

Place your name on the back of this sheet of paper and nowhere else. Staple your answers face up on the front of this sheet of paper. Failure to follow these directions will cost you 10 points. 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) If you look at this link, you will see that for the 10 former USSR countries listed that they have data for, the range of inflation rates in 1992 was from 645.2% to 3104.0%. What about the transition to capitalism do you feel caused such high inflation rates? Explain your logic and give two reasons. Of interest, the second source lists data for some countries which the first one did not have data, starting in 1993. Two countries had inflation rates over 10,000%.  
<https://www.kaggle.com/daniilkrizhanovsky/post-soviet-inflation-1991-2025/data>  
<https://rujec.org/article/27973/>
- 2) (15 points) If you ruled a communist country transitioning from communism to capitalism, which law would you write first? Explain why you feel that must be done first.
- 3) (20 points) The USSR transitioned to capitalism quickly. Do you think that was smart from an economic point of view? Explain two reasons you feel that.
- 4) (15 points) If you were privatizing a mining facility, what method of privatization would you choose? Explain your logic.
- 5) (15 points) If you were privatizing a restaurant, what method of privatization would you choose? Explain your logic.
- 6) (10 points) Explain why transitioning economies generally collapse to start.
- 7) (10 points) Explain why the secondary transition stage requires rewriting laws.