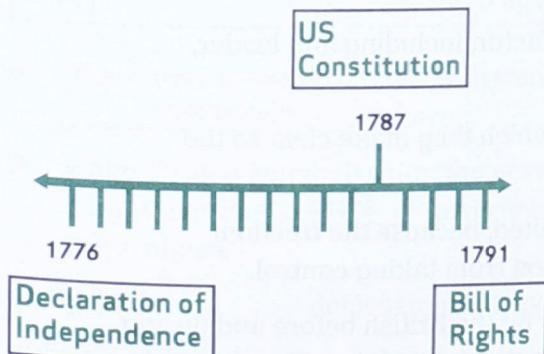


Lesson 1.1

1. **B** A monarchy is a type of government with a king or queen as head of state.
2. **C** The Magna Carta was written to protect English citizens from unjust treatment or punishment.
3. **A** The legislature in the United States and the parliament in Canada both contain representatives elected by citizens.
4. **D** Authoritarian governments do not protect the rights of individuals and are not based on popular sovereignty. Some still exist.
5. **C** Both Aristotle and Tocqueville are worried about the power of the poor versus the power of the rich. Aristotle says that government can be in the hands of the poor or in the hands of the wealthy, which can lead to continual disputes. Tocqueville says that Christian countries have “equality of conditions” now, but it is impossible to foresee how that might change in the future.
6. **B** Aristotle believes a democracy is like an oligarchy when the people in power are wealthy.
7. **D** Tocqueville is worried that citizens and capitalists will continue to be treated relatively equally in the future.
8. **A** Monarchs have ceremonial power, whereas dictators have absolute power.

Author	Document
British nobles	Magna Carta
Thomas Jefferson	Declaration of Independence
George Mason	Virginia Declaration of Rights
Founders of US government	US Constitution

10.



11. **C** The amendment process makes the Constitution a flexible document.
12. **B** The right to vote, regardless of color, was granted in the Fifteenth Amendment. Women's right to vote is granted in the Nineteenth Amendment.
13. **D** The right to vote for those eighteen years of age and older is granted in the Twenty-Sixth Amendment.
14. **C** Protecting the voting rights of citizens has been an ongoing process.
15. Student essay will vary, but should reflect an understanding of the limitations the framers of the Constitution placed on American government.

Answer Key

Lesson 1.2

1. D Natural rights are those given to the people by nature or God, and no government would have the right to violate them.
2. B A government based on a constitution holds only those powers granted in its written rules, known as its constitution.
3. Student essays will vary, but should present an adequate defense of their opinion and understanding of the Second Continental Congress.

4.

Shays's Rebellion, 1786-1787

Cause	Effect
The Articles of Confederation did not make provisions for collecting taxes and paying off the nation's war debts. Each state had to collect its own taxes. Many farmers did not have enough money to pay their tax debts.	Courts and tax collectors seized farms as repayment for debt.
Several farmers in Massachusetts, including a Revolutionary War veteran named Daniel Shays, believed they were being treated unfairly and became angry.	The farmers took up arms against their state government.
The Articles of Confederation was seen as ineffective because it did not provide a strong central government.	The US Constitution was drafted and passed as a more effective plan of governing the people.

5. C Citizens hold the power, or popular sovereignty, in a government by electing their own representatives at all levels of government.
6. C The rule of law means that the law is preeminent over any other factor, including any leader, group, or concern.
7. C A faction is a smaller group of people who hold different views, which they make clear to the larger group.
8. A Madison believed that freedom (liberty) would not need to be limited, because the freedom exercised by many other groups would be enough to keep a faction from taking control.
9. D The colonists wanted to be sure that the rights that were violated by the British before and during the war—freedom of speech and the press, the right to bear arms, the right against illegal searches and seizures, for example—would be addressed in the new constitution.
10. A An amendment must be proposed by Congress and then ratified by a three-fourths majority of the states.
11. A Those with Asian ancestry were not large enough to make it into the graph, which includes only the top fifteen groups.
12. B Because the Constitution can be amended, it will remain relevant throughout time.

Lesson 1.3

1. C The president's chief job is to run the executive department.
2. D The president does not have the power to declare war; that responsibility belongs to the legislature.
3. A The legislative branch can override a presidential veto.
4. C The Supreme Court's original jurisdiction was to hear cases involving foreign leaders or between states.
5. A The first statement of the Presidential Oath of Office—"that I will faithfully execute the office of President"—defines his primary responsibility.
6. Because of the media, the president in the modern era can speak directly to the people, allowing his case to be heard over the voices of Congress.
7. In the past, the Congress had a more direct connection to the people as their representatives.
8. Answers will vary but should contain opinions supported with facts.
- 9.

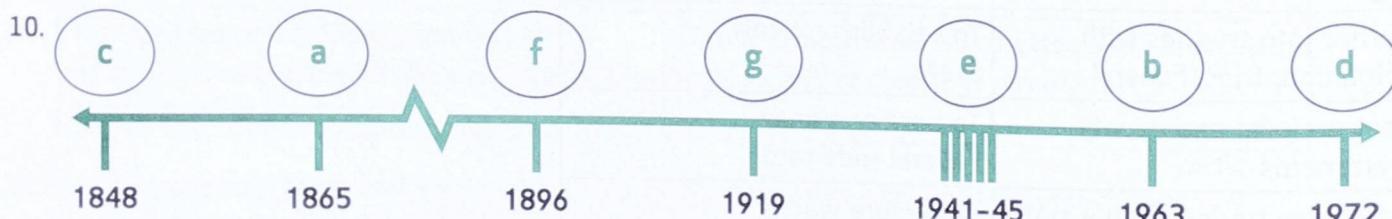
Power	
To levy taxes Federal and State	To hold elections Federal and State
To enter into treaties with foreign countries Federal	To establish schools State
To set up local and county governments State	To borrow money Federal and State
To regulate trade within a state State	To declare war Federal

10. B The power to set up a bank is shared by both the state and federal government. This is known as a concurrent power.
11. D Chief Justice Marshall said: "the power to tax involves the power to destroy." Marshall most likely meant that the state governments could use that power to weaken the federal government.
12. **party leader** denies or grants paroles, pardons, and reprieves
judicial leader sees that state laws are carried out, prepares an annual budget, appoints officials
chief executive heads his or her political group in the state
chief legislator is head of the National Guard of the state
commander-in-chief represents the state at functions, greets key visitors
ceremonial leader proposes, approves, or vetoes legislation
13. A Citizens have the power to suggest legislation (direct initiative), to repeal legislation (referendum), and to vote an official out of office (recall).
14. C The lieutenant governor, like the vice president, presides over the legislature and replaces the governor if he dies, resigns, or is removed from office.

Answer Key

Lesson 2.1

1. **Civil Liberties:** gathering peacefully, voting, speaking your opinion; **Civil Rights:** attending school, living where you choose, employment
2. **B** Mason's ideas regarding due process were expressed in the Sixth Amendment.
3. **B** Along with the other protections it provides, due process prevents the government from conducting illegal searches.
4. **C** The right against self-incrimination described in this ruling is protected by the Fifth Amendment.
5. **C** The Thirteenth, Fourteenth, and Fifteenth Amendments guaranteed civil rights to African Americans.
6. **C** In 1896 the Supreme Court ruled that segregation was legal under the "separate but equal" doctrine.
7. **C** Dr. King's views are most clearly reflected in the Supreme Court's decision in *Brown v. Board of Education, Topeka, Kansas*, which declared segregation in public facilities unconstitutional.
8. **B** Sojourner Truth's famous speech argued that as a woman she was as strong and able as a man, proven by her strengths and experiences. She stood as an example of the strength of all women.
9. **A** Sojourner Truth showed that no man could outwork her because she had worked just as hard at planting and plowing and reaping as anyone.



11. **D** It took tremendous perseverance to work hard for so long toward gaining civil rights for these groups.
12. **B** Title IX granted equal treatment to girls and women who play sports in school and/or college.
13. Answers will vary but should contain opinions supported by facts.

Lesson 2.2

1. **C** By identifying issues and concerns that were shared by different types of Americans, Senator Obama was most likely trying to appeal to independent voters.
2. **A** Senator Obama's speech helped outline his party's beliefs, a task that is one of a national convention's main goals.
3. **C** Third-party candidates often deal with an issue or a set of issues that some voters believe the major parties are not adequately addressing.
4. **A** Having a third-party candidate in a presidential election can sometimes effect the election of Republicans or Democrats running.
5. **B** Because the numbers of Democrats and Republicans are roughly the same, independents tend to tip the balance of an election in favor of the winning party.
6. **B** In American politics, an elephant is normally the symbol of the Republican Party.
7. **C** Political cartoons combine symbols and caricatures to convey a specific message.

8. B George W. Bush had won the most electoral votes. This won him the presidency, even though he lost the popular vote.
9. D Because they charge high fees for their services, lobbyists give wealthy individuals and groups a great deal of influence over the legislative process.

Lesson 2.3

1. A As it is used in this context, “domestic” refers to things that happen within one’s own country.
2. C Posterity refers to the generations of people who will be US Citizens.
- 3.

Type of Policy	Type of government
Setting sanitation and waste collection standards	City
Defining military eligibility requirements	National
Enforcing local noise ordinances	City
Defining requirements for obtaining a driver’s license	State
Adopting education standards and graduation requirements	State
Establishing trade practices with foreign countries	National

Policy	Type of policy
Seatbelts must be worn by all passengers in a moving vehicle.	Public safety policy
Trucks cannot exceed posted weight limits on public highways.	Transportation policy
All vehicles must pass an emissions test before being issued a license plate.	Environmental policy
License plate renewal fees will be increased by 10% in the new year.	Economic policy
Drivers are required to carry medical liability coverage through their auto insurance carrier.	Healthcare policy

5. A While this statement reflects a personal preference or bias, all of the other statements can be proven or disproven with evidence.
6. Policy Implementation 4
 Problem Identification 1
 Policy Adoption 3
 Policy Evaluation 5
 Policy Formulation 2
7. C Since the final step in the public policy process involves evaluating the effectiveness of the policy, public policy is always in the process of being reshaped and refined.
8. D The next step in the process after implementation of a policy is the evaluation of the results.
9. B Interest groups normally contribute to the process of policy formation.

Answer Key

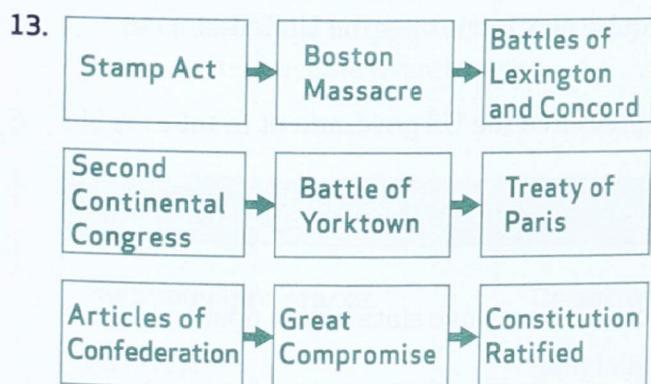
10.	Special Interest Group	Public Interest Group	Economic Interest Group
	Preventing Texting While Driving Gun Control	Campaign Finance Reform Increasing Voter Registration	Improving Work Safety Standards Relaxing Health Care Regulations

11. A Lobbying is a process by which individuals and interest groups can influence the lawmaking process.
12. D According to this ruling, direct personal contact, such as buying lunch or dinner for government officials, can threaten the democratic process.
13. Student paragraphs will vary, but should contain well-supported ideas.

Lesson 3.1

1. C The Mayflower Compact was a written agreement that set out the rules by which the Pilgrims would govern themselves.
2. A Pennsylvania was settled by those seeking religious freedom.
3. B This document is an early example of a(n) charter.
4. C As used in this passage, a colony is a land controlled by another nation.
5. A Dickinson, like many colonists, opposed the Townshend Acts because they levied taxes on the colonists, who were not represented in the British Parliament.
6. D The colonists thought the taxes were unjust because they were not given representation in Parliament.
7. B Many colonists responded to the taxes mentioned in Dickinson's letter by participating in boycotts.
8. C The term indelibly means permanently.
9. B Since this passage asks the king to maintain peace and help his subjects—that is, the colonists—we can conclude that it is taken from the Olive Branch Petition.
10. D The Olive Branch Petition was an attempt at a truce following the Battles of Lexington and Concord.
11. C The king rejected the Olive Branch Petition.

12.	Articles of Confederation	Constitution
	A. Passing laws requires approval of 9 of 13 states. E. Congress has no authority to pass taxes. F. Trade regulated by states	B. Government divided into three branches C. Representation based on population House of Representatives D. Each state gets one vote in Senate.



14. Student essays will differ, but should compare and contrast factual information.

Lesson 3.2

- D The Northwest Ordinance of 1787 established the process by which new states could be added to the Union.
- This document dealt with the organization of the western lands controlled by the United States; these lands are referred to as territories.
- Five states were added to the Union as a result of this document.
- C All of these offices were originally appointed by President Washington.
- B The State Department monitors conflicts among other nations.

6.

Treaty of Greenville	Treaty of Paris, 1783	Jay's Treaty	Pinckney's Treaty
B. Tecumseh, a Shawnee leader, and other tribes attacked white settlers in the Ohio Valley.	C. The Continental Army defeated the British in the American Revolution.	A. British troops would not withdraw from American forts.	D. Spain was worried about American interference in its territories in North America.

- B As a strict constructionist, Jefferson would not have proceeded with any activity that was not specifically given to him in the Constitution.
- D Jefferson pushed past his own concerns in order to provide for a growing nation, both in land and natural resources.
- A After the Louisiana Purchase, Jefferson commissioned the Lewis and Clark Expedition to learn more about the new territory.
- A One of the positive outcomes of winning the War of 1812 was a strong feeling of American nationalism.
- D Congressmen who pushed for war with Great Britain were referred to as War Hawks.
- B General Jackson rose to national prominence following his victory at the Battle of New Orleans.
- D Manifest Destiny was the belief that Americans were destined to settle all of North America from the Atlantic Ocean to the Pacific Ocean.

Answer Key

14. C The concept of Manifest Destiny drove the United States to acquire new territories; the United States annexed Texas in 1848.
15. B Under the justification of Manifest Destiny, American settlers pressured the US government to take over Native American lands.

Lesson 3.3

1. D Because each state is represented by two Senators, the addition of a new slave state would upset the balance between free and slave states in the Senate.
2. B To preserve the balance between slave and free states in the Senate, Maine was admitted to the Union at the same time as Missouri.
3. A People who were opposed to slavery were known as abolitionists.
4. C Because the plantation system relied on the labor of enslaved people, wealthy planters would be most likely to support the expansion of slavery.
5. B When Lincoln gave his address, there were still some slave states that stayed in the Union, and Lincoln did not want to alienate them by attacking the slave states that had seceded.
6. D Lincoln used persuasive language to try to convince the Confederate states to rejoin the Union.
7. A A little more than a month after Lincoln delivered this address, Confederate forces attacked Union troops at Fort Sumter.

8.

North	South
More factories and materials	Familiarity with battlegrounds
More men of military age	Only needed to fight to a draw
More railroads and banks	
Naval superiority	

9. Student paragraphs will differ, but should use logical reasoning to support their predictions.

10.

Conditions for Re-Admittance to the Union
B. States would have to write new constitutions that repealed secession rights.
C. The states would have to ratify the 13th Amendment.
E. Formerly enslaved people would not be included in any provisions of the plan.

11. A The Thirteenth Amendment abolished slavery in the United States.
12. B Southern governments instituted black codes to limit the rights of African Americans following the Civil War.
13. C By the 1870's, economic concerns had caused many Northerners to abandon the cause of Reconstruction.

Lesson 3.4

1. B Most European immigrants during this period settled in east coast cities.

2. A Because of the large influx of Southern and Eastern Europeans during this period, cities in the northeast became overcrowded.

3. 243,860

4.

Push Factors	Pull Factors
Religious Intolerance	Democracy
Poverty	Religious Freedom
Political Oppression	Economic Opportunity

5. Student responses will vary, but should reflect an understanding of population changes in America from 1820-1920.
6. D Because it describes cramped, unsanitary conditions, this passage is most likely about life in a tenement house.
7. B In crowded tenement houses, poor sanitation often led to outbreaks of disease.
8. To combat the problems described in this passage, some reformers created settlement houses, which offered a variety of services that helped poor immigrants.

9. Social Class Divisions

Upper Class	Middle Class	Lower Class
Lived in city centers	Lived in neighborhoods on the edge of cities	Settled with others of the same ethnic group
Owned horses and carriages	Commuted to places of work downtown	Lived farthest from the city center

10. D Nativists were native-born American citizens who were fearful of increased immigration.
11. A Immigrants from southern and eastern Europe had religious and cultural traditions that differed from those of many native-born Americans.
12. B The Chinese Exclusion Act of 1882 placed extreme limits on the number of Asians who could enter the United States.
13. 300,000

Lesson 4.1

1. D The value of concern for lives and property after the sinking of the battleship USS *Maine* was the deciding factor in the decision made by the United States to enter the war.
2. C To support its new position in the world, the United States increased the size and strength of its navy.
3. C Because Serbia was closely allied with Russia, when Austria-Hungary declared war on Serbia, Russia and its allies entered the conflict.
4. A Austria-Hungary was involved in a wider alliance, or group of countries joined together by a common cause, with Germany and the Ottoman Empire.
5. C This passage was most likely taken from the Zimmermann Telegram.

Answer Key

6. **B** The United States had longstanding ties to France and Great Britain, but many German and Irish Americans favored the Central Powers.
7. **D** Germany's policy of unrestricted submarine warfare, coupled with the release of the Zimmermann Telegram, caused Congress to declare war on Germany.
8. **B** Until Russia withdrew from the war in 1918, Germany was forced to fight a war on two different fronts.
9. **C** Germany
10. **D** After Russia withdrew from the war, Germany was able to concentrate all its forces on its Western front.
11. In this address, President Wilson was most likely expressing his support for the creation of the League of Nations.
12. **C** The Senate rejected the treaty because some senators believed the League of Nations would reduce US sovereignty.
13. Student responses will vary, but should reflect an understanding of changing attitudes toward neutrality.

Lesson 4.2

1. **D** After being made chancellor, Hitler suspended the constitution, and therefore did not need the approval of the legislature to act.
2. **B** Referring to the conditions of the Treaty of Versailles as "shackles" is an example of bias because it shows only one side of an issue.
3.

Germany	Italy	Russia
National Socialist Party	Seized Ethiopia in 1935	Josef Stalin
Took Czechoslovakia in 1939	Mussolini	Communism
	Fascism	
4. **C** In 1941, Hitler added the nations of the Balkans to his growing empire.
5. **D** Because he is referring to embarking on a "Great Crusade" in 1944, we can conclude that Eisenhower is speaking before D-Day.
6. **A** The discovery of Nazi concentration camps, where millions of Jews were murdered, proved that the Allies were not just fighting an enemy, but were eradicating a great evil.
7. **B** By acknowledging the strength of the enemy, Eisenhower is taking a somewhat unbiased approach to his subject.
8. **B** FDR used few descriptive or inflammatory words in the entire speech, because he depended on the raw facts to make his case—that Japan was attacking one place after another after destroying Pearl Harbor at such a high cost of lives.
9. **A** The United States demanded their unconditional surrender as the only acceptable end to the war with Japan, even at the cost of dropping atomic bombs on their country.

10.

Events of 1945

Cause	Effect
Allied troops surround Germany and head toward Berlin	C
President Roosevelt dies unexpectedly.	B
The Germans surrender.	E
Japan refuses to surrender unconditionally.	A
A second bomb is dropped on Nagasaki.	D

11. D This order, which in effect classified the West Coast as a war zone, was targeted mainly at Japanese Americans.

12. B As a result of this order, thousands of Japanese Americans were forced into internment camps.

Lesson 4.3

- B After the war, Germany was divided into four zones, each occupied by one of the Allied nations. The zone occupied by the Soviet Union became communist and was ideologically separated from the western areas.
- D The “iron curtain” countries are shaded in dark gray on this map.
- A Berlin was deep in Soviet-controlled territory and could be used as a pawn in the Soviet Union’s games against the West. The Berlin Blockade of 1948 is an example of how the USSR used this geography as a power play.
- D The waterways into West Germany from the North Sea were important for shipping goods into West Germany, and having Denmark aligned with the United States and Great Britain meant that those lanes would remain open.
- C Under a policy of containment, the United States sought to slow the expansion of the Soviet Union’s influence, rather than face the Soviet Union in open conflict.
- B Under the Marshall Plan, the United States provided “guidance” and security to the nations of western Europe in the form of economic aid.

7.

International Crises		
Truman	Berlin Blockade	airlifted supplies into Berlin
Kennedy	East German Crisis	increased defense spending built bomb shelters across the United States sent troops to West Berlin

8. A The North Atlantic Treaty Organization was created to stop Soviet expansion in Europe.

Answer Key

9. Following the communist takeover of Cuba in 1959, thousands of _____ refugees fled to the United States.
10. D Kennedy's refusal to provide air support for the Bay of Pigs invasion contributed to the failure of the United States-backed rebellion in Cuba.
11. C President Johnson tried to stop the spread of communism in Southeast Asia by sending troops to South Vietnam.
12. Student responses will vary, but should be supported with facts.

Lesson 4.4

1. C According to the speech, the Great Society is "a place where man can renew contact with nature."
2. A According to the speech, the Great Society "demands an end to poverty and racial injustice."
3. **1** Select . . . ▾
B. Republican
2 Select . . . ▾
B. 1968
4. Select . . . ▾
D. Paris Peace Accord
A. Vietnam War
5. D Secret negotiations led by Henry Kissinger led to the announcement of President Nixon's visit to China.
6. A President Nixon visited both nations in 1972.
7. A The Watergate affair was considered to be a scandal because many people thought it was legally and morally wrong.
8. C Only the initial break-in appears to have occurred, as Nixon feels free to turn his attention to other matters instead of defending himself.
9. D Nixon states that US and Soviet negotiators are meeting to limit nuclear arms and to reduce the threat of nuclear war.
10. A Nixon's visit to China in 1972 ended a twenty-five year silence between the two nations and helped ease tensions in the Cold War.
11. A Nixon's visit to China ended twenty-five years of diplomatic silence between the United States and China. A previous answer reveals that Nixon's China visit was in 1972. Subtract 25 years from that and 1940s is the only possible answer.
12. A Democracy in Eastern Europe followed the fall of the Berlin Wall and the unification of Germany.

Lesson 4.5

1. 1990 E American Troops stationed in Saudi Arabia (Gulf War)

- 1993 D Truck bomb at World Trade Center

- 1998 A Bombing of American embassies in Kenya and Tanzania

- 2000 B Bombing of USS Cole in Yemen

- 2001 C Planes attack World Trade Center and Pentagon

2. C Following the attacks on the World Trade Center and Pentagon, the United States led a coalition force that overthrew the Taliban government in Afghanistan.

3. D Bush states that the attacks were against the American way of life and its freedom and opportunity.

4. C Terrorism is a political strategy that uses violence against people or property to achieve a goal.

5. C The fourth plane crashed in rural Pennsylvania.

6. D The 2001 terrorist attacks led to the creation of the Department of Homeland Security.

7. 2001 B NATO troops invade Afghanistan

- 2002 D American and British troops invade Iraq

- 2009 E American embassy established in Baghdad

- 2011 A; C All American troops removed from Iraq; Osama bin Laden killed in Pakistan

8. A This time line shows how the terrorist attacks affected US foreign policy.

Answer Key

9. C Because he identifies hostile actions committed by the Iraqi government, it is most likely that President Bush was arguing in favor of invading Iraq.
10. B Sentence 5 uses imagery of mothers and their dead children to evoke an emotional response.
11. D The claim that Iraq has “something to hide” is vague and cannot be fact-checked.
12. D This term is a device to persuade others to join the US against countries it perceives as dangerous around the world.

Lesson 5.1

1. A A market is a place where goods and services are exchanged. This occurs at a golf course with members paying for the opportunity to play golf or to take golf lessons. Goods and services are not exchanged in a forest preserve, a classroom, or an aircraft carrier.
2. D The invention of money thousands of years ago made trading easier than barter.

Goods	Services	Goods and Services
milk washing machine	dry cleaning mowing the lawn	city water a decorated cake

4. D Economic systems answer three questions: what goods and services to produce, how to produce them, and for whom to produce them.
5. A In a market economy, price of products determines how products are distributed among the population.
6. C The ad shows services the restaurant provides that sets it apart from the competition.
7. A Smith says that both the buyer and seller serve their own self-interest. When each is satisfied with the bargain, the transaction is made.
8. D Self-interest is the motivation for every transaction, not benevolence.
9. C Competition forces sellers to lower prices or improve customer service to win over customers.
10. Answers will vary but should contain opinions supported by facts.
11. D A copyright protects a work of art from being reproduced or imitated just as a patent protects an inventor's new product from being copied.
12. A Both laws are intended to keep markets competitive.
13. B In a monopoly, consumers are forced to buy a product from a single company, as there is no competition from other companies.
14. D Trust is another term for a monopoly.

Lesson 5.2

1. C Scarcity is the combination of a product having value and it being in shorter supply than the number of people who want to own it.
2. B When the quantity of a product is greater than the demand for it, the price usually goes down.
3. A You gave up dinner at the restaurant in exchange for the better phone, so that was what it "cost" you to make that decision.
4. C Even though you needed a new cell phone, you wanted the more expensive one more than you wanted to take your friend to dinner at a restaurant.
5. D The four factors of production are human resources, natural resources, capital, and entrepreneurship.
6. D Entrepreneurship requires human creativity to succeed.
7. B The main factor Samuel Colt changed was how he used his labor, making their work more efficient.
8. With Colt's method, more products could be made with fewer workers.
9. C By focusing on one or two repeated skills, each worker could perfect and become faster at that skill, and the combined effort would result in a better revolver made in less time.
10. The name for the working method developed by Samuel Colt is mass production.

11.

Resource	Renewable	Nonrenewable
Grains	✓	
Natural gas		✓
Cotton	✓	
Paper	✓	
Coal		✓
Land		✓

12. B Capital resources, labor, and production quality were all affected by the introduction of the channel wrapper.
13. D If the raw materials needed to create a product are unavailable or in short supply, the manufacturer may find a replacement material in order to continue production.
14. B When an industry has dominated a region for more than a generation, the workforce tends to develop and support those skills needed for that industry rather than developing, valuing, and supporting other skills needed for industries not found in that region.
15. C The mid-west and the northeast have the lowest rates.

Lesson 5.3

1. A Profit is money earned after expenses are paid.
2. C Increasing capital and other resources would boost current productivity.

Answer Key

3. C Business expenses include any money the company must spend, such as wages, interest payments, tools, office supplies, packaging, and utilities.
4. D An entrepreneur is someone who uses their creativity to develop new products.
5. According to the chart, the worst year for new housing units started was in 2009.
6. A Housing sales drop during recessions.
7. D 1995 was a good year for home builders because the number of people buying new homes was rising.
8. D Production will drop temporarily when a company trains workers, buys new tools and equipment, and invests in research and development.
9. C Research, employee training, and new technology all help productivity. Decreasing capital investments would lead to a decrease in productivity.
10. C Most of the top firms in the list are pharmaceutical companies.
11. A Spending money on research and development can make profits for companies.
12. A Incentives are the offers given in a free market economy that encourage consumers to use or invent new products.
13. B Because traditional economies change little from generation to generation, they are found only in the most remote regions.
14. D The US government cannot take away a citizen's private property without proper compensation.
15. By the end of the twentieth century, several countries that had command economies began to offer more free-market incentives. Russia, China, and India opened opportunities for individuals to own businesses. Only a few primarily command economies remained, including North Korea, Cuba, and Iran. Increased economic freedom and opportunity gave people incentives to produce more goods and services. Workers contributed more because they were rewarded for it. As a result, these countries experienced economic growth.

Lesson 5.4

1. A An absolute advantage is the ability to produce a product or service using fewer resources than other producers require.
2. A Today, Americans specialize by working in one type of career field. For example, they do not tan their own leather; they buy it from someone else who does that.
3. B Farmers in Idaho can produce potatoes using fewer resources than farmers in other states.
4. B To be efficient, farmers must be able to produce desired results without wasting material, time, or energy.
5. C. absolute advantage
- B. specialize
6. C Those with the lower opportunity cost should specialize in a product or service even if they do not have an absolute advantage.
7. A Look at 0 butter on the x -axis and find where the curve intersects the y -axis. This is at 50 guns.

8. D Look at each data point on the curve and follow it down to the x -axis to find out how much butter can be produced. Then follow it left to the y -axis to see how many guns can be produced. Add both numbers together. The highest combination of guns and butter is greater than 70.
9. D By specializing and producing those items for which they had a comparative advantage, separate gun producers and butter producers could together produce 110 total butter and guns.
10. 30
11. A services
12. D Events in one company can affect events in another company.
13. C Because a company can concentrate its resources on one specialized trade, it can increase its productivity.

Lesson 6.1

1. C The study of market exchanges between buyers and sellers is called microeconomics.
2. D A rise in prices is a signal to producers that it is time to increase production. It has a different meaning for consumers. To consumers, it is a signal to buy fewer goods.

demand	The amount of goods and services buyers are willing and able to buy
mixed economy	Government regulation of parts of the market
prices	A signal to buyers and sellers
supply	The amount of goods and services a producer is willing and able to produce
command economy	Government control of the market

3. **demand** The amount of goods and services buyers are willing and able to buy
4. C Price increases are a signal to increase production.
5. B Price decreases are a signal to decrease production.
6. A The quantity demanded would be 3. Look at the y -axis, then draw a line to the curve and then down to the x -axis. This point on the x -axis is the quantity of CDs sold at \$9.
7. 8
8. D The increased quantity of CDs sold when the price changed from \$6 to \$3 is three, which is a larger amount than any other price change.
9. 6
10. C Profits influence supplier decisions.

Answer Key

11.



12. The demand curve relates to the buyer.

The supply curve relates to the seller.

A consumer is also known as the buyer.

A producer is also known as the seller.

13. D Market equilibrium is reached when demand equals the quantity supplied.

14. B At 600 million, the supply and demand curves meet.

Lesson 6.2

1. C Half of the US government's revenue comes from income taxes.
2. B When you buy a savings bond, you are loaning the government money to use on projects or services.
3. C The government borrows money by selling bonds and other securities to individuals and businesses. When you buy a savings bond, you are loaning the government money.
4. C Subsidies are payments to the producer or consumer of a local good or service, which results in lower production costs and lower cost for consumers.

5.

- | |
|----------------------|
| 1. Medicare/Medicaid |
| 2. Defense |
| 3. Social Security |
| 4. Nondefense |
| 5. Interest |

6. B In 2011, the national deficit reached \$1.5 trillion.
7. C Tariffs are taxes on imports.
8. A Governments use quotas to limit the amount of goods that can be brought into a country during a specific period.

Policy	Purpose
provide a subsidy	to promote a particular business
increase interest rates	to slow economic activity or reduce inflation
enact a tariff	to American businesses from foreign competition
put money into circulation	to promote economic growth

10. D The Federal Reserve Act was enacted to help stabilize the US economy.
11. B The term *market failures* has a specific definition. It does not refer to economic problems that result from policy.
12. D The Federal Reserve works to preserve and maintain the financial stability of the United States.
13. A The Federal Reserve has many ways to increase or decrease the supply of money.
14. B The Fed's policies emphasize controlling inflation.
15. Student responses will vary, but should show an understanding of the role of the Federal Reserve in the nation's economy.

Lesson 6.3

1. D Gross domestic product (GDP) is the dollar value of all final goods and services produced in a country during a single year.
2. A Bartering is not counted in GDP, so the GDP of this nation would give an inaccurate picture of the strength of this nation's economy.
3. C The GDP of Mexico is \$1.2 trillion and the GDP of the United Kingdom is twice that at \$2.4 trillion.

Part of US GDP	NOT Part of US GDP
Oil from Alaska used in Texas	Natural gas from Canada used in Illinois
Corn from Iowa sold at the Iowa State Fair	California surfboards sold in Mexico
United States-made snow tires sold separately from a vehicle in San Diego	Seats made in the United States, to be installed in a new Buick in Detroit
Automobiles designed in Japan but produced in South Carolina	Housekeeping performed by a United States homeowner

5. B Inflation is a rise in the general level of prices over time.
6. 40
7. B Prices fell between 1923 and 1933.
8. D The price would rise more than 2 percent because of the cumulative rates over the 10-year period.
9. D The unemployment rate is the percentage of individuals in the civilian labor force who are actively looking for a job but cannot find one.

Answer Key

10. A Businesses lay off workers during recessions and hire them back in good times, causing **cyclical** unemployment.
11. B Unemployment appeared to reach a high of 10 percent at the end of 2009.
12. 10
13. A Unemployment was close to 6 percent at the beginning of 2003 and close to 8 percent at the beginning of 2013.
14. 8

Lesson 7.1

1. Businesses lose money and lay off workers during an economic **recession**.
2. B Mass production of the Model T cut its price to 1/3 of the cost before mass production.
3. A A drop in supply when demand is high can lead to price increases.
4. B The years 1920 to 1929 would be considered a time of economic **boom** in the United States.
5. 5 Wealth in the 1920s was mainly based on the value of **investments**. When people bought stock, they bought it on **margin**, paying only about 10% and borrowing the rest. When the stock market plummeted on **Black Tuesday**, many investors lost all their savings. Other citizens lost savings when **banks** failed.
6. B Large shantytowns populated by the unemployed and homeless appeared as a result of the **Great Depression**.
7. D President Hoover presided over the government as the Great Depression worsened with no relief during the early 1930s.
8. D The Great Depression was so severe that it would have taken a long time for relief programs to help all of those who were poor and homeless.

Program	Description
Agricultural Adjustment Administration (AAA)	Paid farmers to produce fewer crops
Civilian Conservation Corps (CCC)	Hired people to plant forests
Federal Deposit Insurance Corporation (FDIC)	Insured money people deposited in banks
National Recovery Administration (NRA)	Regulated how much businesses could produce
Tennessee Valley Authority (TVA)	Built dams and power plants in the South
Works Progress Administration (WPA)	Hired people to complete construction projects

10. C Social Security is a form of relief that provides Americans with a pension in old age.
11. New Deal programs outlined in Roosevelt's speech provided stimulus to the economy by providing relief to workers and reforms for businesses.
12. B Roosevelt states that his primary task is to put people to work.

Lesson 7.2

- A The speech indicates that President Calvin Coolidge had a laissez-faire approach to government.
- C Coolidge rejects the idea that the rich should be taxed more, and makes the point that those who are successful should not be punished for their success.
- B Coolidge implies that it is unjust to tax rich people at a higher rate, and that they should not be punished for their prosperity. This indicates that Coolidge does not believe that the system helped certain people to become rich, but that they earned it themselves.
- President Franklin D. Roosevelt used the ideas of Keynes, a noted economist, to create the New Deal plan. This plan increased government involvement in all aspects of the economy. Programs managed by the government have been used since the Great Depression, during periods of recession.

Term	Example
Annexation	Hawaii was added to the United States as a territory in 1898.
Imperialism	The United States obtains territory to build a canal in Panama.
Open Door Policy	The United States and Mexico both have the right to trade with China.
Tariff	Sugar from Brazil is taxed when it enters the United States.

- C One root of American imperialism in the late 1800s was an overabundance of American goods.
- A She states that the will of God made her heir apparent and the grace of God made her queen.
- B The queen considers Hawaii to be an independent nation whose rule should be in the hands of chiefs.
- A An increase in unemployment due to disruptions in businesses could cause homelessness.
- US Agency for International Development provides humanitarian aid to improve the lives of people in foreign countries that may have been affected by war or famine.
- A Financial aid can provide economic stability, which can lead to political stability, which is in the best interest of US foreign policy.
- War creates unstable governments, which scare away investment. However, money is needed after a war to rebuild infrastructure, to provide food and services to people who have been affected by war, and to support businesses that are trying to reopen.

Lesson 7.3

- A The scientific method is the process used by scientists for testing ideas through experimentation and careful observation.

Answer Key

2. C During the Scientific Revolution, rational thinking caused people to question old ideas about the world and look for new answers.

3.

Solar System	Human Body
Galileo Galilei	Antonie van Leeuwenhoek
Isaac Newton	Andreas Vesalius
Nicholas Copernicus	

4. B The astrolabe allowed sailors to use the position of the sun and stars to determine the time of a celestial event, such as a sunrise or sunset.
5. C The astrolabe helped make European exploration possible.
6. C A cottage industry is one in which people work in their own homes with their own equipment and resources.
7. C An industrial revolution shifts a country from farming and trading to the manufacture of goods.
8. D In the first half of the 19th century, the development of railroads helped speed the development of the Industrial Revolution in England.
9. C The Industrial Revolution least affected the southwest.
10. According to the table, the cotton industry was concentrated in one area(s) of England, with two other area(s) as (a) smaller textile center(s).
11. The movement of people from farms to industrial cities appears to have been greatest in northwest England.
12. C Before labor unions, employers were free to treat workers according to their own company's rules.
13. A Industrialization affected farming, too, as new machines replaced farmworkers.
14. D Only the youngest children would likely be able to fit under running machines.
15. A Poverty most likely forced families to send their children to work in factories.

Lesson 8.1

1. D

2. A Reserves are the deposits that a bank keeps in its vaults, rather than lending back out to other patrons.

3.

credit unions	Provide emergency loans for its members
savings and loan associations	Help individuals buy homes
commercial banks	Serve the needs of business

4. A In the past, different banks offered different types of services, but now most offer the same services.
5. C Banks advertise that they have insurance to honor their promises to return deposits, if necessary.
6. A Banks earn a profit by charging more to borrow money than they pay to savers.

7. D Credit unions are financial institutions that serve members connected by a common entity.
8. A Checks are payable on demand, which means the bank must pay it immediately.
9. D Having a personal checking account allows you to withdraw money using an ATM and to write checks.
10. C The bank and the institution that received the check might charge a fee.
11. A All banks are required to protect the privacy of their depositors.
12. A Banks keep money safe and our privacy protected by requiring a form of identification.
13. C Reserve is money that a bank sets aside so they have access to it when customers ask for a withdrawal.
14. B
15. B The previous check written from this account was number 1935.
16. B To be cashed or deposited, checks must be endorsed by the person to whom they are issued.
17. Student opinions will differ, but should be supported by facts.

Lesson 8.2

1. A Credit card companies make money by charging fees and interest on monthly debt.
2.

Credit card	small purchases	highest interest rate
Installment loan	new car	paid over a specific period of time
Secured loan	home equity loan	lowest interest rate
3. B If the borrower defaults on a secured loan, then the lender assumes ownership of the asset or property that secured the loan.
4. A credit score is a report by a credit agency of how consistently you pay your bills.
5. D Falling behind on loan or credit card payments can reduce a person's credit score.
6. C Credit agencies get their information from banks and credit card companies.
7. B If the interest on a secured loan, such as a home equity loan, is tax deductible, then it can help reduce your taxes.
8.

1 Harriet gets her first credit card.
2 Harriet gradually builds up her credit card balance.
3 Harriet misses two credit card payments.
4 Harriet's credit score drops.
5 A lender refuses to finance Harriet's used car purchase.
9. D High interest, declining property values, and an unreliable source of income should be red flags to home buyers.

Answer Key

10. A Legally, you have a right to look at your credit report once each year.
11. A According to the information in the passage, credit card debt is becoming more of a problem with each passing generation.
12. One way future credit cardholders can break this pattern is by paying off their balances each month.

Lesson 8.3

1. A The Fair Credit Reporting Act states that consumers have a right to have access to their credit reports.
2. A The “Opt Out” provision states that consumers can choose to have their names removed from lender marketing lists.
3. A The Truth in Lending Act limits a consumer’s liability, or legal responsibility, for purchases if a credit card is stolen and used by someone else.
4. D The Equal Credit Opportunity Act prohibits discrimination in credit transactions based on race, religion, sex, national origin, age, or marital or economic status.
5. C The writer is questioning the effectiveness of the Credit CARD Act.
6. A The writer believes that federal credit card protection has been inadequate to deal with the problems facing cardholders.
7. D You would expect that for most credit cards the lowest APRs would be on purchases.
8. B Credit card providers are prohibited from offering no-interest loans.
9. B The APR is the most significant feature to compare credit card offers.
10. A First-time credit card users should be interested in the credit limit of the card.
11. B Because federal law requires credit card providers to be consistent in payment dates and times, this consumer’s next due date will most likely be 5/20/12.
12. D The Credit CARD Act requires credit card providers to be consistent in payment dates and times.

Lesson 9.1

1. D As shown in the map above, the Nile River became the center of a sophisticated Egyptian civilization, or a society in an advanced state of cultural development.
2. B The Nile’s annual floodwaters made agriculture possible, and this in turn gave rise to Egyptian civilization.
3. A The delta is where the Nile empties into the Mediterranean Sea.
4. C The pharaoh Khufu was buried in the Great Pyramid of Giza.
5. D The Egyptian and Indian subcontinent civilizations were centered near rivers.
6. C The economies of ancient Egypt and the Indus River Valley were dependent on agriculture.
7. B The term *mandate* most likely means command.
8. B The Mandate of Heaven was used by the Zhou to explain their overthrow of the Shang dynasty.
9. A The Mandate of Heaven gave the people the right to rebel against a wicked or ineffective ruler.

10.	Egyptian	Papyrus
	Chinese	Mandate of Heaven
	Indus River Valley	citywide sewage system

11. C Unlike the governments of Egypt and China, the governments of Greece and Rome allowed ordinary citizens to participate.
12. A Unlike the Greeks, who participated directly in their democracy, Romans elected officials to represent them in government.

Lesson 9.2

1. C The Pacific Ocean serves as a border for Hawaii, Alaska, Washington, Oregon, and California.
2. A The borders of ten states coincide with the Mississippi River.
3. B The Mediterranean Sea and the Red Sea are physical boundaries because they are natural features that separate two regions from one another.
4. B Africa and Europe are separated from North and South America by the Atlantic Ocean.
5. C The degrees of lines of longitude increase from east to west.
6. Lines of longitude are not “parallels” because they meet at the poles.
7. The Equator is a line of latitude.
8. The Prime Meridian is a line of longitude.
9. C Lines of latitude increase in value further from the equator.
10. C They are measured in degrees.
11. B The Soviet Union was created in 1922, and its borders changed when it was dissolved in 1991.
12. A The creation of new borders signified that Kazakhstan had become an independent nation.
13. D In the absence of conflict, political boundaries can be created through cooperation between nations.

Lesson 9.3

1. C The president wants to develop renewable sources of energy, such as wind and solar energy.
2. A The United States needs new sources of energy to meet the demands of its growing population.
3. D Resources such as oil are nonrenewable because they cannot be replaced in a short time.
4. A Electricity creates more greenhouse gas emissions than agriculture. Therefore, reducing it would have the biggest impact. Increasing the other items would have the opposite effect.
5. C Because industries were less active following World War II, there were fewer greenhouse gas emissions, which led to lower temperatures.
6. D Industry was less active during World War I, the Great Depression, and World War II, so there were fewer greenhouse gas emissions.
7. A The goal of sustainable development is that each generation ensures that there will be adequate supplies of natural resources for future generations.

Answer Key

8. **B** As world economies of developing countries improve, people have more money to spend on goods and services, including those that use more energy.
9. **D** Sustainable development means consumers and companies often focus on reusing and recycling resources as well as reducing their use.
10. **A** 2011 has the lowest amount of tires going into landfills, which means it had the highest percentage of tires being reused, recycled, or used as fuel.

11. Government Policies	increasing gasoline taxes limiting offshore oil drilling subsidizing solar energy
Individual and Business Decisions	recycling materials walking to work turning out lights

12. **B** The government could influence consumer demand by providing rebates or by subsidizing the manufacturers.
13. Student paragraphs will differ, but should support their opinions with facts.

Lesson 10.1

1. Landform	Description
peninsula	Strip of land surrounded by water on three sides
plain	Large area of flat land, without trees
isthmus	Narrow strip of land between two land masses, water on each side
plateau	Flat land that is raised above surrounding land surface

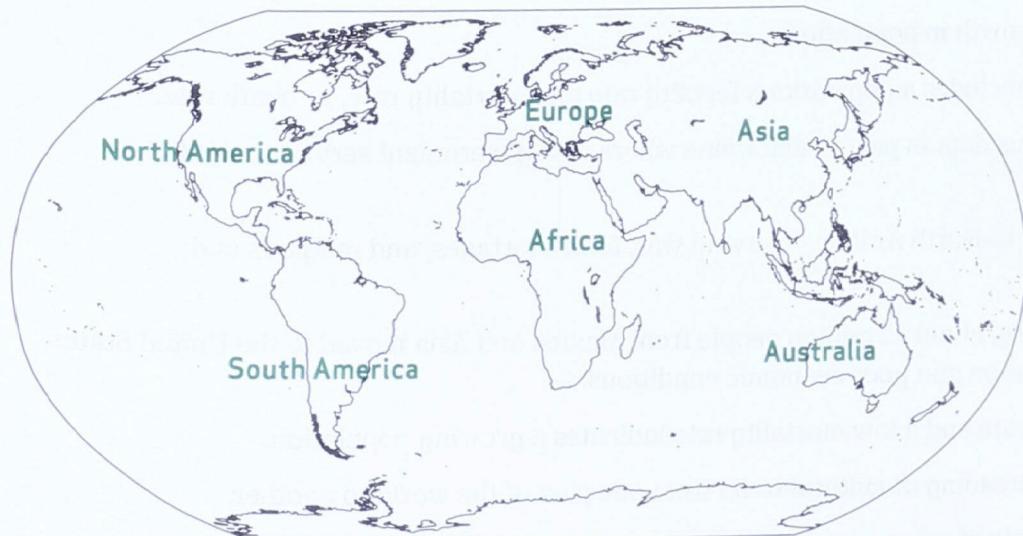
2. **A** All living organisms on Earth live on the layer known as the crust.
3. **C** The outer core is made of liquid metal, and the inner core is made of solid metal.
4. **A** The Earth's thickest layer, its mantle, is made of solid rock.
5. **D** Soil, minerals, water, animals, and plants are natural resources that are distributed unevenly across the Earth.
6. **B** All countries combined produce about 15,000 metric tons, so Chile produces about one-third of the world's copper.
7. **C** North and South America have three countries that are among the world's leading producers.

8.	forest	Mosses, birds, wolves, fungi, squirrels
	grassland	Coyotes, hawks, bumblebees, rodents
	desert	Iguana, kangaroo rat, prickly pear cactus, armadillo lizard
	lake	Algae, reeds, duckweed, mollusks

9. **B** Areas closer to the Equator (the north in Australia) have a more tropical climate than those farther from it.
10. **A** The desert is less than half the size of Australia.

Lesson 10.2

1.



2. **C** All five bodies make up a continuous global ocean.

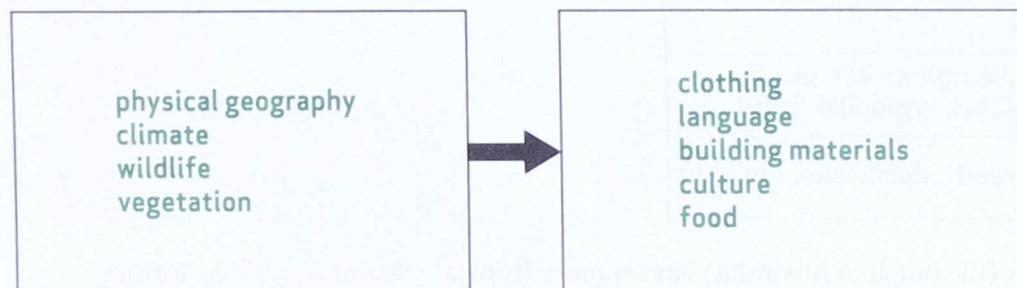
Tropical wet	near Equator and bordered by Pacific Ocean
Arid, desert	interior Australia surrounded by mountains
Subarctic, tundra	60 degrees north latitude
Humid continental	interior region visited by storms and cloudy days
Marine, West Coast	frequent mild wet winds from Pacific or Atlantic

4. **C** There will be less rain on the eastern side of the mountains if the wind blows from west to east.
5. **A** Rainfall and warm climates contribute to a greater density and diversity of plant and animal life.
6. **B** Mandarin is the most commonly spoken language in the world.
7. **B** Regions with many cultures are considered multicultural.

Indo-European languages	French, Sanskrit, Greek, Italian, English
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9. D Large numbers of Germans, English, Africans, and Irish migrated to America between 1607 and 1820.
10. B If you have a diverse ancestry, you cannot accurately report it to the Census Bureau.
11. B The growth of residential areas and businesses into outlying areas is known as urban sprawl.

12.



Lesson 10.3

1. D Nevada surpassed 30 percent growth, so there is probably a need for increased government services there.
2. A Michigan had a negative growth in population.
3. C Demographic information includes a population's fertility rate and mortality rate, or death rate.
4. B The government uses census data in part to determine where new government services might be needed.
5. B Many Europeans migrated to North America to avoid war, food shortages, and religious and political persecution.
6. D In the late twentieth century, about 12 million people from Mexico and Asia moved to the United States, largely because of persecution and poor economic conditions.
7. B Generally, a high fertility rate and a low mortality rate indicates a growing population.
8. B Cultural diffusion is the spreading of cultural traits from one part of the world to another.
9. A Buffalo presents an example of urban sprawl because its urban areas have spread into the outlying areas.
10. C These are part of the Buffalo Metropolitan Area.

11.	1800–1850	People move from farms to cities for employment.
	1870–1950	Immigrants swell the population of American cities.
	1950–1980	Many city dwellers move to the suburbs just outside the cities.
	1980–2010	Urban sprawl creates communities in metropolitan areas.

12. A Over the last century, the nation of China has experienced huge population growth, a one-child policy to try to limit growth, a population shift to the coastal cities, and now an aging population.