

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) (10 points) Why do you think the utopian societies of the 19th and early 20th centuries failed?
- 2) (25 points) Explain how socialists view private property. What is the advantage of that system over the capitalist system? (There are obvious disadvantages, but I am not asking about them.)
- 3) (25 points) What is the labor theory of value? What are the problems with that theory?
- 4) (25 points) Marx said that we would have ever worsening economic crises. Ironically, his work caused capitalism to change so that we do not see that. First, explain his logic as to why they will continue to get worse. Second, explain why we do not see that.
- 5) (15 points) Marx argued that capitalism needs a large pool of unemployed people. What was his logic?