

Do NOT write your name anywhere. (Canvas will tell me who turned in the assignment.) All answers must be typed, except for mathematics and graphs. Take pictures of your written answers and use your own software or to create a single PDF size A4 or 8.5" x 11". At the top of my [webpage](#), I list several online sources which will convert pictures to pdfs, merge pdfs, and resize them. However, Apple phones may require using [CamScanner](#) before using the online sources. Failure to follow these directions will cost you 10 points.

1A) (15 points) Explain how Marx said a communist economy would determine prices. What is the problem with that method?

1B) (15 points) How did Marx modify the theory to take into consideration what you wrote in Part A? What is a new problem caused by that?

2) (20 points) Determining how much of something should be produced and how it should be produced is difficult. Explain the difficulty. The problem is even more difficult than the book implies. What other decision needs to be made? Explain why that needs to be done. (Hint: it is not about production.)

3) (10 points each) Answer each part in SEPARATE PARAGRAPHS. For each part, determine if it would be in a 1-year plan, 5-year plan, or a 10-year plan. Explain your logic.

A) Where to put a new highway in.

B) Building a new factor.

C) Deciding who should get the products.

4) (20 points) What was the *nomenklatura*? What problem with communism was it intended to resolve? Explain how it was supposed to do that.