

2014-2015 Mock Exam for AGES

1. If I go to a baseball game instead of going to the gym to work out. What is the opportunity cost of going to the baseball game?

- A. Going to the game
- B. Going to work
- C. The money spent on the ticket to the baseball game.
- D. Going to the gym and working out**

2. Which of these are a free market principal?

- A. the economy need to be stimulated by injecting in money from the fed
- B. The prices will reach equilibrium**
- C. Government intervention
- D. Price ceilings and price floors

3. The original dilemma is the dilemma to find a balance between...

- A. Equality and liberty
- B. Equality and authority
- C. Authority and liberty**
- D. Money and rights
- E. America and Canada

4. Which of the following is not a purpose of government?

- A. unite
- B. order
- C. dictate**
- D. protect
- E. provide

5. The dilemma between economic equality and economic freedom explains the . . .

- A. Original dilemma
- B. Modern dilemma**
- C. Federalism
- D. Limited government

6. Which country has a command economy?

- A. United States
- B. North Korea**
- C. England
- D. Canada

7. **Of the following which is a characteristic of a command economy?**

- A. Free enterprise set by the people
- B. Free enterprise with government intervention
- C. Government set prices and regulations**
- D. People negotiate price when they are shopping.

8. **The modern dilemma is the balance between**

- A. Authority and liberty
- B. Command market and free market
- C. Economic equality and economic freedom**
- D. Cost and benefits

9. **All of the following are examples of a mixed market except**

- A. Minimum wage laws
- B. Bailouts from the government
- C. Laissez fairy approach from the government**
- D. Price floors and ceilings

10. **What is the purpose of the Bill of Rights?**

- A. To increase the government's power.
- B. To take the people's rights away
- C. To limit the government's power and give people rights.**
- D. All of the above.

11. **Which of the following don't shift the demand curve?**

- A. Change in taste
- B. Change In market size
- C. Price of related goods
- D. The quantity supplied**

12. **What powers does the judicial branch have over the executive branch?**

- A. declare executive orders unconstitutional**
- B. create a law
- C. can control them
- D. veto a law

13. What is it called when the Supreme Court decides if a law is constitutional or unconstitutional?

- A. constitutionality
- B. executive order
- C. judicial review**
- D. popular sovereignty

14. What is the highest alternative given up?

- A. utility
- B. external cost
- C. opportunity cost**
- D. marginal benefit

15. Where does the power of the government originate?

- A. The states
- B. The government
- C. The people**
- D. All of the above

16. What is the constitutional principle of Federalism?

- A. The power lies within the people.
- B. There is a separation of powers and each branch can check and balance each other.
- C. The government is split between national and state governments.**
- D. The government is limited to the power that its given.

17. Which of these branches enforces the law

- A. Judicial
- B. Executive**
- C. Legislative
- D. Republicans

18. What happens when copyrights expire?

- a. They never expire
- b. Barriers of entry open**
- c. Prices go up
- d. Demand goes down

19. **Size and boundaries of a particular district are determined by...**

- A. population
- B. party in control
- C. size
- D. all of the above

20. **What amendment is in question in Tinker v. Des Moines?**

- A. 3rd
- B. 1st
- C. 8th
- D. 4th

21. **Which is not a demand shifter?**

- A. change in taste
- B. change in market size
- C. Increase in taxes
- D. price of related goods

22. **What majority does congress need to override a presidential veto?**

- A. 1/2
- B. 1/4
- C. 3/5
- D. 2/3

23. **How many formal amendments have been made to the Constitution?**

- A. 10
- B. 26
- C. 50
- D. 27
- E. 28

24. **Of the steps provided, what is the first step of how a bill becomes a law**

- A. Sent to Committee
- B. Bill introduced
- C. Conference Committee
- D. Floor action

25. **Who proposes amendments to the Constitution?**

- A. State Legislatures
- B. People
- C. Congress
- D. Supreme Court
- E. President

26. Who ratifies constitutional amendments?

- A. State Legislatures
- B. People
- C. National
- D. Supreme Court
- E. President

27. What proportion is needed to ratify an amendment?

- A. 50% +1
- B. 3/4
- C. 2/3
- D. 3/5
- E. 100%

28. Which branch has veto power?

- A. Judicial
- B. Legislative
- C. Executive
- D. All of them

29. Which branch has the power to impeach the president?

- A. Judicial
- B. Legislative
- C. Executive
- D. All of them

30. How is the president elected?

- A. By the people
- B. Nominated by senate
- C. Through the electoral college
- D. State legislature

31. Limited Government: The U.S. Government is restricted by:

- A. The President
- B. The people
- C. The constitution
- D. Mr. Felton

32. What is the federal position against the tenth amendment and the Reserved Powers?

- A. individual rights
- B. free market
- C. necessary and proper clause *
- D. checks and balances

33. Identify the person whose traits consist of taking risks, and creating new and improved products?

- A. economist
- B. individual
- C. entrepreneur
- D. president

34. What is the law of demand?

- A. as quantity demand increases, price increases
- B. as price increases, quantity demand increases
- C. price increases, quantity demand decreases**
- D. as price decreases, quantity demand decreases

35. What is the law of diminishing marginal utility?

- A. as a person consumes more of a product, their satisfaction decreases**
- B. price increases, demand increases
- C. quantity supplied is equal the quality demanded
- D. as price increases, supply increases

36. The law of supply is _____

- A. as the price increases, the quantity supplied decreases
- B. as the price increases, the quantity supplied increases**
- C. as the price increases, the quantity supplied stays the same

37. What was the issue of the case, Roe vs. Wade?

- A. Religious club in school
- B. Reading bible verses in school
- C. Abortion**
- D. Segregation

38. What occurs when producing or consuming a good or service imposes a cost upon a third party?

- A. External cost**
- B. Marginal cost
- C. Social benefit
- D. Opportunity cost

39. Which amendments were in question in the case, Brown vs. Board of Education?

- A. 1st, 2nd
- B. 8th, 10th
- C. 14th, 10th**
- D. 1st, 10th

40. What is a recession?

- A. 3 consecutive quarters of declining GDP
- B. 2 consecutive quarters of declining GDP**
- C. 2 consecutive weeks of declining GDP
- D. 4 consecutive quarters of declining GDP

41. "Your satisfaction for a product lessens with each additional use" explains the concept of...

- A. Diminishing Marginal Cost
- B. Diminishing Marginal Benefit
- C. Diminishing Marginal Utility
- D. Marginal Cost

42. What is the Keynesian approach during recession?

- A. Increase government spending
- B. Decrease government spending
- C. Both
- D. Neither

43. During inflation, the price of products will...

- A. Increase
- B. Decrease
- C. Stay the same
- D. Depends on the product

44. During which part of the business cycle does GDP increase, unemployment generally decrease, and inflation increase?

- A. peak
- B. recession
- C. expansion
- D. trough

45. Who determines fiscal policy?

- A. The Federal Reserve
- B. Congress
- C. The people
- D. The President

46. What's the correct fiscal policy according to Keynes during recession?

- A. Government spending increases, taxes decrease
- B. taxes increase, government spending decreases
- C. Interest rates decrease
- D. Taxes and government spending both increase

47. What is debt?

- A. not spending money
- B. accumulation of deficit spending
- C. individuals spending money
- D. government spending exceeding government revenue

48. What's the correct fiscal policy according to Keynes during expansion?

- a.) Government spending increases, taxes decrease
- b.) taxes increase, government spending decreases
- c.) Interest rates
- d.) Taxes and government spending both increase

49. **What does a price ceiling create?**

- A. Shortage
- B. Surplus
- C. Neither
- D. Both

50. **When in a contraction, unemployment is...**

- A. Maximum
- B. Minimum
- C. Increasing
- D. Decreasing

51. **Which of the following is NOT a reason the government taxes?**

- A. redistribute income
- B. promote voting
- C. funding public goods and services
- D. pay back deficits
- E. change behavior

52. **What is the term for when government spending exceeds their revenue?**

- A. surplus
- B. debt
- C. deficit
- D. shortage
- E. mortgage

53. **Congress is to the fiscal policy as _____ is to the monetary policy.**

- A. Federal Reserve
- B. The IRS
- C. The President
- D. Social Security

54. **What is debt?**

- A. when the government exceeds their revenue
- B. a sustained increase in the general level of prices for goods and services
- C. the cost imposed on a third party
- D. the accumulation of deficit
- E. why is there a "b" in debt?

55. **Choose the option that best represents the correlation between inflation and purchasing power:**

- A. Inflation ↑ , purchasing power ↓
- B. Inflation ↓ , purchasing power ↓
- C. Inflation ↑ , purchasing power ↑

56. **What is the correct monetary policy when dealing with money supply and interest rates during an expansionary period?**

- A. increase money supply, increase interest rates
- B. increase money supply, decrease interest rates
- C. decrease money supply, decrease interest rates
- D. decrease money supply, increase interest rates

57. Of the rights listed below what describes the 14th amendment?

- A. Freedom of speech
- B. All unwritten powers go to the states
- C. All citizens are of equal protection under the law
- D. Right to a fair trial

58. The number one purpose of a political party is to

- A) Share similar interests
- B) Obtain Policy
- C) Get their candidate elected
- D) Influence to people

59. What do political parties and interest groups have in common?

- A. Raise money
- B. Obtain votes
- C. Single issue causes
- D. More issues and larger scope issues

60. What do interest groups focus on?

- A. Political parties
- B. Single issues
- C. Supports one candidate
- D. Overall issues

61. Which amendment grants the right to bear arms?

- A. 2nd
- B. 5th
- C. 10th
- D. 1st

62. What is the 10th amendment?

- A. Freedom of speech
- B. Right to bear arms
- C. Unwritten powers are reserved to the people or to the states
- D. Civil rights

63. What is the main purpose of a PAC?

- A. raise money to influence elections
- B. nominate candidates
- C. donate money to interest groups
- D. all of the above