

Spring 2015 Final Exam Mock Questions

1. What type of market do we have in the United States?

- A. Command Economy
- B. Mixed Market**
- C. Free Market
- D. None of these

2. What type of market has resources privately owned by individuals with no government involvement?

- A. Command Economy
- B. Mixed Market
- C. Free Market**
- D. None of these

3. What is the purpose of the government's power?

- A. to regulate religion
- B. supply incentives to control parts of the economy
- C. to protect people's rights**
- D. regulate all aspects of the economy

4. Which is the definition of the Modern Dilemma?

- A. regulation vs free-for-all
- B. economic liberty vs economic equality**
- C. economic growth vs economic crisis
- D. liberty vs authority

5. What concept demonstrates popular sovereignty?

- A. Court system
- B. Elections**
- C. Market Regulation
- D. Command economy

6. Which Constitutional amendment limits the federal government

- A. 1st Amendment
- B. 4th Amendment
- C. 10th Amendment
- D. All of them**

7. What's an entrepreneur?

- A. someone who takes greater financial risk to start a buisness**
- B. someone who takes less financial risk
- C. someone who is employed by another
- D. someone who manages a large scale company

8. Which of the following is an example of a mutual benefit?

- A. both parties affected negatively
- B. both parties affected positively**
- C. one party affected positively and the other affected negatively
- D. no change

9. What is opportunity cost?

- A. Taking a free ride
- B. highest value of alternative given up
- C. government taking a laissez faire approach
- D. measure of increasing utility as a result of receiving a benefit

10. What type of market does the U.S. have now?

- A. Command Economy
- B. Mixed Market
- C. Free Market
- D. Unlimited Market

11. Which of these are a characteristic of free markets?

- A. Privately owned resources
- B. Government controlled
- C. Free pizza for everybody
- D. Barriers of entry

12. What shows us that the market is succeeding?

- A. Profits/Loss
- B. Marginal Analysis
- C. GDP
- D. Wooden Vultures

13. Where does the government get its power?

- A. Congress
- B. Supreme Court
- C. the people
- D. the president

14. The original dilemma is a struggle between.

- A. freedom and security
- B. economic equality and economic freedom
- C. power and justice
- D. nice people and mean people

15. Which amendment guarantees your freedom from excessive bail and cruel and unusual punishment?

- A. 6
- B. 4
- C. 8
- D. 7

16. Of the following, which would be considered an entrepreneur?

- A. A government official
- B. An employee of a long running business
- C. A person who takes risks to create a new industry
- D. Pizza place manager

17. **What powers are not specifically listed in the constitution but are logical extensions of expressed powers**

- A. Reserved powers
- B. inherent powers
- C. Implied powers
- D. concurrent powers

18. **What branch of government is responsible for enforcement of laws?**

- A. Executive
- B. Judicial
- C. Legislative
- D. The House of Representatives

19. **What can the judicial Branch do to maintain checks and balances when a law is about to be passed.**

- A. Veto
- B. Determine Constitutionality
- C. Executive order
- D. Pass an amendment

20. **Who controls the resource allocation in a Free Market?**

- A. The private sector (Individuals outside of government)
- B. The government (individuals inside of government)
- C. Both the public and the government
- D. None of the above

21. **Who controls the resource allocation in a Command Economy?**

- A. The public (Individuals outside of government)
- B. The government (individuals inside of government)
- C. Both the public and the government
- D. None of the above

22. **Who controls the resource allocation in a Mixed Market?**

- A. The public (Individuals outside of government)
- B. The government (individuals inside of government)
- C. Both the public and the government
- D. None of the above

23. **From where does the government derive its power?**

- A. government official
- B. founding fathers
- C. people
- D. king henry IV

24. **What's the purpose of checks and balances**

- A. To balance the economy
- B. To write checks
- C. Prevents the abuse of power from any of the 3 branches of government
- D. All of the above

25. What power is given to the states?

- A. Powers not given to the federal government
- B. None
- C. All power
- D. All of the above

26. What power is given to the legislative branch?

- A. Create and pass laws
- B. Decide court cases in the Supreme Court
- C. Make pizza
- D. Run the United States

27. Define: Utility

- A. Limited resources
- B. Level of satisfaction
- C. Value of alternatives
- D. Measure of costs/benefits

28. Define: Opportunity cost

- A. Level of satisfaction
- B. Equality vs. freedom
- C. Highest valued alternative
- D. Value of products alternatives

29. The modern dilemma is.....

- A. Economic Freedom vs. Political Freedom
- B. Political Equality vs. Economic Equality
- C. Economic Freedom vs. Economic Equality
- D. Political Freedom vs. Political Equality

30. What is the most beneficial for both parties in the stag hunt?

- A. Cooperate and other do their own thing
- B. Both do what is best for them
- C. Both go separate ways
- D Both cooperate with each other

31. Who enforces the laws?

- A. Executive Branch
- B. Legislative Branch
- C. Judicial Branch
- D. The People

32. Where is a bill introduced at the national level?

- A. President
- B. Vice President
- C. Supreme Court
- D. House or Senate

33. What power does the judicial branch have over both of the other branches?

- A. 2-3 vote
- B. over turn
- C. Veto
- D. Judicial Review

34. Which case established judicial review?

- A. Roe vs wade
- B. Tinker vs Des Moines
- C. Marbury vs Madison
- D. Brown vs Board of Education

35. If congress passes a bill the executive can...

- A. Veto it
- B. Override with a 2/3 vote
- C. Override with a 51% vote
- D. Appoint new congress members

36. What determines the size and boundaries of a particular district?

- A. Congress
- B. Population
- C. House size
- D. Income

37. What is the first step of passing a law?

- A. bill is introduced
- B. bill is passed
- C. sent to committee
- D. president vetoes or passes

38. How many votes does congress need to reverse a veto?

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

39. How many formal amendments do we have?

- A. 27
- B. 26
- C. 28
- D. 25

40. What do you need to start the amendment process?

- A. 2/3 of all of Congress
- B. 2/3 of house
- C. Unanimous of both house and Congress
- D. 1/3 of both house and congress

41. Brown vs. board of education concerns which amendment

- A. amendment 4
- B. Amendment 14
- C. amendment 10
- D. Both b and c

42. The controversy over tinker vs. Des Moines is over...

- A. Racial issues
- B. Drug testing on sports teams
- C. Black arm bands
- D. None of the above

43. What is your level of satisfaction?

- A. Benefits
- B. Utility**
- C. Scarcity
- D. Economics

44. How is the president elected?

- A. the people
- B. the electoral college**
- C. appointed
- D. congress

45. How is the supreme court elected?

- A. the people
- B. the electoral college
- C. appointed**
- D. congress

46. Which of the following represents the relationship between price and quantity demanded according to the Law of Demand?

- A. as price goes up, quantity demanded goes up
- B. as price goes down, quantity demanded goes down
- C. as price goes up, quantity demanded stays the same
- D. as price goes up, quantity demanded goes down**

47. When the quantity supplied is greater than the quantity demanded there is...

- A. equilibrium
- B. deficit
- C. shortage
- D. surplus**

48. Which one is NOT a supply shifter?

- A. Resource cost
- B. Number of suppliers
- C. Current Price**
- D. Future Expectations

49. Surplus is when...

- A. Supply equals demand
- B. The government spends too much
- C. Supply is greater than demand**
- D. Supply is less than demand

50. Shortage is when...

- A. The government doesn't spend enough
- B. When demand is greater than supply**
- C. When supply is greater than demand
- D. When supply equals demand

51. **Which market structure has the most number of firms?**
A. Perfect Competition
B. Monopolistic Competition
C. Oligopoly
D. Monopoly
52. **What market structure has the highest amounts of barriers of entry?**
A. Oligopoly
B. Perfect competition
C. Monopoly
D. Monopolistic Competition
53. **What's not an example of a supply shift?**
A. Alternative output price change
B. Number of suppliers
C. Change in taste
D. Technology improvement
54. **What supply shift would occur if one main gas company shut down?**
A. Number of suppliers
B. Technology
C. Subsidies
D. Taxes on production
55. **What is the equilibrium point?**
A. When quantity demanded is higher than quantity supplied
B. When quantity supplied is higher than quantity demanded
C. When quantity demanded is equal to quantity supplied
D. When quantity supplied is far greater than quantity demanded
56. **What happens to price as supply increases?**
A. Gradually decreased
B. Decreases
C. Stays static
D. Rises
57. **Having price ceiling below equilibrium price results in...**
A. Shortage
B. Surplus
C. Nothing
D. Just enough
58. **Which amendment best relates to federalism?**
A. 4th
B. 10th
C. 6th
D. 3rd

59. **Which is a check that can be made by congress?**
A. Judicial review
B. Veto
C. Impeachment
D. Setting legal precedents
60. **What happens to unemployment rates during a recession?**
A. decreases
B. increases
C. stays the same
D. none of the above
61. **What is a recession?**
A. 2 consecutive quarters of contraction
B. 1 quarter of contraction
C. 2 consecutive quarters of expansion
D. 1 quarter of expansion
62. **Why does the government tax?**
A. Get more money
B. redistribute the money
C. get government programs funded
D. all of the above
63. **What type of income tax system do we have?**
A. regressive
B. progressive
C. selective
D. communist
64. **What should happen to the fiscal policy during a recession according to Keynes?**
A. increase government spending, increase taxes
B. increase government spending, decreases taxes
C. decrease government spending, increase taxes
D. decrease government spending, decrease taxes
65. **What should happen to the monetary policy during an expansion period according to Keynes?**
A. low interest rates
B. government control
C. decreased taxes
D. tight money
66. **Inflation affects the value of money by...**
A. Decreasing it's purchase power
B. Increasing it's purchasing power
C. Decreasing the value of goods
D. Increasing the value of goods
67. **Fiscal policy raises revenue for the government through...**
A. Taxation and spending
B. Borrowing and spending
C. Taxation and borrowing
D. Civil forfeitures

68. **Which group has the ability to nominate candidates?**
A. Interest groups
B. PACs
C. Political parties
D. Lobbyists
69. **Which is NOT an ability of interest groups?**
A. Influence public policy
B. Support multiple candidates
C. Donate money
D. Nominate candidates
70. **Which of the following is common fiscal policy during recession?**
A. Easy money
B. Tight money
C. Decrease tax
D. Increase tax
71. **Which of the following is a common monetary policy during recession?**
A. Tight money
B. Easy money
C. Decrease government spending
D. Increase government spending
72. **Which of the following is a common fiscal policy during inflationary periods?**
A. Increase tax
B. Decrease tax
C. Increase government spending
D. Decrease government spending
73. **Who creates PACs?**
A. Interest groups
B. Large companies
C. Lobbyist
D. The government
74. **What do interest groups do?**
A. Vote for the candidates
B. Represent companies
C. Focus on one topic
D. None of the above
75. **What are earmarked funds?**
A. They are set aside for something specific.
B. They are for taxes
C. They are just for the candidates
D. They don't exist

76. **What is stagflation?**
A. High unemployment, high inflation
B. Low unemployment, low inflation
C. High unemployment, low inflation
D. Low unemployment, high inflation
77. **The period when GDP is decreasing, unemployment is increasing, and inflation is low is...**
A. Expansion
B. Peak
C. Contraction
D. Trough
78. **The point in the business cycle when the GDP stops increasing, the unemployment stops decreasing, and inflation stops increasing is known as the...**
A. Trough
B. Peak
C. Expansion
D. Recession
79. **What is the main purpose of interest groups?**
A) To get a specific candidate elected
B) To nominate candidates
C) To influence a large scope of issues
D) To obtain a specific policy
80. **What is the main purpose of political parties?**
A. Get their candidate elected
B. Support one religion
C. Nominate 2 candidates
D. Influence congress
81. **What do political parties and interest groups have in common?**
A. Nominate
B. Obtain policy
C. Influence
D. Obtain votes
82. **Which of the following is an example of a public good or service?**
A. McDonald's
B. iPhone
C. Xbox
D. The police
83. **How does government maintain competition?**
A. Ban all companies
B. Legalize everything
C. Give away free money
D. Provide regulations and subsidies

84. What's the difference between Deficit spending and debt?

- A. debt is an accumulation of deficit spending**
- B. deficit spending the accumulation of debt
- C. there is no difference
- D. none of the above

85. What is inflation?

- A. increase in prices and fall in the purchasing value of money
- B. when you owe money to the bank
- C. when the value of money decreases
- D. there's a shortage of money

86. Which is not protected under the first amendment?

- A. Speech
- B. Religion
- C. Bear arms
- D. Petition

87. What does amendments 4 through 8 protect?

- A. Rights of an arms dealer
- B. Rights of the accused
- C. Rights of the president
- D. Rights of congress

88. What would be the best possible outcome for both people involved in a prisoner's dilemma?

- A. both talk for a reduced sentence
- B. both stay silent for a longer sentence
- C. both stay silent and the sentence is not as long
- D. both talk for a longer sentence

89. What is the job of a lobbyist?

- A. influence decisions in elections
- B. Donate money
- C. raise money for campaigns
- D. Run for election

90. What amendment deals with your right of free speech?

- A. 3rd
- B. 5th
- C. 4th
- D. 1st

91. Who determines fiscal policy?

- A. president
- B. congress
- C. federal reserve
- D. none of the above

92. What is monetary policy?

- A. spending
- B. easy money/tight money
- C. taxation
- D. all of the above

93. Why does the government tax?

- A. Revenue
- B. Distribution on income
- C. Fund public programs
- D. All of the above

94. This amendment gives everyone equal opportunity.

- A. 14th
- B. 6th
- C. 2nd
- D. 10th

95. What is the amendment that involves searches and seizures?

- A. 7th
- B. 4th
- C. 10th
- D. 11th