Chapter 1: The End of Bipolarity

Exercises — Exercises

Q1 Which among the following statements that describe the nature of Soviet economy is wrong? a. Socialism was the dominant ideology. b. State ownership/control existed over the factors of production. c. People enjoyed economic freedom. d. Every aspect of the economy was planned and controlled by the State.

(c) People enjoyed economic freedom. The Soviet economy was planned and controlled by the state, which owned land and productive assets, so ordinary people did not have economic freedom.

Q2 Arrange the following in chronological order: a. Soviet invasion of Afghanistan b. Fall of the Berlin Wall c. Disintegration of the Soviet Union d. Russian Revolution

d (Russian Revolution, 1917) -> a (Soviet invasion of Afghanistan, 1979) -> b (Fall of the Berlin Wall, 1989) -> c (Disintegration of the Soviet Union, 1991).

Q3 Which among the following is NOT an outcome of the disintegration of the USSR? a. End of the ideological war between the US and USSR b. Birth of CIS c. Change in the balance of power in the world order d. Crises in the Middle East

(d) Crises in the Middle East. The disintegration ended the ideological Cold War rivalry, led to the Commonwealth of Independent States, and changed the balance of power, making the US the sole superpower.

Q4 Match the following: i. Mikhail Gorbachev ii. Shock Therapy iii. Russia iv. Boris Yeltsin v. Warsaw with a. Successor of USSR b. Military pact c. Introduced reforms d. Economic model e. President of Russia

i - c (Mikhail Gorbachev introduced reforms); ii - d (Shock Therapy was an economic model); iii - a (Russia was the successor of the USSR); iv - e (Boris Yeltsin was President of Russia); v - b (Warsaw was a military pact).

Q5 Fill in the blanks. a. The Soviet political system was based on _____ ideology. b. _____ was the military alliance started by the USSR. c. _____ party dominated the Soviet Union's political system. d. _____ initiated the reforms in the USSR in 1985. e. The fall of the _____ symbolised the end of the Cold War.

a. socialist (socialism); b. The Warsaw Pact; c. The Communist Party; d. Mikhail Gorbachev; e. Berlin Wall.

Q6 Mention any three features that distinguish the Soviet economy from that of a capitalist country like the US.

1. State ownership: land and productive assets were owned and controlled by the Soviet state, whereas in the US private property is the dominant form of ownership.
2. Planned economy: the state planned and controlled every aspect of the economy, whereas a capitalist economy works through market forces.
3. Welfare guarantee: the state ensured a minimum standard of living for all and subsidised health, education, childcare and other basic necessities, unlike a market system where these are largely left to individuals.
The Soviet system was also built on the ideals of socialism and egalitarianism, aiming to abolish private property, and it allowed only one party, the Communist Party.

Q7 What were the factors that forced Gorbachev to initiate the reforms in the USSR?

Several factors pushed Gorbachev, who became General Secretary in 1985, to reform the system:
1. Economic stagnation: the economy faltered from the late 1970s, productivity and technology lagged far behind the West, consumer goods were scarce and food imports rose every year.
2. Heavy burden: huge resources went into the nuclear and military arsenal, the arms race and the development of satellite states, and the invasion of Afghanistan in 1979 weakened the system further.
3. Political and administrative weakness: the one-party system was bureaucratic, authoritarian, corrupt and unaccountable, and denied freedom of speech.
4. Public discontent: citizens saw the West's progress and lost faith in the system, and the republics wanted to manage their own affairs.
5. Need to keep pace with the information and technological revolutions of the West.

Q8 What were the major consequences of the disintegration of the Soviet Union for countries like India?

The end of the Cold War and the rise of the US as sole superpower changed the world in which India operated. India had to deal with a unipolar world in which capitalism and liberal democracy became dominant, and it lost its special partner, the USSR, which had given economic aid for public sector steel and machinery plants, accepted rupee payment for trade, backed India on Kashmir in the UN and in the 1971 war, and supplied most of its military hardware.
At the same time India kept good relations with all the post-communist countries, and its ties with Russia, the successor state, remained the strongest. Both share a vision of a multipolar world order, signed more than 80 agreements under the 2001 Indo-Russian Strategic Agreement, and cooperate on Kashmir, energy, defence supplies, nuclear and space technology, counter-terrorism and access to Central Asia.

Q9 What was Shock Therapy? Was this the best way to make a transition from communism to capitalism?

Shock therapy was the model of transition, influenced by the World Bank and the IMF, followed in Russia, Central Asia and Eastern Europe after the collapse of communism. It required a total, immediate shift to capitalism: complete privatisation of state assets and collective farms, a sudden switch to free trade with foreign direct investment, currency convertibility, and breaking up the old trade alliances of the Soviet bloc.
It was not the best way. It brought ruin to economies and hardship to people. About 90 per cent of Russian industry was sold off cheaply in 'the largest garage sale in history', the ruble collapsed, inflation wiped out savings, GDP in 1999 was below 1989, welfare was destroyed, poverty and inequality grew, and a mafia emerged. Democratic institutions were neglected, with weak parliaments and authoritarian presidents. A more gradual transition would have caused less suffering.

Q10 Write an essay for or against the following proposition: "With the disintegration of the second world, India should change its foreign policy and focus more on friendship with the US rather than with traditional friends like Russia".

Against the proposition: India should not abandon Russia for the US, though it should engage the US.
Russia has been a time-tested friend. The Soviet Union helped build India's public sector, supported it on Kashmir and in the 1971 war, and supplied military technology when few others would. Today Russia remains India's largest source of military hardware, helps in energy supplies, nuclear energy, space (the cryogenic engine) and science, and offers access to Central Asia. Both share the vision of a multipolar world, which fits India's tradition of independent foreign policy.
Putting all eggs in the US basket would make India dependent on a single power in a unipolar world and weaken its strategic autonomy.
For the proposition: the US is the sole superpower, with vast economic and technological strength, and closer ties could bring investment and trade.
On balance, India's interest lies in friendly relations with all powers, including the US, while

preserving traditional ties with Russia.