Question 8

7 points

Part (a): 2 points

One point is earned for a correct definition of economic liberalization, and 1 point is earned for a correct definition of political liberalization.

An acceptable definition of economic liberalization is:

- Less government regulation of the economy and greater participation of private entities (free markets, reducing state control over markets, pricing, employment, property, distribution).
- Reducing government intervention in the economy.

An acceptable definition of political liberalization is:

- Increasing citizen rights and liberties.
- Minimizing government supervision of society/individuals.

Note: The definition “becoming more capitalistic/democratic” is not enough to earn a point.

Part (b): 2 points

One point is earned for each correct description of an economic liberalization policy pursued by Mexico and Russia.

Acceptable descriptions of economic liberalization policies in Mexico include:

- Approval of the North American Free Trade Agreement (NAFTA).
- Closure of state-owned enterprises (SOEs) (former president Salinas).
- Privatization of banks.
- Cutting of subsidies to farms.
- Parastatals (e.g., the state farms, ejidos) sold off by the state.
- Creation of special laws for maquiladoras (e.g., tax incentives).
- Joining the World Trade Organization (WTO).
- Privatization (with mention of specific sectors, e.g., telecom, airlines).
- Reduction of the power of the oil workers’ union.
- Replacement of import-substitution with structural-adjustment policies.

Note: For parts (b) and (c), the answer must describe a policy, not a change or outcome.
Acceptable descriptions of economic liberalization policies in Russia include:

- Shock therapy.
- Floating prices.
- Privatization of state-owned enterprises and collective farms.
- Introduction of the stock market.
- Legalization of private property.
- Invitations to foreign-direct investment (FDI).
- Distribution of vouchers.
- Loans-for-shares programs.
- Reduction in state spending (e.g., on social services).

Note: “Shock therapy” requires an explanation of the phenomenon to earn the point.

**Part (c): 2 points**

One point is earned for each correct description of a political liberalization policy pursued by Mexico and Russia.

Acceptable descriptions of political liberalization policies in Mexico include:

- Voter ID cards.
- Priests allowed to vote.
- The Federal Electoral Institute was strengthened in 2007.
- Addition of the system of proportional representation (PR) to create mixed legislative elections.
- End of the rule of impunity (arrest of Raúl Salinas).
- Election reforms in the late 1990s to reduce corruption.
- The inclusion of women through party quotas.

Acceptable descriptions of political liberalization policies in Russia include:

- The 1993 Constitution guaranteed civil liberties.
- Law granting freedom to the media.
- Freedom of movement or expression.
- Legal reform/greater judicial independence.
- Allowing more political parties.
- The establishment of the doctrine of presumption of innocence.
- Disbanding the KGB.
- The 1993 Constitution gave people the right to choose their representatives.

Note: Acceptable answers must refer to policies that increase civil liberties or political rights. “The establishment of elections in Russia after 1991” is not enough to earn a point.
Part (d): 1 point

One point is earned for a correct comparison of one consequence of economic liberalization on social class in Mexico and Russia.

Acceptable comparisons include:

- In Mexico: farmers suffered economically; increased regional disparities; indigenous people suffered economically.
- In Russia: pensioners suffered economically; super-rich oligarchs prospered; financial–industrial groups grew; increase in organized crime; racial and ethnic tensions exacerbated; rise of a small middle class; decrease in the number of farmers.
- Growing gap between the rich and the poor in both countries.

Note: The answer must correctly compare social class in both countries and must be explicitly comparative.

A score of zero (0) is earned for an attempted answer that earns no points.

A score of dash (—) is earned for a blank or off-task answer.
a. Economic liberalization is when aspects of the economy are not controlled by the state, giving the people more economic freedom. Political liberalization is when people are given political freedoms, such as suffrage and basic rights.

b. One economic liberalization policy pursued in Mexico since 1985 has been NAFTA, or the North American Free Trade Agreement, with the United States and Canada. This has helped Mexico's economy to grow, giving the people of Mexico, especially those in the northern states, more economic freedom. An economic liberalization policy pursued in Russia since 1991 has been the privatization of the economy. This has occurred in the agriculture, industry, and service sectors following the collapse of the Soviet Union. The government has given up control of many industries to allow for this privatization, though some are still nationalized.

c. One political liberalization policy undertaken in Mexico is the law that political parties must have some women candidates to run for office in the legislature. This helps to ensure that women are being given equal opportunities for political participation in Mexico, where males have traditionally dominated all aspects of political life. One political liberalization policy in Russia since 1991 has been for the government to allow opposition political parties to run in elections, which are always held, giving some
Write in the box the number of the question you are answering on this page as it is designated in the exam.

Legitimacy to the government. By allowing opposition parties to form, people are being given the freedom to choose whom they want to represent them in the government.

1. In both Mexico and Russia, economic liberalization has led to cleavages based on social class in 2008 that there are disparities between incomes when people are given equality of opportunity economically but are not guaranteed equalizing outcome. In Mexico, this has resulted in a disparity between the North and the South, with the classes developing on a geographic level. The richer upper class tended to develop in the northern states and in urban areas, while the South and rural areas remain poor and lower class. In Russia, on the other hand, the social class cleavages occurred when only a very few benefited from the privatization of industries. These few, called oligarchs, became incredibly wealthy while the rest of the country saw little improvement from their standard of living before the collapse of the Soviet Union. Thus, economic liberalization resulted in cleavages based on social class in both Russia and Mexico, but the circumstances and results of each of these cleavages was unique to Mexico and Russia respectively.
Write in the box the number of the question you are answering on this page as it is designated in the exam.

a) Political liberalization is the freeing of political rights and freedoms such as the right to vote. Economic liberalization is the privatizing of industry/business and free market capitalism.

b) An economic liberalization policy pursued in Russia since 1991 has been Yeltsin's shock therapy reforms in which taxes were raised and some aspects of the industry were privatized in order to stabilize the Russian economy. An economic liberalization policy in Mexico has been its implementation of NAFTA which has freed trade with the United States and Canada, lifting tariffs and import quotas.

c) One political liberalization policy in Russia has been its implementation of glasnost and perestroika enabling citizens to vote in competitive elections, in Mexico one political liberalization policy has been.

d) Economic liberalization in Mexico has created a greater middle class and growing GDP but an equally growing income gap between the poor and the wealthy. In Russia these economic liberalization policies has created an elite class of people in Russia known as the oligarchs who own most of the resources and wealth in Russia.
(a) Economic liberalization is the privatization of industries and sectors into private hands freed from state control. It also is the change from a command economy to a market economy.

Political liberalization is a policy of more "openness" where there is a greater sense of freedom in all aspects and legitimation to remove war elections are free from corruption.

(b) One economic liberalization in Mexico was the privatization of many sectors of Mexico into private hands. The Russian forest industry involved the complete restructuring of the economy and the change from a more command economy to a market economy.

(c) One political liberalization for Mexico was the victory of the PAN which allowed the exception of a multiparty system where there is competition for power. Russia since 1991 has seen its economy toward more building to its isolated regions and sectors. This occurred in the breaking up of Eastern Europe.
(D) In Mexico we see the emergence of a strong middle class, and in Russia, unfortunately, the lower class and upper class gave his increased power to the majority, got poorer, and the Russian government has seen its control.
Question 8

Overview

The overall intent of this question was for students to examine economic and political liberalization in the context of Mexico and Russia. It asked students to: (a) define both economic liberalization and political liberalization; (b) describe one economic liberalization policy in Mexico (since 1985) and in Russia (since 1991); (c) describe one political liberalization policy in Mexico (since 1985) and in Russia (since 1991); and (d) compare one consequence of economic liberalization on class in both Russia and Mexico.

Sample: 8A

Score: 7

In part (a) the response earned 1 point for the definition: “Economic liberalization is when aspects of the economy are not controlled by the state, giving the people more economic freedom.” The response earned a second point for stating, “Political liberalization is when people are given political freedoms, such as suffrage and basic rights.”

In part (b) the response earned 1 point for describing an economic liberalization policy in Mexico as joining “NAFTA, or the North American Free Trade Agreement.” The response earned a second point for describing Russia’s post-1991 “privatization of the economy … in the agriculture, industry, and service sectors.”

In part (c) the response earned 1 point for describing a political liberalization policy in Mexico as the recent law requiring “political parties [to] have some women candidates to run for office in the legislature … to ensure that women are being given equal opportunities for political participation in Mexico, where males have traditionally dominated all aspects of political life.” The response earned a second point for describing the post-1991 Russian policy "to allow opposition political parties to run in elections, which are always held."

In part (d) the response earned 1 point for comparing the consequences on social class: “In Mexico … [t]he richer upper class tended to develop in the northern states and urban areas, while the South and rural areas remain poor. … In Russia … only a very few benefitted [sic] from the privatization of industries. … oligarchs … Thus, economic liberalization resulted in cleavages based on social class in both Russia and Mexico.”

Sample: 8B

Score: 4

In part (a) the response earned 1 point for stating that “economic liberalization is the privatizing of industry/business and free market capitalism.” The response earned a second point for defining political liberalization as the “granting of political rights and freedoms.”

In part (b) the response earned 1 point for describing an economic liberalization policy in Mexico as the “implementation of NAFTA.” The response earned a second point for describing “Yelstin’s shock therapy reforms in which taxes were raised and cutting government spending some aspects of the industry were privatized.”

In part (c) the response earned no points because there is no political liberalization policy described for Mexico, and the “implementation of glasnost and perestroika [sic] enabling citizens to vote in free competitive elections” occurred in Russia before 1991.

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Question 8 (continued)

In part (d) the response earned no points because, although the student correctly discusses the rise of the oligarchs in Russia, there is no explicit comparison between the two countries regarding the consequences of liberalization on social class.

Sample: 8C
Score: 1

In part (a) the response earned 1 point for stating that “economic liberalization is the privitizing [sic] of industries and sectors into private hands freed from the states [sic] control. … the change … to a market economy.” The response did not earn a second point because “openness” and “greater sense of freedom” are not linked to individual rights and liberties as required by the definition of political liberalization.

In part (b) the response did not earn any points because “the privitization [sic] of many sectors of Mexico into public hands” does not specify the industry referred to, the reference to “public hands” confuses privatization with nationalization, and perestroika occurred in Russia before 1991.

In part (c) the response did not earn any points because “the victory of the [PAN]” is not a policy, and Russia’s granting “more autonomy to its isolated regions and sectors” is devolution, not political liberalization.

In part (d) the response did not earn any points because there is no explicit comparison between the economic consequences of liberalization on social class in the two countries.