

Place your name on the back of this sheet of paper and nowhere else. Staple your answers on the front of this sheet of paper. Failure to follow these directions will cost you 1 point. Your assignment will be typed, except graphs can be drawn by hand and mathematical equations can be done by hand. Failure to type it will cost you 10 points. If you use double-sided printing or print on the back of scrap paper, I will give you one additional point.

- 1) (15 points) Give Malthus's explanation of the subsistence wage. Why hasn't his prediction come true of a maximum world population of 1 billion?
- 2) (20 points) Obviously, Marx has many weaknesses. However, he did make some valid points. What do you think was his strongest point from an economic point of view? Explain why you chose that.
- 3) (20 points) What is the difference between theoretical communism and theoretical socialism? Why is that difference important from an economic point of view?
- 4) (15 points) Some people feel that Marx saved capitalism. Why do they feel that?
- 5) (15 points) Why does communism have short-term, medium-term, and long-term plans?
- 6) (15 points) What is the biggest weakness of communism? Explain your logic.