% (Morrison, 2018). Morrison notes that the World Bank has described this growth as “the fastest sustained expansion by a major economy in history.”

instituted in China came in response to a period of severe economic failure resulting from the Cultural Revolution. Unlike other states that transitioned economically (e.g., Poland), China did not see a corresponding political transition from communism to neo-liberal democracy (Gilboy, 2004; Guo, 2003; Hale & Hale, 2003; Qian, 1999).⁷ Furthermore, aside from the rapid dissolution of the communes, the rate of change has been comparably slow.⁸

China's economic transition has in fact proceeded in distinct phases, as Qian details.⁹ During the first phase (approximately 1979-1993), incremental reforms were introduced in order to "improve incentives and increase the scope of the market in resource allocation." After initial reforms in the first five or so years (e.g., opening the economy, aligning prices to underlying supply and demand), and seeing the success of agricultural reform, China enacted more significant reforms, followed by attempted "retreat and revival of reform" in response to corruption and the overheated economy. In fact, reversibility was considered a positive feature of the gradual economic changes being made, as it allowed for corrections and minimized the cost of transition (Naughton, 2008). Nonetheless, by the end of this first phase, overall living standards had improved significantly. During the second phase beginning in 1994, China developed new economic institutions to enable the market system to operate, though it was careful not to destroy old systems before doing so (Qian, 1999).

As noted above, these economic changes did not come with a wholesale political overhaul. However, they did occur alongside a major transition of the Communist Party's focus away from an ideology-driven Maoist approach and toward pragmatism, and especially economic growth (Qian, 1999).¹⁰ The gradual transition gave leaders in the Communist Party the time to effectively develop coherent political strategies, thereby enabling their survival (Naughton, 2008). Later, Deng Xiaoping formalized and solidified this hold on power by developing the "four cardinal principles" in order to limit the degree of political change (Guo, 2003). China also enacted a modernization program for the People's Liberation Army (PLA) in the late 1970s and, among other changes, greatly reduced its size in order to shift resources toward the key goal of economic development. China has more recently begun to rebuild and reorganize its armed forces as well as increase its military spending to enable its capabilities in the China Sea (Allison, 2017).

⁷ Ang, however, has argued that China's economic success comes in part due to the democratic features introduced into the existing autocratic single-party system. These include "accountability, competition, and partial limits on power" (Ang, 2018). At the same time, a popularly held belief asserted that China's economic transition would eventually give rise to or even require a political transition, to democracy. This clearly has not come to pass (e.g., Qian, 1999).

⁸ China first began transitioning its economy in 1978 and arguably, is still in a period of transition (Brandt & Rawski, 2008). In contrast, the Central European and former Soviet states began their transition in 1990-1991, and in the more successful cases, began to see improvement in GDP by the mid-1990s (Gomulka, 1994).

⁹ More specifically, as Qian describes, reform began in four special economic zones (Shenzhen, Zhuhai, Shantou, and Xiamen) that China designated for development into market economies dominated by private ownership. These zones were allowed more authority over their economic development and a special institutional and policy environment. In this initial stage, the remainder of China still operated under the dominant central planning system including public ownership. Encouraged by the success of early reform, particularly agricultural reform, in 1984, China designated fourteen "coastal open cities," giving these cities similar authority to that which had been enjoyed within the special economic zones. China shifted ideologically from "plan as a principal part and market as supplementary part" to "planned commodity economy," which moved the two systems closer to equal footing. By 1985, the Chinese government made the dual-track official. Economic reforms were later stalled and an austerity program was implemented in 1989-1990 to cool down the overheated economy, but attempts at reform reversal were ultimately unsuccessful. By 1994, China began its next stage of transition from a hybrid system to a full market economy (Qian, 1999).

¹⁰ This transition dovetails with Xi Jinping's "China Dream," which emphasizes economic prosperity, military strength, and cultural prestige (Allison, 2017; Hinck, Manly, Kluver, & Norris, 2017).

Nouveau Riche Subpath Assessment

The evidence derived for the nouveau riche subpath in China is contained within [Table 1](#) in the body of the report, which also contains results for the other case studies and the DPRK, thus enabling comparison. While some of the necessary [antecedents](#) of the nouveau riche subpath exist in China, it is also missing just as many key antecedents. For example, China has experienced a period of growing marketization, including a brief interlude where it tried to retreat from reform, and has seen an accompanying rise of a nouveau riche identity in the form of new economic elites, at times derisively referred to as *tuhao* (Volodzko, 2015).¹¹ Demands among the nouveau riche for further liberalization, which at times intensified, have nonetheless generally been restrained, or in some cases constrained (Guo, 2003). Moreover, no common leadership has emerged for the nouveau riche class, and—while some grievances do exist among the nouveau riche—no long-lasting crisis of governing legitimacy has occurred, nor do the nouveau riche generally perceive governance as ineffective. In contrast to general predictions that nouveau riche entrepreneurs will come to demand political reforms in service of their interests, including property rights and more democratic representation, the Communist Party in China instead has cultivated their favor (e.g., by awarding the nouveau riche seats on people’s congresses). However, a generally uneasy relationship exists between the two, and the Party has worked to make the nouveau riche dependent on them for survival (Ullekh, 2013).

It is notable that two thirds of the [catalysts](#) were present, yet have not to date pushed China along the nouveau riche subpath to collapse. This is likely due to the significant number of buffers (discussed below) that China has in place. Effective government repression has been, and continues to be, present (e.g., through censorship on the web and social media, crackdowns on political activists, detentions, public scapegoating of individuals for “money worship,” etc.) (Anderlini & Waldmeir, 2011; Congressional Research Service, 1997; Lalwani & Winter-Levy, 2016; Li, 2018; Rose, 2018). Repression is growing increasingly widespread, targeting even those who are not critical of the party, leading some to argue that those who would otherwise become supporters of (or neutral toward) the regime may instead become part of the opposition (Lalwani & Winter-Levy, 2016). However, along with the expansive and well-entrenched domestic policing system are new innovations such as the social credit system¹² (fully operational by 2020), with which China is “building a digital dictatorship to exert control over its 1.4 billion citizens,” including restricting movement, forcing isolation, destroying careers, silencing dissent, and ultimately ensuring “absolute dominance” (Carney, 2018). As Carney notes, the system is in fact intended to wrest back some of the control lost during reform, opening, and development.

Economic sanctions, another catalyst of this subpath, have also been levied against China. As noted by the Congressional Research Service, U.S.-China relations since 1989 have vacillated between cooperation and confrontation with issues such as “human rights, arms proliferation, the status of Taiwan and Tibet, and the use of prison labor for export goods all hav[ing] given cause to continue sanctions” (Congressional Research Service, 1997). Nonetheless, the Chinese Communist Party has demonstrated its resilience over that period of time, though it is too early to decipher any longer-term impact of recent US sanctions, such as restrictions on investment and tariffs on \$60 billion worth of products (Haas, Jacobs, & Helmore, 2018).

¹¹ Noting the existence of the *novyye Russkiye* (“new Russians”), and describing them as near identical to the *tuhao*, Volodzko speculates that a nouveau riche class may be the inevitable result of post-Communist reform (Volodzko, 2015). Similarly, we see in the North Korean *donju* a familiar figure.

¹² The social credit system functions as a scorecard for each citizen that is updated in real time and adds or subtracts points based on an assessment of citizens’ trustworthiness. When fully implemented, the system will be capable of integrating data from a variety of sources, from government records to surveillance cameras and online behavior. Those with “top citizen scores” receive a broad range of benefits, and the “discredited” face a number of restrictions, from limitations on travel to being barred from obtaining credit or government jobs (Carney, 2018).

There also was evidence in China for several of the **markers** specified in the base model. These include indications of common nouveau riche grievance. For example, there is significant concern among the wealthy, given prior events, that their assets could be taken away (Anderlini & Waldmeir, 2011; Ullekh, 2013).¹³ Their social position is precarious overall, as they are widely disliked by the Chinese Communist Party and the general population alike.¹⁴ Despite their co-optation by the party, they remain highly dependent on official patronage (Ullekh, 2013) and are politically vulnerable.¹⁵ This patronage forms part of the institutionalized corruption present in China (Graham-Harrison, 2015). In recent years, the president and general secretary of the Communist Party, Xi Jinping, has targeted some of China's wealthiest party figures for investigation, promising to "take down both 'tigers' (top bosses) and 'flies' (local officials)" (Carlson, 2014). Several of those targeted are simply the business contacts of Xi's enemies (Mitchell & Waldmeir, 2015). In time, this kind of targeting may set the stage for a clash of power and will between "one of the world's most enduring authoritarian political parties ... [and] hundreds of recently minted billionaires" (Mitchell & Waldmeir, 2015).

Similar to the DPRK, a perceived decrease in quality of life among the nouveau riche is arguably manifest in the form of thwarted expectations. The Chinese economic elite have not yet experienced a drastic decline in their overall financial or other aspects of well-being, but their fear for the future of their assets, and their quashed expectations for economic liberalization, may make their current status appear to have worsened over time.

In addition to the issues that specifically affect China's nouveau riche class, China has begun to experience the broader negative effects of its rapid economic growth and industrial development. Environmental issues including pollution in China's cities reduces quality of life for all individuals (Anderlini & Waldmeir, 2011; Carlson, 2014), and food safety issues resulting in part from corruption also occur frequently. Problems with infrastructure add yet another layer to this picture, with crumbling bridges and other neglect of critical infrastructure (Bradsher, 2018; Langfitt, 2012; Ullekh, 2013). The fact that these failures occur despite a government emphasis on infrastructure development similarly suggests that corruption may play a role (Langfitt, 2012). These issues collectively contribute to additional grievances among the nouveau riche.

Despite the presence of some antecedents, catalysts, and several markers that are shared with the regimes that collapsed, the Chinese Communist Party has several significant sources of resilience. Most notably, there is evidence for *all* common and model-specific **buffers**. The differences between China and other countries that transitioned, along with some of the protections afforded by an autocratic regime (e.g., tight control of media) may serve as a possible explanation for China's comparatively larger number of buffers present, both with respect to regimes that collapsed and with respect to Poland, which has similarly been resilient.

Unlike several central European and former Soviet states, China did not engage in an economic "big bang" or "shock therapy" (Gomułka, 2016) during its transition. Instead, the CCP enacted economic

¹³ This finding also dovetails with a Tier 2 marker, *feelings of economic insecurity*.

¹⁴ Cf. Graham-Harrison, who indicates that "the super-rich who made their own fortunes are more admired as role models than resented by most in Chinese society" (Graham-Harrison, 2015).

¹⁵ The Party uses the economic elite to achieve its goals, including maintenance of power (and ultimately, stability), but have been described as viewing the nouveau riche as "cockroaches" that could be easily disposed of, also contributing to the nouveau riche's sense of overall insecurity (Mitchell & Waldmeir, 2015). As Mitchell and Waldmeir argue, in China, the riches that would yield power elsewhere instead create greater vulnerability.

liberalization incrementally, and delayed privatization until the 1990s (Qian, 1999; Svejnar, 2008). As Gomulka details, another major difference between China and the Central European and post-Soviet states that transitioned to a market economy is “financial (fiscal, exchange rate, and monetary) policy, which in China was to a large extent subordinated to the achievement of a very rapid economic growth, and also a very high employment growth rate” (Gomulka, 2016; pg. 20). China began to see a significant surge in Foreign Direct Investment (FDI) beginning in the early 1990s, and by 2016 had become the world’s third largest recipient of FDI, which has generally been seen as enabling China’s productivity gains¹⁶ and rapid economic growth (e.g., Morrison, 2018).

China has long had, and will in the future increase, its tight control on the media and limit its informational role, for example, through “digital dictatorship” and the social credit system. China has been described as a post-communist or post-ideological society¹⁷ whose leaders’ decisions are driven by pragmatism oriented toward economic growth and development. While the latter is certainly true, the Communist Party in China continues to maintain a coalescing ideology, apparent in “the ways in which they frame the world, and in the moral and intellectual justifications that they invoke for policy” and in the Party schools throughout the country that emphasize ideology to their cadets (Brown, 2012).¹⁸ This is bolstered by the continued importance of traditional *guanxi* (social connections) networking (Guo, 2003; Ullekh, 2013).

Moreover, despite some antipathy toward certain population groups such as the Uighurs, there is an absence of intercommunal enmity directed toward the state itself (e.g., Hernández, 2016). There is an abiding sense of nationalism, which the Party has worked to cultivate and shape in its favor, arguing that the country would be much less stable without the Party—as well as directing this nationalism to be anti-American in tone (Guo, 2003; Lalwani & Winter-Levy, 2016; Twining, 2009). This nationalism has also perhaps been bolstered in part by China’s successes, ranging from being awarded host privileges for the 2008 Olympic Games to the consistent and robust economic performance that China has seen since its initial reform and opening (Hedrick-Wong, 2018; Heston & Sicular, 2008; Morrison, 2018).

Grassroots Subpath Assessment

China is missing a critical **antecedent** for the grassroots subpath ([Table 2](#))—a crisis of governing legitimacy of sufficient magnitude and duration to lead the country down a collapse pathway. While the regime took a significant hit to its legitimacy (due to regime corruption and lack of political freedom) leading up to and following the Tiananmen crisis, the government’s swift response and use of military force to repudiate the uprising reasserted its authority and quashed the rebellion—though some changes were later made in order to address criticism and presumably prevent future uprisings (Guo, 2003). More recently, face to face interviews conducted in 2010 and 2014 with 4,000 people in 50 Chinese cities found that the regime generally enjoys high levels of support across a variety of topics and indicators; these findings are consistent with those of other surveys (Lalwani & Winter-Levy, 2016). Given the degree of political repression and current social control, it is possible that Chinese citizens may have more grievances than they feel free to express, or that, due to control of media and information, they

¹⁶ Though other authors have argued that FDI has decreased productive efficiency (Lo, Hong, & Li, 2016).

¹⁷ It is worth noting the weakening and marginalization both of Leninist and Maoist ideologies, and how attempts at resurrecting traditional modes of thought such as Confucianism have also largely fallen flat (Guo, 2003; Lalwani & Winter-Levy, 2016).

¹⁸ One author has even suggested that the Communist Party’s changing ideological framework may be strategic—having observed what occurred in the Soviet Union, where ideology was ossified and disconnected from reality. The Chinese Communist Party aimed instead at ideology that would be agile and adaptive (Shambaugh, 2008).

may be unaware of some state activities that they would otherwise oppose. However, at present, there does not appear to be a critical mass among the grassroots opposing the regime or decrying its legitimacy. That said, sentiment among the youth may be less positive—with one study indicating that two-thirds of youth are dissatisfied with or do not trust the government; nonetheless, only a small number among these individuals are categorized as radical in their political approach (Chiu, 2017).

Catalysts specified in the base model of collapse for the grassroots subpath were present in China, and include: major policy shifts not conducive to the general population's interests, and unequal development or treatment. The former two are related in the case of China. Deng Xiaoping purposefully set about a policy shift toward geographically unbalanced development, with the goal of some areas and thus people reaping the economic benefits before others (Oh, 2018).¹⁹ As a broad measure of the inequality in China, the Chinese Gini coefficient, a common measure of inequality in the distribution of income in a country, trended upward over the period from 1980 to 2008. Despite more recent reductions in income inequality (over the period from 2008 to 2015, with a slight uptick in 2016), China has had one of the worst records overall for unequal wealth distribution, particularly across urban and rural areas (CEIC, 2016; Graham-Harrison, 2015; Guo, 2003; Jennings, 2018; World Bank, 2018).²⁰ Infrastructure development has also been insufficient in the latter (Jennings, 2018). Despite China's tremendous economic growth since reform, China also has one of the lowest labor shares of income (i.e., the portion of GDP allocated to wages and salaries) in the world, even while the number of billionaires has increased significantly, bringing doubt to the claims of a burgeoning Chinese middle class (Huang, 2015; Jennings, 2018).

In contrast, Chinese standards of living—another catalyst specified in the base model—improved significantly over the period from 1978 to the late 1990s (entering an era referred to as “small comfort”), with a significant decrease in the proportion of the population living in poverty (Brandt & Rawski, 2008; Guo, 2003; Qian, 1999; Yang, 2006). However, relative to the entrepreneurial class, the general population has seen less positive improvement in standard of living (e.g., as measured by indicators such as real per capita household disposable income). Moreover, many groups, particularly marginalized groups such as the Uighurs, and even regions as a whole, have seen only a portion of the gains seen by others (as would be expected given the policy of geographically unbalanced development) and may even pay a social price for the gains that they have made (Ford, 2013; Steinback, 2014; Wen, 2018).²¹

There is evidence for many of the grassroots subpath **markers** specified in the base model; several of these are also observed in the other countries examined. Among these, one notable exception is that sizable separatist movements do not persist. While there clearly are separatist movements in Tibet and Xinjiang, as well as support for independence in Taiwan and Hong Kong (Financial Times, 2016; Wong, 2016; Yu, 2016), the government has so far worked effectively to control and repudiate these movements (e.g., Amnesty International, 2018; Ford, 2013). Moreover, proportional to the overall population in China, these movements and their active supporters also fall short of being “sizable” enough to push China onto a pathway toward state collapse.

¹⁹ It has also been noted provinces with greater representation on the Communist Party Central Committee are likely to receive more resources from the central government than are those with less representation (Su & Yang, 2000).

²⁰ As Graham-Harrison indicates, the Gini coefficient levels seen in China, including in recent years, are categorized by analysts as well over the threshold for civil unrest (Graham-Harrison, 2015).

²¹ However, Wen concludes that “measured by average living standards in the provinces, inequality in China is not as severe as people often think” (Wen, 2018).

Critical domestic markers present include the government’s deficiency in its ability to provide essential services, such as public safety, education, basic health care, social services, environmental protection, and law enforcement (Lum, 2006; Pei, 2002; Westcott & Wang, 2018). There is also intercommunal conflict, with antipathy directed toward groups such as the Uighurs, but organized and executed by Han Chinese with allegiance to the Chinese government. There are grievances giving rise to anger and outrage based in the Communist Party violating the law (e.g., by making land grabs), and, largely due to government repression, there is a dearth of effective channels to handle these grievances. As noted above, government corruption is common, which may also contribute to the neglect of critical infrastructure, such as bridges. The same environmental issues (pollution, food safety) that plague the nouveau riche also affect and reduce the quality of life among the general population; moreover, the latter have fewer opportunities for escape to a better life, as many nouveau riche have sought for themselves or their children (Anderlini & Waldmeir, 2011; Carlson, 2014; Ullekh, 2013). Further, despite absolute gains in their standard of living (Herd & Dougherty, 2005; World Bank, 2018), ordinary workers have faced significant challenges. According to a 2003 estimate, more than 90 million rural peasants migrated between cities in search of work (Guo, 2003; see also Fang, Yang, & Meiyang, 2009; Knight & Yueh, 2004). Because of restrictions in transferring residency from one location to another, migrants have generally been unable to receive basic social services, further reducing their quality of life.²² Those working in private enterprises have also seen significant rights’ violations, including intimidation and physical violence—which the government historically has not curtailed sufficiently (Compa, 2004; Guo, 2003). As Swanson notes, “most Chinese are still far more concerned with everyday challenges...when Chinese gather to protest, the cause is often pollution, working conditions, or real estate prices” (Swanson, 2015). However, those complaining about these and other issues with the government tend to decline when asked whether they would prefer another form of government to address these issues (Lalwani & Winter-Levy, 2016).

Finally, due to disputes over territorial boundaries in the South China Sea and East China Sea with maritime neighbors including Japan, the Philippines, Korea, and Vietnam—as well as tensions within and between geographic neighbors in South Asia—China arguably experiences a mild degree of regional instability and potential for conflict (Cobus, 2018; Council on Foreign Relations, 2018; Shapiro, 2017). However, tensions involving China generally stop short of breaking into violence.

As already discussed in the nouveau riche subpath assessment, there is evidence for all common and model-specific **buffers**. This includes a key buffer specific to the grassroots subpath, foreign aid enabling rebuilding. China has been one of the largest recipients of international aid (World Bank, 1997, as cited in Muldavin, 2000). Japan—despite its complex relationship with China—historically has been one of its biggest and most consistent aid donors since the opening of China’s economy (Muldavin, 2000; Zhou, 2018). Japan’s aid to China has been used to fund major projects such as Beijing’s subway system and international airport (Zhou, 2018).

Military Coup Subpath Assessment

China lacks a critical **antecedent** required to transition onto a military coup subpath—the emergence of a popular leader within the military or party ranks. Moreover, two key **catalysts** are missing. As discussed above, despite the events surrounding Tiananmen, there has not been a crisis of governing legitimacy sufficient to lead China down a pathway toward collapse. Furthermore, it was the military that apparently enthusiastically put down the Tiananmen Square protest and maintained central government

²² However, the more recent household registration reform plan (*hokou*) eliminates distinctions between urban and rural residents, making access to these services easier (Xiong, 2014).

power; as such, the military does not appear to doubt the legitimacy of the Chinese government. No actions or decisions by the Chinese Communist Party have generated significant grievances among the People's Liberation Army (PLA), although attempts to divest the PLA of its non-military business holding might be a source for such grievance moving forward.²³ With the advent of economic change under the leadership of Deng Xiaoping came modernization and reestablishment of civilian control over the military, which limited its role in the political, economic, and social aspects of domestic affairs. Deng also instituted extensive personnel changes, populating the leadership ranks with those supportive of his regime, later building a consensus on national policy. While China initially saw a reduction of resources allocated to the military in order to free resources for economic growth and development, in more recent years, China has increased its military capabilities in order to project power in the China Sea (Allison, 2017).

Findings are mixed for **markers** in China. For example, there are no publicly articulated grievances among the People's Liberation Army (PLA), and there do not appear to be any significant rifts or power struggles between the PLA and the Party leadership, given that the PLA, as described above, was purposefully brought under civilian control and is populated with personnel loyal to the party and trained to put aside personal concerns. As discussed above, however, there is mild regional instability and potential for conflict, as well as government corruption.

While the military coup subpath does not have any unique **buffers**, it is worth reiterating that China exhibits evidence for *all* common buffers ([Table 4](#)), which would similarly serve as a protective feature against the possibility of a military coup.

Conclusion

As would be expected given the Chinese Communist Party's demonstrated resilience to state collapse in the face of major economic upheaval beginning in 1978, our NSI Pathways analysis of China indicates that there is not a preponderance of evidence in support of the components of any given subpath in the base model of collapse via marketization. However, China does exhibit limited evidence for the components for all three subpaths, especially the *nouveau riche* and grassroots subpaths. This suggests that China had—and continues to have—several areas of risk or vulnerability for moving onto or along one of these subpaths if the right mixture of currently absent antecedents, catalysts, and markers were to come into fruition. Given the regime's significant emphasis on economic growth and development, a financial crisis negatively affecting individuals' outcomes could give rise to a subsequent crisis of legitimacy. These factors combined could result in significant grievances that, along with a group-based voice for these grievances and alliances across grievance groups, would be a particularly potent warning of potential trouble ahead. At present, however, China has the greatest number of buffers—all of them—of any other case examined. These buffers, particularly media control, which inhibits the development of behaviors that are problematic for the regime, have contributed to China's resilience against the collapse components currently present on the examined subpaths.

However, the NSI Pathways model can and should be used as a guideline to periodically update and thus reflect the latest conditions for any target country. What is on the horizon is also an important determinant of the subpath on which a given country may ultimately find itself. In the case of China, some still speculate as to whether China will enact decisions or fail in specific pursuits, which could push

²³ As Kaufman and Mackenzie note, "PLA personnel are taught to be loyal to the Motherland, the Chinese people, the soldierly profession, and above all, the Party. A PLA member's patriotism is judged by his enthusiasm for 'serving the people' and he is taught that the PLA always puts people's interests above personal concerns...once decisions are made, PLA personnel are expected to obey them without complaint (Kaufman & Mackenzie, 2009).

it down a pathway toward collapse. For example, Fickling highlights the importance of China's Belt and Road Initiative in determining whether China will in fact achieve its goal of prosperity or will fall prey to similar forces as those that contributed to the demise of the USSR (Fickling, 2018). The "unproductive [infrastructure] projects" described by Ansar may hurt the economy and put China at risk for economic crisis (Ansar et al., 2016; see also Balding, 2018; Swanson, 2015). These points are especially notable given Anderlini and Waldmeier's strong statement in 2011 that, "Almost all of the elements are in place for an uprising like we saw in 1989—corruption is worse today than it was then, people feel they can't get ahead without political connections, the wealth gap is much bigger and growing, and there has been virtually no political reform at all. The only missing ingredient now is a domestic economic crisis" (Anderlini & Waldmeier, 2011). The conditions they described are largely the same now—though China's strong set of buffers should maintain its resilience as long as new points of vulnerability do not emerge.

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Appendix C: NSI Pathways™ Analysis – Poland (1990 – present)

Dr. Sabrina Pagano

The present case study analysis focused on Poland during the period beginning in 1990, when Poland began instituting massive political and economic changes,²⁴ setting into motion a fundamental transformation from a Communist system to a neo-liberal democracy. The case of Poland provides an opportunity to examine a state that, despite the presence of several antecedents, catalysts, and markers that placed it at risk, has not proceeded down any of the examined subpaths to collapse. The “big bang” or “shock therapy”²⁵ economic reforms (i.e., price liberalization, privatization, and structural reform) characterizing the Polish transition²⁶ followed initial political regime change (Naughton, 2008), and are often contrasted with the manner and types of reforms instituted in other transforming economies, such as China (Gomułka, 2016). After experiencing an initial and relatively brief period of economic recession following economic transition, Poland went on to experience significant economic growth, accompanied by political stability. With the recent rise of the Law and Justice Party (PiS) beginning in 2015, however, some changes have been put into motion that may signal increasing instability ahead (Fund for Peace, 2018).

Our present NSI Pathways™ analysis of Poland nonetheless indicates, as would be expected given its resilience, that no preponderance of evidence exists in support of any given collapse subpath. However, in Poland some aspects of all three subpaths and especially the grassroots subpath are present — suggesting that it has some vulnerabilities. Poland also yields support for many of the common and subpath-specific buffers in the base model, which reinforces the importance of buffers in preventing collapse.

Poland Historical Background

Poland’s economic reforms (often referred to as the Balcerowicz Plan) were instituted in order to establish a key goal of restoring a “sustainable macroeconomic equilibrium” following a period of Communist-era economic failure characterized by inflation approaching hyperinflation levels and a lack of citizens’ confidence in their own currency (Gomułka, 2016; Huffman & Johnson, 2002). A second key goal of these changes was to liberalize prices and foreign trade in order to eliminate shortages and queues, the results of which happened almost overnight (Dobbs, 1993; Gomułka, 2016; Huffman & Johnson, 2002). Additional goals included the reduction of subsidies (Huffman & Johnson, 2002) and the restoration of Poland’s development capacity, enabling it to move toward bridging the gap between it and Western Europe—a process that yielded major results even within the first few years of transformation (Gomułka, 2016).

Following the rapid initial economic transition, Poland underwent a period of economic upset or “transformational recession” with a decline in production and GDP, along with high rates of

²⁴ Poland was in fact the first among the post-Communist countries in Central and Eastern Europe to introduce a marketization and stabilization program (Fallenbuehl, 1994; Huffman & Johnson, 2004).

²⁵ Poland’s shock therapy has been criticized for being a “social experiment ‘untested beyond the economic laboratories of Cambridge, Massachusetts’” (Komarek, 2002, as cited in Angresano, 1996). Nonetheless, after a period of economic (and social) instability following the changes, Poland ultimately experienced major improvements in its overall economy (Dobbs, 1993).

²⁶ This “shock” included the rapid removal in January 1990 of almost all price controls prices and subsidies to state-owned factories. Stores and retail trade were also privatized in a matter of months following the initial changes (Dobbs, 1993).

unemployment (Dobbs, 1993; Ekiert & Soroka, 2013; Fallenbuchl, 1994).²⁷ Even during the period of highest unemployment, however, “remarkably few people...express[ed] a desire to return to the communist past” (Dobbs, 1993). Indeed, the recession in Poland was smaller than in most other places in Central and Eastern Europe,²⁸ and Poland also recovered its growth capacity more quickly than did other countries (Fallenbuchl, 1994; Gomułka, 2016). Liberal market reforms were implemented consistently and rigorously and appeared associated with a lower rise in poverty than was observed in places (e.g., Russia, Romania) where market reforms were less extensive (Szelenyi, 2013). Indeed, Poland quickly privatized its overall economy, though larger state companies themselves were privatized on a slower timescale. Poland is unique, however, in the rapidity with which it privatized stores and retail trade, along with making accompanying “legal and institutional reforms of the market economy” (Dobbs, 1993; Gomułka, 2016). Ultimately, Poland went on to experience a period of successful economic performance, with massive improvements in GDP, though this rate of growth has since slowed (Gomułka, 2016; see also Piatkowski, 2015).

Nouveau Riche Subpath Assessment

Evidence for the components of the nouveau riche subpath in Poland is contained within [Table 1](#) in the body of the report, which also contains results for the other case studies and the DPRK, thus enabling comparison. While some of the necessary [antecedents](#) of the nouveau riche subpath exist in Poland, it is also missing several key antecedents. The “first real capitalists” began to appear soon after the transition to a market economy (Dobbs, 1993; see also Lee, 2018), though the foundations for entrepreneurial activity had been previously laid. Many entrepreneurs emerging during the transition period came from entrepreneurial families that had either been self-employed in the second economy during late state socialism or had occupied leadership positions in state enterprises during the social period (Smallbone & Welter, 2001). However, common identification among entrepreneurs has generally been weak over time, even after accession into the European Union, which helped to foster positive attitudes toward entrepreneurial activity (Osowska, 2016). Evidence for the emergence of a nouveau riche identity thus was limited, and as such, there was also no common leadership for this class. Moreover, though there was, as detailed above, a period of emerging (mismanaged) marketization,²⁹ and no crisis of governing legitimacy emerged, presumably due to the preference of the new system over communism noted above (Dobbs, 1993).

Poland also did not exhibit a majority of the [catalysts](#) specified in the base model, as would be expected given its demonstrated resilience. Of these, Poland had only a fast transition as part of the shock therapy it underwent (Svejnar, 2008). Consistent with the political changes that preceded economic transformation, Poland did not experience government repression under the new system and no policies were implemented that significantly negatively impacted the well-being or interests of the entrepreneurial class. No economic sanctions were in place, and the economic dip, while significant, arguably did not constitute a financial crisis. Gomułka in fact characterizes the implemented economic policy as a success given its avoidance of a crisis in public finance and in the financial sector (viz., banks,

²⁷ Following these disruptions, Poland also experienced a period of rapid rise in crime and corruption (Dobbs, 1993).

²⁸ Slovenia is the one exception here.

²⁹ The transition of the Polish economy necessitated a reorganization of the legal and institutional framework, the flaws of which often were not detected until after implementation; as such, “policy making took on an unstable, trial-and-error quality. Reform and stabilization measures did not meet expectations, and the country’s economic situation deteriorated in 1990-91” (Federal Research Division, Library of Congress, 1992c). That said, aspects of the process—such as privatization—though considered slow and contentious, have also been described as orderly and transparent (Ekiert & Soroka, 2013).

investment and pension funds, insurance companies, and stock exchanges) (Gomułka, 2016). Moreover, as Lenain discusses, Poland did not encounter a mid-transition depression or suffer from speculative attacks on its currency, and experienced only a moderate slow-down of its economy following the late 90s crisis in Russia (Lenain, 2000). Over the longer term, Poland has had one of the fastest growing economies and was able to reduce its initially high unemployment rates by the end of the 1990s (Lenain, 2000; Naughton, 2008; Svejnar, 2008).

Only two of the **markers** specified in the base model were fully present in Poland—corruption and economic decline, which was experienced immediately following the economic transformation. Poland experienced a similar phenomenon to other post-Communist countries, with an outbreak of several corruption scandals (Dobbs, 1993). Among Polish citizens, this perceived corruption and hypocrisy of high authorities who claimed to govern in the name of all Polish people was used as justification for stealing from the state (Federal Research Division, Library of Congress, 1992e). In more recent years, Poland has successfully combatted the corruption problem with anti-bribery campaigns, EU oversight, and media exposure (Ekiert & Soroka, 2013). Following the opening of the Polish economy to international competition and the dissolution of the Council for Mutual Economic Assistance (Comecon) that had been formed by the former Soviet Union to aid the economic development of the Eastern European countries under its purview, there was an economic recession, characterized by a major contraction of output paired with a large increase in unemployment and growth of poverty (Ember, Ember, & Skoggard, 2004; Svejnar, 2008). During the initial period following transition, Poland—similar to other post-transition economies—also experienced a period of consumer price inflation of over 200 percent (Svejnar, 2008). However, economic growth resumed in 1992 and continued over the remainder of the decade and beyond, assisted in part by extensive foreign aid and investment (Ekiert & Soroka, 2013; Huffman & Johnson, 2002). Despite the economic downturn, the currency was not overvalued,³⁰ government regulation of commercial activities was not perceived by the entrepreneurial class as harsh, and they subsequently did not appear to have significant concern for their economic security. Moreover, the entrepreneurial class was not the target of public scapegoating nor did they experience repression. As such, any existing grievances among this class were insufficient to compel a movement toward forming alliances with other population groups. Finally, though migration statistics over the period leading up to the 1990s generally should be viewed with some caution (Iglicka, 2000; Kupiszewski, 2005), the pattern observed during the 1990s appears to point to decreased emigration (Iglicka, 2000).

Though support for nouveau riche subpath **buffers** in Poland was limited compared to that produced from an examination of the **Chinese transition**, Poland nonetheless exhibited evidence for several buffers. These included economic integration into regional and international markets as part of the broader economic liberalization, an increase in foreign direct investment, and interchange with foreign cultures (Gomułka, 2016). In the early years of transition, factors inhibiting investment included “real and perceived economic instability, conflicting and slow changes in economic policy, a faulty system for taxation of foreign enterprises, and a steep decline in the GNP” (Federal Research Division, Library of Congress, 1992b). While investments remained modest in the subsequent period from 1995-2008, their concentration in previously neglected economic sectors enabled a significant improvement in the development of exports and the quality of services (Gomułka, 2016). Large inflows of EU funds connecting Poland with Western Europe via highways has been another source of strength (Piatkowski, 2015). Ultimately, Poland’s robust economic growth has come to be seen as resulting in large part both from significant foreign direct investment (FDI) and the dynamism of small private enterprises (Lenain, 2000). Although news and information sources in Poland had already been defying government control

³⁰ In contrast, the Balcerowicz Plan introduced “internal currency convertibility with a currency devaluation of 32 percent” (Federal Research Division, Library of Congress, 1992c).

under the Communist system,³¹ Poland's political and economic transition was met with increased infiltration of Western, and especially American, culture, which dominated during the 1990s, including in popular music, literature, and the film industries (Federal Research Division, Library of Congress, 1992d). The **common buffers** (Table 4) for which there was evidence in Poland were numerous, and likely helped to form the basis by which Poland remained resilient in the face of several antecedents, catalysts, and markers of collapse within each subpath. These include a media over which there initially was some degree of limited control, especially in broadcasting, which did not have a reserve of underground broadcasters ready to take over previously state controlled entities (Gebert, 2014); however, state censorship was officially abolished in April 1990 (Federal Research Division, Library of Congress, 1992f). Moreover, after an initial recession, Poland eventually experienced an impressive and long-standing period of economic growth (Gomulka, 2016; Huffman and Johnson, 2002). Poland also had the benefit of a coalescing ideology in the new formation of a neo-liberal democracy, a largely homogenous population with an abiding sense of nationalism (traditionally connected to Catholicism, which has played a major role in the history of Poland) (Ember et al., 2004), and a lack of inter-communal enmity specifically directed at the state. Of the remaining common buffers specified in the base model, Poland exhibited evidence for a majority of them, and buffers that were lacking were mainly those associated in one way or another with the state's ability to quell dissent or close itself off from outside influence.

Grassroots Subpath Assessment

Evidence for the components of the grassroots subpath in Poland is contained within Table 2 in the body of the report, and enables comparison with the results for the other case studies and the DPRK. Several necessary **antecedents** of the grassroots subpath did in fact exist in Poland, although these did not include a crisis of governing legitimacy among the general population; once again, this presumably was due to the preference that existed for the new system over communism (Dobbs, 1993). The working class of Poland—which had through collective action previously come close to toppling the communist regime in 1980—was effectively demobilized following the later fall of communism, and as such does not constitute a class unto itself or a collective actor (Szelenyi, 2013). The transition leaders' attempts, though ultimately insufficient, to mitigate inequality following the introduction of massive economic changes also served to blunt the appeal of populism (Ekiert & Soroka, 2013). Many regular Polish people nonetheless remained deeply cynical toward the government, which had long been perceived as encompassing an “untrustworthy, privileged elite” (Federal Research Division, Library of Congress, 1992e). As such, an “us” versus “them” mentality more generally existed within the Polish public, with public confidence in the government decreasing from 69 to 27 percent in the early transition period from October 1990 to January 1992 (Federal Research Division, Library of Congress, 1992e).

As discussed in the nouveau riche subpath section above, Poland did not experience a significant financial crisis or economic sanctions following transition. Nor did the general public experience government repression under the new political system. However, there was some evidence for other **catalysts** in Poland. These include major policy shifts that were not initially conducive to the general public's interests, as the economic changes instituted as part of shock therapy resulted both in massive unemployment and consumer price inflation. These outcomes were soon accompanied by a rapid deterioration in standard of living and increase in inequality, especially for those with low education

³¹ For example, millions of Polish people listened to uncensored radio broadcasts from Radio Free Europe, the Voice of America, the British Broadcasting Corporation, and other Western sources (Federal Research Division, Library of Congress, 1992d).

levels (Huffman & Johnson, 2002; Rohr-Garztecki, 2017; Szelenyi, 2013).³² From the pre-transition period of the late 1980s to the post-transition late 1990s, the GINI coefficient—a widely accepted measure of inequality—rose from .28 to .33 in Poland (The World Bank, 2000, as cited in Szelenyi, 2013).

Poland also exhibited evidence for many of the grassroots subpath **markers** specified in the base model, though several were missing as well. There was no government oppression or denial of autonomy, no armed resistance or war, no mounting demographic pressures from epidemics or famine, and no group flight. Nor were there common grievances shared with other ideological groups such as the *nouveau riche* or any persisting and sizable separatist movements. Notable markers were present, however, including corruption (as noted above), perceived decline in quality of life (during the very early period of transition), intercommunal strife (mainly directed from the largely homogenous Polish population toward the Roma),³³ regional instability (given the massive political and economic changes occurring in the region, including the fall of the Soviet Union), and common grievances due to initially harmful economic conditions (Dobbs, 1993).

The **buffers** for which there was evidence were those shared with the *nouveau riche* subpath; namely, economic integration into regional and international markets, increase in foreign direct investment, and interchange with foreign cultures.

Military Coup Subpath Assessment

Evidence for the components of the military coup subpath in Poland is contained within [Table 3](#) in the body of the report. As might be predicted, Poland did not provide evidence for the necessary **antecedent** of the military coup subpath—no popular leader emerged. Moreover, only one **catalyst** was present—defense or policy shifts not conducive to the military’s interest. The economic changes characterizing the transition period resulted in “depleted state coffers” that required cuts in the number of troops and available equipment, with a resulting forty percent decrease in the armed forces by 1997 (Rohr-Garztecki, 2017). Nonetheless, there did not appear to be evidence of any significant and long-standing grievance among the military, and there was no perceived crisis of governing legitimacy among military members.

Markers were approximately evenly divided among those that were not present (thereby supporting the base model) and those that were present, suggesting that Poland had some points of vulnerability for moving down this subpath. For example, cleavages were present within the military, including among the military elites. One of these was based in the divisions that existed between generals who had come up within the Soviet military academies and those who had served in NATO structures and/or studied in Western military schools (Rohr-Garztecki, 2017). Immediately following the transition, Poland also naturally experienced a period where the governing leadership had been in power for fewer than five years, and in fact saw much change over a brief period of time. The new leadership began in late summer 1989 with the first noncommunist prime minister of an Eastern European country in over forty years, Tadeusz Mazowiecki. In 1990, following constitutional amendments that cut short the term of

³² This inequality occurred despite measures taken by transition leaders, who worked to enact programs that would cushion the shock for vulnerable groups, including an antipoverty program, indexing wages to inflation, providing unemployment benefits, and paying out pensions, as well as more recent overhauls of the pension and healthcare systems (Ekiert & Soroka, 2013). Though these programs could not prevent inequality, they did blunt the appeal of populism and assist in overcoming some of the initial opposition to the transition itself (Ekiert & Soroka, 2013).

³³ This antipathy toward minorities such as the Roma as well as foreigners is growing and becoming more virulent (Hockenos, 2017; Kelly & Pawlak, 2018).

communist President Jaruzelski, Lech Walesa of the Solidarity movement became the first popularly elected president. Walesa asked Jan Bielecki to serve as Prime Minister until 1991, when the first parliamentary elections were held, seeing Jan Olszewski come to power as the Prime Minister. Additionally, in the period from 1989-1990, the Polish crime rate increased dramatically, attributed largely to social stresses from the uncertain transition period, the inability of the Ministry of Internal Affairs to deal adequately with the emergent social unrest, and widespread public skepticism given prior police violence that subsequently reduced cooperation with the police (Federal Research Division, Library of Congress, 1992a).³⁴ By 1991, major increases in white-collar crime and economic scandals associated with privatization, liberalization of foreign trade, and decentralization of economic policy making also emerged, further exacerbated by an uptick in foreign organized crime following the opening of Poland's borders (Federal Research Division, Library of Congress, 1992a). These issues were combatted by the Ministry of Internal Affairs with a special police unit aimed at combatting corruption and economic fraud (Federal Research Division, Library of Congress, 1992a). Additional markers present were those shared with other subpaths—corruption, regional instability, and economic decline. In contrast, no significant evidence in Poland existed for markers including military grievances directed at the government, power struggles between the military and government, war, or public scapegoating of the military. Nor did the military perpetrate theft or other loss of weaponry, form part of an armed resistance against the government, or form linkages with other ideological groups opposed to the government.

Conclusion

The strong presence of buffers explains why Poland did not collapse in the face of major economic upheaval beginning in 1990. Furthermore, comparatively few of the markers for any subpath to collapse existed. However, Poland did exhibit limited components for all three subpaths, especially the grassroots subpath. This suggests that Poland had—and continues to have—several areas of risk or vulnerability for moving onto or along one of these subpaths if the right mixture of currently absent antecedents, catalysts, and markers were to come into fruition. At present, Poland has a number of significant buffers that have to date enabled it to remain resilient in the face of some antecedents, catalysts and markers present for each of several collapse subpaths. However, these buffers are generally less robust and numerous compared with [China](#)—which has in this examination been shown to benefit from its autocratic characteristics. Moreover, several of Poland's buffers are tied to economic performance and integration into the international system which, if compromised, could put Poland at increased risk.

The NSI Pathways model can and should be used as a guideline to periodically update and thus reflect the latest conditions for any target country. What is on the horizon is also an important determinant of the subpath on which a given country may ultimately find itself. As with the case of [China](#), the emergence in Poland of a severe financial crisis combined with a crisis of legitimacy could spark grievances that, with the right group leadership in place—could be an indicator of trouble ahead. Indeed, Poland's recent political movement to the right combined with a resultant public outcry has increased its score on the Fund for Peace's 2018 Fragile States Index, up five points from its prior rating in 2015 (Fund for Peace, 2018). Poland has experienced a series of demonstrations since the Law and Justice Party (PiS) won 37 percent of the vote and a parliamentary majority in the election of October 2015 (Bagenal, 2018). This represented the largest majority by any party since the fall of communism and was thought to be indicative of the Polish people's frustration with Western liberal values (Kelly & Pawlak, 2018).

³⁴ Significant measures—including extensive training, new laws protective of civilian rights, and a public relations campaign to increase trust—were taken and successfully changed opinions toward the police, who were shown in one major news poll in 1992 to be second only to the military in respect accorded Polish institutions (Federal Research Division, Library of Congress, 1992a).

The party has since instituted a number of laws and policies that introduce new restrictions to the media and other cultural institutions that speak against the party, restrict human rights (right to free assembly, freedom of expression, rights of refugees and asylum seekers), and aim to weaken and reduce the independence of the judiciary (Fund for Peace, 2018). Poland's activities have in fact moved the European Commission to trigger, for the first time, Article 7 of the Lisbon Treaty, which is designed to pressure European Union member countries that threaten the rule of law (Bagenal, 2018). Unsurprisingly given these developments, Poland's Fragile States Index subscores on human rights, group grievance, and state legitimacy have also dropped significantly (Bagenal, 2018). In fact, Poland is singled out for particular concern—given that it appears to be following the same trend, at about a four to five year lag, to Hungary, which has become increasingly illiberal (Fund for Peace, 2018; see also Mazzini, 2017). While increasing movement along that trajectory may bring about some currently missing buffers (e.g., tightly controlled media, mechanisms for quelling dissent), it is also arguably likely to bring into fruition several of the antecedents, catalysts, and markers (e.g., group grievance and alliances among ideological groups,³⁵ public scapegoating of groups, government repression, removal of political voice) that otherwise signal greater vulnerability to collapse.

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³⁵ Though note, however, that PiS has support in the rural areas and from the Catholic Church given its common interest in prohibiting abortion (Bagenal, 2018).

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Appendix D: NSI Pathways™ Analysis – Soviet Union (1985 – 1991)

Mr. George Popp

The Soviet Union presents a historical case of state collapse that illustrates some components of all three subpaths of the NSI Pathways base model of state collapse via marketization. However, close analysis of the fall of the Soviet Union reveals that it is most illustrative of and thus provides the most insight into progression toward state collapse driven by the emergence of grassroots nationalist sentiments and movements, not by an emerging nouveau riche class or by the military—though Soviet hardliners and members of the Soviet military did attempt a coup in a last-ditch attempt to preserve the Soviet state during the final stages of its collapse. Marketization itself, however, was a consequence of the ultimate collapse of the Soviet Union, not a contributing factor to its collapse. Instead, a number of factors, as described below, combined to weaken and ultimately collapse the central Soviet governing regime.

Soviet Union Historical Background

The collapse of the Soviet Union was both a remarkably rapid and surprisingly peaceful process that “took almost everyone by surprise” (Brown, 2011; Pravda, 2010).³⁶ The speed with which authority devolved away from the central governing regime, and the magnitude of economic and political changes that were enacted, makes the Soviet Union a unique example of state collapse. In just over six years, from 1985-1991, a new leader was appointed, major reforms were undertaken, grassroots nationalist movements mobilized, governing authority and power was decentralized from the central Soviet governing regime to the outer Soviet republics, the Communist Party’s monopoly on power was diminished, a coup was attempted, and the Soviet state itself ultimately dissolved—all with limited use of force (Brown, 2011).

When Mikhail Gorbachev was appointed General Secretary of the Soviet Union’s Communist Party in March 1985, he introduced a series of political and economic reforms in an attempt to stimulate a stagnant Soviet economy and restructure the Soviet political system while also increasing the legitimacy of the central governing regime (Beissinger, 2009; Brown, 2011; Olcott, 1991; Pravda, 2010). Gorbachev’s strategy involved two broad categories of reform: *glasnost* (i.e., openness), which increased political transparency and freedom of information and speech, and *perestroika* (i.e., restructuring), which decentralized and liberalized the Soviet political and economic systems. Gorbachev’s intention was for *glasnost* to help create public support for *perestroika*. What resulted, however, was an emergence of grassroots nationalist mobilizations emboldened to air long-standing, long-repressed grievances and criticize the central governing regime (Beissinger, 2009; Olcott, 1991; Pravda, 2010). The grassroots movements that emerged across the Soviet republics played a critical role in weakening the legitimacy and authority of Gorbachev and the central Soviet government, forcing the devolution of authority from the central governing regime to the republics, motivating declarations of sovereignty and independence from the central state, and, ultimately, moving the Soviet Union down a pathway toward collapse (Beissinger, 2009; Olcott, 1991; Pravda, 2010).

³⁶ The collapse of the Soviet Union was not without some violence, however. Dozens lost their lives in the Baltics, and hundreds died in the Caucasus. However, given the enormity of the Soviet state and the contentious national identities that vied for power and independence, the Soviet collapse could have been much more violent, as in Yugoslavia or in Syria after the Arab Spring. Instead, the Soviet Union’s devolution of power took place largely through legislative processes.

Gorbachev's reforms plus the subsequent swell of grassroots nationalist sentiment were the key drivers of the Soviet Union's eventual collapse (Olcott, 1991; Pravda, 2010).³⁷ Glasnost and perestroika were critical institutional conditions that precipitated the collapse of the Soviet state. Without the underlying and repressed regional grassroots nationalism in the Soviet Union's outer republics, however, it is unlikely that Gorbachev's reforms would have prompted such rapid state collapse (Beissinger, 2009).

Grassroots Subpath Assessment

The Soviet Union's progression toward collapse illustrates many components of the grassroots subpath ([Table 2](#)), although popular movements against the central Soviet government were strongest in the outer republics and tied to local nationalistic or ethnic groups. The importance of grassroots nationalism in mobilizing populations across the Soviet Union's outer republics is central to understanding the fall of the Soviet state. Grassroots nationalism, as one scholar explains, "exercised an unusual force of attraction within the Soviet society that was unparalleled by any other set of issues" (Beissinger, 2009). The Soviet republics were largely based on ethnic distinctions and, during the Soviet state's collapse, each developed its own grassroots nationalist movement.³⁸ These movements strengthened rapidly, and eventually led the Soviet republics in their calls for autonomy and independence from the central Soviet state. However, while the grassroots mobilizations shared similar grievances and interests, these individual groups never coalesced into a unified, Soviet Union-wide grassroots opposition. Rather, multiple nationalist groups individually contested Soviet authority, and at times competed amongst each other.

The Soviet Union's progression toward state collapse incorporated most of the antecedent conditions, catalysts, and markers specified in the grassroots subpath of the base model of collapse via marketization.

Several **antecedent** conditions illustrative of a grassroots subpath were present in the Soviet Union; these include a crisis of governing legitimacy, emergence of a grassroots identity, popular perception of ineffective governance, and demands for increasing liberalization. Notably, all but the last of these components are shared with the other examined cases of collapse (Yugoslavia, Somalia). Gorbachev's reforms, particularly the increased political transparency and freedom of information and speech provided by glasnost, enabled the Soviet people to air grievances, opened the regime to criticism from its people, and increased popular perceptions of ineffective and unequal governance. This mobilized the emergence of grassroots nationalist sentiments and identities across the Soviet republics. These sentiments and identities eventually grew into larger grassroots nationalist movements and demands for autonomy from the central Soviet political and economic systems. As Gorbachev attempted to appease these groups and their demands, his efforts were generally viewed as insufficient and, finally, rejected. Ultimately, not only did grassroots nationalists question Gorbachev's proposed reforms, they questioned the legitimacy and authority of Gorbachev and the central Soviet governing regime, creating a crisis of governing legitimacy in the Soviet Union.

Analysis of the Soviet Union's collapse also suggests the importance of most of the model-specified **catalysts** of the grassroots subpath. The grassroots nationalism that swept across the Soviet republics

³⁷ As one scholar explains, the collapse of the Soviet Union into independent nation states was the "unintended result of Mikhail Gorbachev's policies—one that was made possible not just by the widening political space that *glasnost* and *perestroika* afforded, but also by the social forces that moved into that space and utilized it to reconfigure the regime and state" (Beissinger, 2009).

³⁸ Grassroots nationalist movements arose early in the Baltics, the Caucasus, Kazakhstan, and Ukraine, and eventually emerged across all of the Soviet republics, including Russia.

was triggered by several significant grievances, including the central government’s history of brutality and repression, a corrupt and sclerotic political system that was increasingly unable to provide sufficient social services, and a growing perception of inequality among populations in the outer Soviet republics and outside the central Soviet governing regime (Beissinger, 2009). These grievances, coupled with Gorbachev’s inability to spark the declining Soviet economy and a “deepening malaise and cynicism within [Soviet] society,” created a wave of support for grassroots nationalist movements and motivated calls for autonomy from the central governing regime (Beissinger, 2009).

Continued calls for autonomy from grassroots nationalist movements across the Soviet republics led to a key catalyst of the Soviet Union’s progression toward collapse: the fast transformation of the Soviet political and economic systems. Gorbachev acknowledged the grassroots nationalists and their demands, and committed to additional restructuring of the Soviet political and economic systems and further devolution of elements of the central government’s authority to the republics (Olcott, 1991).³⁹ Grassroots nationalists, however, were not satisfied by Gorbachev’s efforts, and persisted in their calls for autonomy.

The presence of these antecedent conditions and catalysts set the stage for the emergence of many of the relevant **markers** of a grassroots subpath in the Soviet Union. Most notable were the persistence of sizable and disruptive separatist movements, the public articulation of common grievances by grassroots movements, and the fragmentation of Soviet society. These markers were similarly observed in the other case studies of collapse via marketization (and even in some cases where the state did not ultimately collapse), and thus collectively support their importance. Fragmentation of the Soviet Union increased as grassroots nationalist movements grew into sizable and disruptive separatist movements that eventually became too powerful for the central Soviet governing regime to control. This became most apparent when Soviet republics began declaring their sovereignty and independence from the Soviet state. The Baltic republics were the first to declare independence.⁴⁰ All of the other Soviet republics, including Russia (the largest republic in the Soviet Union), followed suit shortly thereafter.⁴¹ Russian nationalism was long considered the linchpin of Soviet power, so once Russia declared its sovereignty and independence from the Soviet state, the balance of power between the central Soviet government and the grassroots nationalist mobilizations in the republics shifted decisively in favor of the latter, and the dissolution of the Soviet Union became imminent (Beissinger, 2009; Brown, 2011; Pravda, 2010).

Over the course of 1990, every Soviet republic issued a declaration of sovereignty from the central Soviet government in what became known as the “parade of sovereignties” (Beissinger, 2009; Olcott, 1991). In

³⁹ For example, in June 1988, Gorbachev dissolved the Supreme Soviet, the highest legislative body of the Soviet Union, and replaced it with the Congress of the People’s Deputies, which allowed ordinary people to participate in government for the first time (PBS, n.d.). Later, throughout 1989 and 1990, Gorbachev enacted additional political and economic reforms, including ceding “control of culture” to the republics, tasking the newly formed Congress of the People’s Deputies with drafting legislation to increase economic autonomy in the republics, and adopting a new Constitution and Presidential system that eliminated the Communist Party’s monopoly on power in the central Soviet government (Der Spiegel Online, 2006; Olcott, 1991).

⁴⁰ Lithuania declared independence first on 11 March 1990, Estonia second on 30 March 1990, and Latvia third on 4 May 1990 (Der Spiegel Online, 2006; Global Security, n.d.; Graham, n.d.; Olcott, 1991; PBS, n.d.).

⁴¹ Russia officially declared its sovereignty on 12 June 1990 under the leadership of Boris Yeltsin, declaring that the central Soviet government’s laws had no validity in Russian territory and a sovereign Russia would be willing to trade with the newly independent Baltic republics (Olcott, 1991). Russia eventually declared its full independence from the Soviet Union in June 1991, electing Yeltsin as its first president (Brown, 2011; PBS, n.d.; Pipes, 1990; Pravda, 2010).

a final effort to preserve the Soviet Union, Gorbachev attempted to enact additional political reforms.⁴² Having already declared sovereignty and independence, however, Soviet republics rejected Gorbachev's proposals, arguing that the central Soviet governing regime no longer had authority over their territories (Olcott, 1991). This outright rejection of the central governing regime's authority was an adamant demonstration of the strength of grassroots nationalist sentiment, and severely weakened any remaining power and legitimacy of Gorbachev and the central Soviet government. Ultimately, the groundswell of popular support for independence grew to the point where institutional constraints imposed by the central government to control it—which would otherwise buffer collapse—became largely ineffective (Beissinger, 2009).⁴³

Just one **buffer** specific to a grassroots subpath was fully present in the Soviet Union: the Soviet economy was integrated into regional and international markets. However, while the Soviet Union may have been integrated into foreign markets and economies, at home its economy was struggling to overcome prolonged economic downturn. Regional and international economic integration alone was unable to buffer the Soviet Union from economic hardship domestically, nor was it able to buffer the Soviet state from collapse. Also, several grassroots-specific buffers indicated within the base model, such as foreign aid or reforms designed to create an entrepreneurial class, were absent in the Soviet Union. The absence of these buffers further weakened the Soviet state and increased its likelihood of collapse.

The pattern of findings for the **common buffers** (Table 4) specified within the base model also suggests their importance in contributing to collapse. Several of these were present in both the China and Poland case studies and were absent, or not fully present, in the Soviet Union. For example, the struggling Soviet economy eliminated any hope that a robust economy would buffer collapse. Socially and politically, Gorbachev's reforms unleashed ethnic nationalist identities and their attendant grievances and prejudices, thereby eliminating the potential buffer of a unifying Soviet national identity. While the Soviet system of enforced unity and repression of divisive identities may have kept the lid on a boiling pot of sub-national identities and their attendant national aspirations, it did not extinguish them. Once Gorbachev lifted that lid, there were few remaining buffers to collapse.

The use of violent coercion or mechanisms to quell dissent is an interesting buffer to explore within the context of the Soviet Union. The Soviet Union's progression toward collapse was surprisingly peaceful (Pravda, 2010). As one scholar notes, "never has an empire disintegrated with so little bloodshed" (Brown, 2011). However, the collapse of the Soviet state was not entirely without violence. Dozens lost their lives in the Baltics and hundreds died in the Caucasus. Given the enormity of the Soviet state and the contentious national identities that vied for power and independence, however, it is clear that the Soviet Union's trajectory toward collapse could have been much more violent. Instead, the Soviet Union's devolution of power took place largely through legislative processes. To understand why this was the case, one must consider how Gorbachev viewed and assessed the use of force as a tool for quelling domestic dissent and potentially buffering the state from collapse.

⁴² More specifically, first the central Soviet government passed legislation on secession requiring a republic-wide referendum to pass by a two-thirds majority vote in order for any republic to be considered for secession from the Soviet Union, as well as a mandatory five-year transitional and negotiation period following successful passage of the referendum (Olcott, 1991). Later, Gorbachev and the central Soviet government proposed a new Union Treaty designed to keep a majority of the Soviet republics, including Russia, within a much looser federation with far greater devolution of power and authority to the republics (Brown, 2011). Both reformation efforts were widely rejected.

⁴³ The persistence of grassroots nationalist movements in the Soviet republics, and their continued calls for devolution of power, autonomy, and, ultimately, independence, was a key marker on the Soviet Union's progression toward collapse. As one scholar explains, "it is unlikely that the Soviet state would have ever collapsed had these revolts occurred in isolation from one another...the fact that claims of sovereignty against the center had spread broadly throughout the fabric of Soviet society made rebellion difficult to contain" (Beissinger, 2009).

Gorbachev was ultimately willing to tolerate grassroots nationalist sentiment as long as it did not threaten his paramount goal of preserving the Soviet Union (Olcott, 1991). However, when grassroots mobilization did begin to threaten the preservation of the Soviet Union, Gorbachev, to the surprise of many, chose not to use excessive force to quell it. There are two notable explanations as to why Gorbachev and the central Soviet government largely chose to avoid using force as a means of controlling the rise of grassroots nationalist mobilizations. First, Gorbachev believed that the use of force was morally objectionable and offered no solutions for political problems (Pravda, 2010). Second, the increased flow of information and news afforded by Gorbachev's glasnost reforms (which also eliminated the model-specified buffer of a tightly controlled media), paired with the swell of grassroots nationalist sentiment across the Soviet republics, meant that any use of force by the central Soviet government would have been heavily politicized and likely would have embroiled Gorbachev in controversy counter to his goal of Soviet solidarity (Beissinger, 2009). Ultimately, it appears that Gorbachev viewed the use of force to quell domestic dissent not as a buffer to state collapse, but rather as a potential driver of conditions conducive to state collapse and, accordingly, as something that should be avoided in the interest of the preservation of the Soviet state.

Nouveau Riche Subpath Assessment

While the Soviet Union's progression toward state collapse highlighted antecedent conditions, catalysts, markers, and buffers within the model-specified nouveau riche subpath, these components were not driven by an emerging Soviet nouveau riche class, but rather by grassroots nationalist sentiments and movements.

The absence of a disenfranchised or alienated nouveau riche class pushing for or driving change (the most distinct and fundamental **antecedent** condition specified within the base model for the nouveau riche subpath) indicates that the nature of the Soviet Union's progression toward collapse provides more limited insight into the components of a nouveau riche subpath. Moreover, while several antecedent conditions of the model-specified nouveau riche subpath were present in the Soviet Union, such as a crisis of governing legitimacy and proposed plans for modernization, these antecedents were also hypothesized to be shared with the grassroots subpath. Indeed, Gorbachev's reforms of the Soviet political and economic systems were designed to appease emerging grassroots nationalists, not the nouveau riche.

The case of the Soviet Union did reveal several potential **catalysts** for a nouveau riche subpath. The central Soviet governing regime had a history of repressing dissent and opposition, the Soviet economy was facing downturn, and Gorbachev's attempts at reformation opened the door for a fast transformation of the Soviet political and economic system. These components were also present in the case of the failed states of Somalia and Yugoslavia.

The presence of antecedent conditions and catalysts set the stage for the emergence of several **markers** of a nouveau riche subpath for which there was evidence in the Soviet Union. The declining Soviet economy and corrupt central Soviet governing regime fostered common grievances among dissatisfied and disenfranchised segments of the Soviet population. Gorbachev's reforms, particularly glasnost, empowered the Soviet people to publicly articulate these common grievances, and Soviet society fragmented as aggrieved sentiments eventually swelled into nationalist mobilizations.

Just one **buffer** of the model-specified nouveau riche subpath, shared with the grassroots subpath, was present: integration of the Soviet economy into regional and international markets. However, as discussed in the grassroots subpath assessment earlier, the Soviet Union's regional and international

economic integration alone was unable to quell the hardships of the state's domestic economic downturn, nor buffer the state from eventual collapse.

Military Coup Subpath Assessment

There was some limited evidence in the Soviet Union of catalysts and markers consistent with the model-specified military coup subpath ([Table 3](#)). These components, however, largely emerged in the final stages of the Soviet state's ultimate trajectory toward collapse.

While no **antecedent** conditions of a military coup subpath were fully present in the Soviet Union, several relevant **catalysts** and **markers** of a military coup subpath were present. Gorbachev's reform efforts and political and economic liberalization initiatives created grievances among segments of the Soviet military, as some military leaders did not support decisions to devolve authority and power away from the central Soviet governing regime to the Soviet republics. As grassroots nationalist movements strengthened and calls for autonomy increased, Gorbachev's approach to resolving the crisis of governing legitimacy he faced (i.e., by further capitulating to grassroots nationalist demands and continuing to rapidly transform the Soviet political and economic systems) ran counter to the interests of some segments of the Soviet military and further aggrieved those military leaders who felt that too much authority and power had already been ceded to the republics.

When Soviet republics started declaring their sovereignty and independence from the central Soviet state and rejected Gorbachev's final efforts to preserve the Soviet Union, it was clear that the crisis of governing legitimacy had escalated beyond political controls. In a last-ditch effort to restore the authority of the central Soviet governing regime and preserve the solidarity of the Soviet state, leaders of the Soviet military and hardliners within the central governing regime took matters into their own hands and launched a coup (Pravda, 2010). The attempted coup, however, was poorly organized and collapsed after just a few days, largely because of a determined resistance from grassroots nationalist forces with considerable popular support in Moscow (Brown, 2011; Pravda, 2010). In the aftermath, it was clear that any remaining governing legitimacy that Gorbachev and the central Soviet governing regime had was diminished, and any hope of preserving the Soviet Union was gone.⁴⁴ Ultimately, the failed coup managed to inadvertently strengthen the very forces that the putschists had intended to defeat, and accelerate what they had hoped to prevent: the ultimate collapse of the Soviet Union (Pravda, 2010).

Conclusion

An examination of the Soviet Union's collapse suggested several antecedents that had long been in place: it was a multi-ethnic empire that consistently struggled for legitimacy in order to control the vast and diverse populations under its domain. Often, unequal treatment and repression became the tools of governing control, generating a history of grievances among Soviet populations. When economic downturn necessitated a change in policy, Gorbachev's *glasnost* (i.e., openness) and *perestroika* (i.e., restructuring) reforms, while perhaps well intentioned, failed to satisfy the demands of the Soviet Union's diverse population, or settle their grievances. At the same time, these reforms empowered aggrieved populations to rebel against central Soviet authority. The result was a proliferation of nationalist and separatist movements and demands for autonomy and independence from the central

⁴⁴ Shortly thereafter, Gorbachev and the central Soviet governing regime were ordered to end its activities on Russian soil; Russia, Ukraine, and Belarus established the Commonwealth of Independent States; and, on 25 December 1991, Gorbachev resigned as President of the Soviet Union and the Soviet state dissolved, marking the definitive collapse of the Soviet state.

Soviet government. For these reasons, the Soviet Union's process of collapse provides the most insight and convergence for the components of the base model's grassroots subpath.

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Appendix E: NSI Pathways™ Analysis – Somalia (1978 – 1991)

Dr. Lawrence A. Kuznar

The uniqueness of Somalia as a recent African colony awash in small arms and dominated by its clan structure presents a pathway to collapse very different from the nouveau riche, grassroots, and military coup subpaths hypothesized in the NSI Pathways™ base model for collapse via marketization. Somalia had several buffers that we might expect to have enabled it to form a true nation-state: it was ethnically homogenous, religiously homogenous, and surrounded by hostile neighbors. Their commonalities, combined with a perception of external threat, should have contributed to a strong sense of superordinate national identity. However, clan loyalties based on kinship were stronger than this superordinate identity. Corrupt leaders siphoned off foreign aid from competing superpowers (USSR and the U.S.) for their own coffers and to retain the loyalty and support of their clans. The region was awash in small arms, in part due to Cold War competition (see a similar analysis of Afghan collapse in Sidky, 2007), providing competing clans with the means to compete violently for power and wealth. Ultimately, the most powerful clans pushed military government leader, Siad Barre, out of power and plunged Somalia into a multi-factional civil war that led to a complete breakdown of its meager economy and fragile political system, resulting in famine and chaos. Frustration with the government's failure to distribute wealth was felt at all levels in the clans, as was the government's inability to provide services. Clan leaders rival to Siad Barre coveted the wealth he and his allies controlled through the corrupt control of foreign aid. Rival clans suffered indiscriminate repression. In the end, grievances and jealousies of rival clans, the powerful clan social structure of Somalia, and the clans' ability to mobilize their militias constituted the drivers of Somali state collapse.

Somali Historical Background

Somalia has a complex mix of clan identities and colonial history that set the stage for its tumultuous history as an independent and eventual failed state. This history is essential context for assessing the nature of the Somali collapse and how it may inform the hypothesized subpaths in the model.

Prior to colonization in the late 1800s, Somalia was a region populated by competing clans, some of which were primarily based on nomadic herding (pastoral) and others primarily based on sedentary agriculture (Halden, 2008; Simons, 1995). All of these clans competed, often violently, but the pastoral clans considered themselves superior to the agricultural groups, a pattern noted from medieval Islamic historians (Ibn Khaldun, 1967) to modern anthropologists (Goldschmidt, 1979; Kuznar & Sedlmeyer, 2005; Simons, 1995) in the region. The region was highly fragmented along clan lines, but united by a common Somali identity and Islam, which contrasted with Christian Ethiopians and sub-Saharan Africans to the south and west. Ironically, Somalia is recognized as one of the most homogenous states in the world (Ismail, 2010), while its underlying clan and economic identities undermine their superordinate Somali/Muslim identity.

The area currently called Somalia came under British and Italian colonial rule from the 1880s until the Somali Republic was established in 1960. During this period of time, colonial rule was largely indirect, with the clans primarily attending to their own affairs (Halden, 2008; Simons, 1995). In 1960, under UN mandate, the country of Somalia was formed by uniting the Italian and British colonies. From its beginning, the country of Somalia was characterized by clan-based politics, uneven development, and corrupt leadership. Foreign aid was typically appropriated by leaders and distributed to their clans. In 1969, Somalia's experiment in democracy came to an end with the assassination of its president and a military coup led by Siad Barre. Somalia aligned with the Soviet Union and underwent a program of

modernization that was plagued by clan-favoritism and corruption. In 1977, Siad Barre initiated a war with Ethiopia in an attempt to conquer Ethiopian territory occupied by ethnic Somalis of the Ogaden clan, one of his supporters (Halden, 2008; Simons, 1995). Barre was defeated, which led to the formation of rebel groups and uprisings that plagued Somalia for the next 13 years. The Soviet Union withdrew its support, and the U.S. and Italy adopted Somalia as a client state, after which Somalia became entirely dependent on foreign aid for its survival (Halden, 2008; Simons, 1995). In 1991, Barre fled the country, plunging it into political chaos. After 1991, if not before, Somalia had become a failed state.

Nouveau Riche Subpath Assessment

The assessment of the nouveau riche subpath for Somalia is contained within [Table 1](#) in the body of the report, which also contains the other case studies and DPRK and enables comparison. Somalia lacked most of the [antecedent](#) conditions for the emergence of a nouveau riche threat to state power, despite widespread questioning of the legitimacy of Siad Barre's government and popular perception of ineffective governance. For instance, there was no development of a new market economy, nouveau riche shared identity, or leadership for a merchant class. Many of the [catalysts](#) for a nouveau riche challenge to state power do exist, as do many of the [markers](#). There was fast political transformation in the wake of the failed Ogaden war, Siad Barre's decisions ran counter to the interests of most of the clans in Somalia, Somalia was in a state of perpetual financial crisis, and the government was repressive (Ali, Nicholl, & Salzman, 2017; Halden, 2008; Hersi, 2018; Ismail, 2010; Simons, 1995). However, primarily due to the lack of required antecedents, the nouveau riche subpath is not supported. Many of the ingredients for this subpath existed, but the initial conditions required for state collapse from a nouveau riche threat did not exist.

Economic factors were a root cause to Somalia's collapse. Clan rivalries were very much over access to resources. Anna Simons (1995) details how pastoral tribes moved into power centers such as Mogadishu. This was via two common pathways seen in pastoral societies: successful herders become too wealthy to remain nomadic and settle, and impoverished herders lost their herds and were forced to move into population centers to find alternate livelihoods (Barfield, 1993; Bates, 1971; Fratkin, 1997; Glatzer, 1982; Glatzer & Casimir, 1983; Irons, 1972; Khazanov, 1994; Teitelbaum, 1984). Nomadic clans were attracted to the lure of wealth from foreign aid and in this way, their leaders formed a merchant-class of a sort. However, they are unlike merchants in that their clan loyalties prevented them from forging new economic alliances, and they controlled militias that they were not hesitant to use. Clan leaders proved less interested in developing a mercantile system and more in clan rivalries. In the end, violence trumped commerce.

It is worth noting that nearly all of the components found in the base model that could [buffer](#) against collapse ([Table 1](#), [Table 4](#)) are absent in Somalia, making its collapse all but inevitable. A few buffers existed. For instance, Siad Barre's government cracked down on anyone who might criticize or challenge its authority, including the press and opposition clans. So, while the government had the means to quell dissent, its methods were repressive, indiscriminate, and perceived as violations by groups who themselves were already armed and capable of uprising (Ali et al., 2017; Halden, 2008; Simons, 1995). The government controlled the inflow of foreign aid, which could have buffered its collapse, but its corruption prevented aid from being distributed to rival clans, which actually intensified their opposition. The threat of external enemies such as Ethiopia was not enough to unite the warring clans with one another or the government in order to overcome their grievances. Somalia lacked a coalescing ideology, there was no broad feeling of Somali nationalism, and inter-clan rivalries dominated politics (Ali et al., 2017; Hagmann, 2016; Halden, 2008; Hersi, 2018; Ismail, 2010; Simons, 1995; Venugopalan, 2017). Finally, there was no robust economic growth or performance that could buffer state collapse.

Grassroots Subpath Assessment

A grassroots subpath scenario ([Table 2](#)) implies a popular uprising of common people, but the involvement of common people was through Somali clans, and not a popular uprising that broadly cut across clan lines. Therefore, this subpath was not really operative in the Somalia case. Several **antecedents** for this subpath were present (see Table 2). Common versus elite statuses existed in Somali society, and the government of Siad Barre was definitely in question. However, leadership for the common folk in general did not emerge, and clan allegiance always superseded any class distinctions. Interestingly, Siad Barre attempted a Soviet-style socialist modernization of the country in order to forge a united Somalia (Halden, 2008; Simons, 1995). However, his favoritism toward supportive clans and repression of opposing clans nullified any formation of class identity in Somalia. Nearly all **catalysts** and **markers** are present for a grassroots subpath, compared to other case studies in the base model Table 2. Somalia was characterized by unequal development (Brooks, 2012). The country's economic crisis and the Barre government's corruption led to declining standards of living for most (Ali et al., 2017). Separatist movements emerged in rival clans who competed with one another and the government (Halden, 2008). The government was corrupt and there were no effective channels for grievances to be heard and addressed. Finally, the Horn of Africa region was unstable, with wars breaking out between Somalia and Ethiopia, and Eritrean separatism from Ethiopia (Hagmann, 2016; Halden, 2008; Hersi, 2018; Ismail, 2010). Somalia had an almost total lack of **buffers** that could have staved off a state collapse, compared to other case studies. However, the lack of cohesion among common people across clan boundaries was the key factor that prevented a true grassroots challenge to the government.

Military Coup Subpath Assessment

Compared to the base model, Somalia had nearly all of the **catalysts** and **markers** (see [Table 3](#)) that could have led to a military coup, and as noted, lacked **buffers** against a coup (see Table 4). However, the military was divided along clan lines, and so in the end, it was the fragmentation of Somalia along clan lines that supported fighting, and not a coup by a cadre of military leadership. Siad Barre's disastrous war against Ethiopia did not sit well with rivals in the military, the country was in a state of financial crisis, and Barre faced a crisis of legitimacy. His government was corrupt and the region was unstable, as noted above. However, one key **antecedent** was missing for this subpath; there never was a popular military leader who could unite factions within the military. From the beginning of Somalia's history as a modern nation state, the military was dominated by southern clans, which only reinforced the fragmented clan-based nature of Somalia.

Conclusion

The Somalia case study exhibits some of the components present for different subpaths to collapse via marketization in the base model and in other case studies. However, Somalia's collapse was primarily driven by government corruption and repression, which pitted powerful clans against one another and the central government. The clan divisions of Somali society were always stronger than any central government, and the clans found it easy to arm, mobilize, and address their grievances through violence (Halden, 2008; Hersi, 2018; Ismail, 2010; Marangio, 2012; Menkhaus, 2007; Simons, 1995). Nonetheless, the case study—in conjunction with the other comparative case studies—contributed to determining which collapse model components were most critical and generalizable.

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Appendix F: NSI Pathways™ Analysis – Yugoslavia (1980 – 1991)

Dr. Lawrence A. Kuznar

Yugoslavia was a nation deeply fragmented along ethnic and religious lines. Furthermore, these factions had a long history of grievances against one another. Marshal Josip Tito adroitly and at times ruthlessly held the fractious country together. However, his death left a power vacuum that no one could fill. At the same time, an economic crisis and unequal economic development exacerbated grievances between ethno-religious factions. Nationalist/populist leaders stoked these resentments and fomented separatist movements. The central government was powerless to stop secessionist movements, and the country split into at least six different nations. Yugoslavia neither experienced the rise of a nouveau riche class nationwide, nor any nationwide popular uprising. Therefore, this case study is not consistent with a nouveau riche or grassroots collapse subpath postulated in the NSI Pathways™ base model of collapse via marketization. The ethno-religious factions were led by militaristic nationalist leaders, but no rebellion of a military echelon seized power; therefore, the military coup subpath in the base model is not very relevant to understanding the collapse of Yugoslavia either.

Yugoslavia Historical Background

In 1918, The Kingdom of Serbs, Croats, and Slovenes was established as part of settlements following World War I, based on a fictional unity of southern Slavic peoples. In reality, deep divisions along ethnic and religious lines created distinct identities: Roman Catholic Slovenes and Croats, Eastern Orthodox Serbs, Montenegrins and Macedonians, and Bosnian and Kosovar Albanian Muslims (Anderson, 1995; Kaplan, 2005; Perović, 2004; Vukomanović, 2004). Serbs always made up the plurality of the region, but Croats, Muslims, Slovenes, Albanians, and Macedonians also had sizable minorities. In 1929, the kingdom renamed itself Yugoslavia in a futile attempt to minimize factional differences (Anderson, 1995); allegiance to different regional religious authorities (e.g., pope, ecumenical patriarch), as well as locally entrenched ethnic rivalries, undermined the attempt.

Yugoslavia remained a highly fragmented society during its entire existence. Prior to its collapse, these divisions were dramatically manifest during WWII when nationalist Croats (The Ustasha), allied with the Nazis, massacred over 300,000 Serbs (Anderson, 1995; Wiberg, 2004). Marshal Josip Tito took power after World War II and skillfully managed the fragmented society modeled on the Soviet State. However, a new constitution in 1974 had devolved power from the central state to ethnically dominated republics. After Tito's death in 1980, the republics exploited their increased autonomy to the detriment of the Yugoslavian central government and the Serbian population (Anderson, 1995; Vejvoda, 2004). Power devolved to ethnically dominated republics where minority populations within these republics were then oppressed. Kosovo in southern Serbia was a particular hotspot, and accusations of Kosovar abuse of Serbs led to Serbian leader Slobodan Milošević's "anti-bureaucratic revolution," which drew millions to rallies and led Serbs to claim rights to a "greater Serbia," which would include much of the former Yugoslavia (Basara, 2004; Pesic, 1996; Schierup, 2004); Milošević declared that wherever Serbs were buried was greater Serbia (Kuznar, 2003). Similar militaristic and ethnic nationalist sentiments rose in Croatia as well. Open war broke out in 1991, ending in 1995, but flaring up again in 1999 and 2001. Even though Yugoslavia eventually broke up into six states—Slovenia, Croatia, Serbia, Bosnia, Montenegro, and Macedonia—tensions remain between ethnic groups in these states, especially in Macedonia and the Kosovo region province of Serbia. Kosovo declared independence from Serbia in 2008, but is only recognized by about half of the world's nations. The fragmentation of the former Yugoslavia thus is still in process.

Nouveau Riche Subpath Assessment

Yugoslavia experienced two key **antecedent** conditions found both in the other case studies and in the base model for this subpath. There was a period of unmanaged marketization and a crisis of legitimacy after Tito's death. However, other antecedents were lacking. In particular, there was no nouveau riche class identity or leadership.

It is noteworthy that all **catalysts** specified in the base model for collapse were present in the case of Yugoslavia. Yugoslavia experienced a rapid political transformation after Tito's death, the 1974 constitution led to major policy shifts within the republics, and each republic persecuted its minority populations. This persecution was felt especially strongly by ethnic Serbs residing in non-Serb republics and by Serbs in general since the rising autonomy of the republics weakened their traditional political domination of the Yugoslav state (Anderson, 1995). Serb grievances were adroitly exploited by emerging Serbian leader, Slobodan Milošević (Anderson, 1995; D'amato, 1999; Hadžić, 2004; Jalušič, 2004; Kuzmanić, 2004; Lošonc, 2004; Schierup, 2004; Vejvoda, 2004).

Nearly all **markers** were present. Grievances were widespread throughout the country. Persecuted minorities in each republic saw the republic's government as corrupt (Anderson, 1995; Basara, 2004; Kaplan, 2005; Pesic, 1996; Radeljić, 2010; Vejvoda, 2004). There was also a decline in the quality of life, as Yugoslavia experienced an unprecedented economic crisis during the 1980s, leading to rampant unemployment (Anderson, 1995; Jovic, 2001; Kaplan, 2005; Schierup, 2004; Vukomanović, 2004).

Compounding this, Yugoslavia lacked nearly all **buffers** that other case studies and the base model indicate, including a lack of coalescing ideology or national identity (Anderson, 1995; Basara, 2004; Jalušič, 2004; Jovic, 2001; Kaplan, 2005; Marolov, 2013; Perović, 2004; Pesic, 1996; Radeljić, 2010; Vejvoda, 2004; Vukomanović, 2004; Wiberg, 2004; Zwaan, 2012). Further, there was a history and practice of inter-ethnic enmity as already described, as well as an economic downturn. As such, there was no superordinate identity, lack of enmity, or robust economy to buffer Yugoslavia's eventual collapse.

Grassroots Subpath Assessment

A grassroots subpath scenario ([Table 2](#)) implies a popular uprising of common people. While there was the essential grassroots support within each ethno-religious group for the dissolution of the Yugoslav state, there never was a nationwide, common grassroots identity that transcended Yugoslavia's ethno-religious divisions.

A key **antecedent** identified both in other case studies and in the base model was present for this subpath (see [Table 2](#)): following Tito's death, there was a crisis of legitimacy for the Yugoslav government. However, leaderless, Yugoslavia's fractious ethnic identities, entered in the republics, could assert their authorities against the Yugoslavian government, and one another. This was most strongly manifest in the two most militant ethnic groups, the Serbs and Croats, who supported popular nationalist leaders such as Slobodan Milošević and Franjo Tuđman, respectively (Anderson, 1995; Basara, 2004; D'amato, 1999; Hadžić, 2004; Jalušič, 2004; Kuzmanić, 2004; Lošonc, 2004; Schierup, 2004; Vejvoda, 2004).

Catalysts for a grassroots rebellion, such as economic crisis and a decreased standard of living, occurred as already described and moved Yugoslavia toward collapse, but along ethno-religious lines, and not in terms of a popular uprising. The Constitution of 1974 had enabled the undermining of group interests in each republic as local majorities exploited local minorities. The erosion of group interests at local levels

therefore completely undermined any nation-wide Yugoslav interests. A particularly important catalyst for collapse noted by many researchers was the decidedly unequal economic development in Yugoslavia. Ironically, although Serbs constituted the plurality of the nation and held the power of the central government, they did not reap proportionate economic benefits. Ethno-religious groups with ties to Western countries, notably the Slovenes and Croats, benefitted disproportionately from the economic changes in Yugoslavia after Tito's death, creating tremendous resentment from the Serbian population that, by virtue of its historic political power and numbers, should have reaped greater material benefits (Anderson, 1995; Jovic, 2001; Kaplan, 2005; Marolov, 2013; Schierup, 2004; Wiberg, 2004; Zwaan, 2012).

All key **markers** identified in other case studies and in the base model for a grassroots subpath are present. As described, there was a popular perception of ineffective governance and state predation at the republic level, a decrease in the quality of life for most Yugoslavs, and repressive measures at the republic level preventing any airing of grievances (Anderson, 1995; Kaplan, 2005; Pesic, 1996; Vejvoda, 2004). It took no time for separatist militias to form (Anderson, 1995; Basara, 2004; Hadžić, 2004; Jalušič, 2004; Kaplan, 2005; Kuzmanić, 2004; Zwaan, 2012), often in the context of weekend militia exercises. However, grievances were specific to factions and not commonly shared in the broad Yugoslav population.

As noted above, Yugoslavia had a near total lack of **buffers** that would have countered these overwhelming trends.

Military Coup Subpath Assessment

Yugoslavia had all of the antecedents, catalysts, and markers (see [Table 3](#)) that could have led to a military coup as identified in other case studies and in the base model, and as noted, lacked buffers against a coup (see [Table 4](#)). However, as with the grassroots subpath, the role of ethno-religious identity requires a qualification of this finding; the collapse of the Yugoslav state was not the result of a military take-over of the government, but rather the result of military and militaristic leaders of various republics assuming power and fighting against the central government and one another.

The **antecedent condition** of popular military leaders clearly exists for this subpath at the factional level. Popular leaders, some with and some without military experience, led the Serbian (Milošević) and Croatian (Tudjman) protagonists in the Yugoslavian civil wars. As already described, **catalysts** such as grievances and a crisis of legitimacy also existed.

Additionally, all of the model-specified **markers** of the military coup subpath were evident, including grievances within the military, power struggles, and the perception of state predation (corruption) at the republic level. Another marker of importance in this case was regional instability. The fall of the Soviet Union destabilized the contentious Balkans, and robbed Yugoslavia of its only potential benefactor. Clearly the region was geo-politically up for grabs, and ethno-religious groups historically oriented toward the West, such as the Slovenians and Croats, gravitated toward Western powers, while the Serbs were pulled toward Russia (D'amato, 1999; Jovic, 2001; Marolov, 2013; Pesic, 1996; Radeljić, 2010; Schierup, 2004). Another marker that was important in the Yugoslav context was the availability of arms and the ability of militias to appropriate arms from the former Yugoslavian army and from foreign donors (D'amato, 1999; Hadžić, 2004; Kuzmanić, 2004; Pesic, 1996; Radeljić, 2010; Rich, 1993; Schierup, 2004). There was no singular military coup that undermined Yugoslavia; there were many small military coups, in opposition to a unified Yugoslavia and to one another, which effected the final collapse of the Yugoslav state.

As with the other subpaths, Yugoslavia lacked any **buffers** that could have prevented or slowed the pathway to collapse.

Conclusion

Yugoslavia was plagued by ethnic fragmentation from its creation. It was most stable under Marshal Tito, who strictly and harshly imposed principles of unity under a communist system. However, he had to struggle constantly to keep Yugoslavia unified; a task made more challenging when the Constitution of 1974 decentralized power, giving ethnic republics more power to pursue their parochial interests. During Yugoslavia's entire existence, most of the markers for collapse were present and most of the buffers were absent. Tito's death in 1980 saw the end of any authority capable of imposing unity on the country, or motivated to do so.

Yugoslavia's actual collapse had elements of the grassroots and military coup subpaths. However, subpath components operated not at a national level, but instead at the level of the Yugoslavian republics, each dominated by a different ethno-religious population. Croats repressed Serbs and Bosnians, Serbs repressed Bosnians and Croats, Kosovars repressed Serbs, and so on. Ethnic nationalism in each republic provided popular militaristic leaders that the populations followed enthusiastically. The grassroots appeal of these leaders and their separatist movements was so strong that one author argues that populism, rather than strict nationalism, was the driving force behind Yugoslavia's fragmentation and collapse (Kuzmanić, 2004). However, it was a populism within factions, not across the country. The combination of social fragmentation and enmity, popular appeal of separatism, and the presence of charismatic leaders was too much for Yugoslavian unity. Open war broke out in 1991 and continued until 1995. War broke out in 1999 in Kosovo, and in 2001 in Macedonia. To this day, there continue to be tensions in the region, especially in the south.

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