Exam #1 Sociology 433

1.(m/c) The rich have gotten richer in the U.S. in the last thirty years for all of the following reasons EXCEPT:

a. favorable legislation, especially tax legislation b. governmental deregulation

c. privatization of public resources d. government subsidies e. none are exceptions

2.(t/f) Those who have benefited most from the growing and extreme inequality in the U.S. are the top .01%.

3.(m/c) Which of the following is (are) true about the concentration of wealth in the U.S?

a. The top 1% has doubled its share of wealth since the 1970s.

b. The concentration of wealth is less than in other industrial countries.

c. It is the most extreme concentration of wealth since the Great Depression. d. a and c e. all of above

4.(m/c) The median family income is now approximately:

a. $43,000 b. $56,000 c. $75,000 d. $300,000 e. none of above

5.(m/c) All of the following are true about income in the U.S. EXCEPT:

a. the top 1% of income earners have received over 90% of income gains since the “economic recovery.”

b. despite growing inequality in income, the U.S. is still the most equal country in the world in terms of income distribution.

c. income derived from work is taxed at a higher rate than income derived from investments.

d. the top 10% of income earners receive the majority of income derived from financial wealth.

e. none are exceptions

6.(m/c) All of the following are true about U.S. corporations under the Obama administration EXCEPT:

a. they were unable to compete globally because of increased taxes and regulations.

b. they set an all-time record for profit in 2010. c. they had cash reserves of $2 trillion.

d. the 500 largest U.S. corporations set an all time record for profits in 2011. e. none are exceptions

7.(m/c) Which of the following disproportionately benefited the rich?

a. Bush tax cuts b. cuts in capital gains taxes c. changes in the estate tax.

d. a and b e. all of above

8.(m/c) All of the following benefit from favorable tax legislation EXCEPT:

a. fast food industry b. Hedge Fund CEOs c. Cruise lines

d. U.S. corporations “located” in off shore tax havens e. none are exceptions

9.(m/c) Corporations and their shareholders benefited from which of the following legislation?

a. Medicare Prescription Drug bill b. Affordable Care Act (“Obamacare”)

c. Welfare Reform legislation under Clinton d. a and b e. all of above

10.(m/c) Since the end of the Great Prosperity, the financial situation of working class and middle class Americans has deteriorated. All of the following are examples EXCEPT:

a. decline in disposable income b. increase in consumer debt

c. decrease in mortgage debt as housing values increase d. increase in student debt e. none are exceptions

11.(m/c) All of the following are true about poverty in the U.S. EXCEPT:

a. benefits for the poor are so generous, people choose not to work.

b. the number of poor increased during the “Great Recession” because people lost their jobs.

c. the U.S. has the highest rate of childhood poverty.

d. the average number of children in a poor household is under 2. e. none are exceptions

12.(t/f) Understanding poverty as an individual problem, lazy people, rather than the result of economic forces, serves the ideological function of making the poor scapegoats for growing inequality.

13.(t/f) According to Inequality for All, a strong middle class is the necessary foundation for a stable consumer-based economy.

14.(t/f) According to Inequality for All, one of the main reasons for the decline in wages of American workers is their lack of productivity compared to workers in other countries.

15.(m/c) According to Aftershock, there are strong parallels between the Great Depression and the Great Recession. Which of the following are examples?

a. There were booms in the financial sectors based on speculative bubbles.

b. Middle class wages were stagnant and the middle class was forced to go into debt.

c. Consumer demand decreased d. a and b e. all of above

16.(m/c) According to Aftershock, all of the following made the middle class more secure after the Great Depression EXCEPT:

a. unemployment insurance b. social security c. disability insurance

d. forty hour work week e. none are exceptions

17.(m/c) According to Aftershock, the “multiplier effect” means that money spent has which of the following positive outcomes for the economy and workers?

a. creates jobs b. creates a larger tax base c. provides money for research

d. a and b e. all of above

18.(m/c) According to Aftershock, the rescue plan proposed and enacted by the Bush and Obama administrations to solve the crisis of the Great Recession was designed to save the \_\_\_\_\_\_\_\_\_

a. financial economy, aka Wall Street b. real economy, aka Main Street

19.(t/f) According to Aftershock, those in power still argue that the problems with the economy can

only be solved by less government and worker’s “tightening their belts,” also called austerity.

20.(t/f) According to Aftershock, globalization has had completely negative consequences for U.S. workers.

21.(m/c).According to Aftershock, all of the following could have been done to offset the negative effects of globalization and automation EXCEPT:

a. more bargaining power could have been given to service workers.

b. the safety net could have been enlarged, for example, unemployment insurance covering part time work.

c. insurance for entire communities that lost their major employer could have been provided.

d. transition assistance to help workers move to new jobs. e. none are exceptions

22.(m/c) According to Aftershock, the middle class tried to cope with the stagnant and declining

income in all of the following ways EXCEPT:

a. women entering the workforce. b. average worker working longer hours

c. middle class borrowing on their homes d. people entering the workforce at an earlier age

e. none are exceptions

23.(t/f) According to Aftershock, in 2009 GM sold more cars in China than the U.S., while being bailed out with U.S. taxpayer money.

24.(m/c) According to Aftershock, a “new deal for the middle class” would include all of the following EXCEPT:

a. a reverse income tax b. higher marginal tax rates on the wealthy

c. school vouchers based on family income d. Medicare for all e. none are exceptions

25.(t/f) According to Aftershock, one of the solutions to the problem of the undermining of our democracy would be stronger campaign finance laws.

26.(t/f) According to Aftershock, affluent Americans are able to escape into private communities

and fund high levels of services and infrastructure through fees and special taxes.

27.(t/f) According to Aftershock, the “basic bargain” of consumer capitalism is that workers are

also consumers. Their earnings are continually recycled to buy consumer goods and services.

So workers need a proportionate gain in income growth to keep the economy going.

28.(m/c) The capacity of a group or person to realize their goals despite resistance is called: a. distributive power b. collective power

29.(t/f) According to Domhoff, the upper class controls two organizational networks, the economic system and the military.

30.(t/f) According to Domhoff, the upper class, through social interactions and institutional affiliations, develops a class consciousness-what is good for corporations and the upper class is good for America.

31.(m/c) According to Domhoff, all of the following are ways in which the power of the upper class is institutionalized in the economic system EXCEPT:

a. concentration of ownership b. shared monopolies c. boards of directors

d. producer networks e. none are exceptions

32.(t/f) The global financial crisis of 2007 was created primarily by the sale of CDOs (Collateralized Debt Obligations), valueless derivatives made up of bad mortgages, credit card debt and student loans.

33.(t/f) According to Domhoff, individuals who are not members of the upper class may be

assimilated into the upper class.

34.(m/c) All of the following are examples of the means by which the upper class develop cohesion through its shared social experiences EXCEPT:

a. private universities b. elite prep schools c. country clubs

d. exclusive retreats like the Bohemian Grove e. none are exceptions

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Match the power network to its primary function.

Power Network Primary Function

35. candidate selection process a. influences legislation

36. special interest process b. controls outcomes of elections

37. policy planning process c. manufactures consent

38. opinion shaping process d. develops public policy

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39.(m/c) According to Domhoff, the upper class is a(n):

a. economic class b. political class c. social class d. a and c e. all of above

40.(m/c) According to Domhoff, the upper class believes it needs to control the political system because:

a. by doing so it avoids the possibility of the government intervening on behalf of the people.

b. by doing so it hopes to avoid the possibility of the people challenging its power.

c. by doing so it can control foreign policy and make sure that the government pursues international policies in its interests. d. a and b e. all of above

41.(m/c) According to Gangs of America, the \_\_\_\_\_\_\_\_\_\_ Amendment is cited as having established the precedent that corporations are persons under the law.

a. Twelve b. Thirteenth c. Fourteenth d. Fifteenth e. Nineteenth

42. (t/f) According to Gangs of America, the assumption concerning corporations in early America was that they were inherently dangerous because of their capacity to accumulate power.

43.(m/c) According to Gangs, the public in early America believed that corporations were necessary to:

a. create jobs b. provide goods and services to consumers

c. meet specific social needs d. a and b e. all of above

44.(m/c) According to Gangs of America, all of the following were pre-Civil War controls over corporations EXCEPT:

a. life span was limited. b. charters limited the amount of investment capital, capitalization

c. corporations were restricted to operation in the state in which they were chartered

d. charters sometimes limited amount of profit e. none are exceptions

45.(m/c) Which of the following are powers that have been given to corporations?

a. no limits on life span b. no restrictions on location c. no limits on size d. a and b e. all above

46.(m/c) According to Gangs of America, the social theory with the most significant impact on U.S. Supreme Court decisions was:

a. democratic theory b. liberal social theory c. free market theory

d. Social Darwinism e. libertarianism

47.(t/f) According to Gangs of America, U.S. Supreme Court decisions which have equated speech with money have furthered the expansion of corporate power in the United States.

48.(m/c) According to Gangs of America, business considered \_\_\_\_\_\_\_\_\_\_\_the most dangerous man in America in the 1960’s and 1970’s .

a. Eugene Debs b. Ralph Nader c. Daniel Ellsberg d. Martin Luther King Jr. e. Dalton Trumbo

49.(m/c) According to Gangs of America, all of the following are means that corporations used to regain power lost in the 1960s and 1970s EXCEPT:

a. American Legislative Exchange Council (ALEC) b. front groups, like Center for Tobacco Research

c. legislation, like food disparagement laws. d. judicial education seminars

e. none are exceptions

50.(m/c) According to Gangs of America, corporate constitutional rights have had which of the following consequences?

a. hindered the government’s ability to regulate the workplace for safety

b. prevented states from taxing corporations c. prevented campaign finance reform

d. a and b e. all of above

51.(m/c) According to Inequality for All:

a. a strong middle class is the necessary foundation for a stable consumer-based economy.

b. extreme inequality is necessary for an economy because the spending of the rich will trickle

down and stimulate the economy for everyone.

52.(t/f) According to Inequality for All, one of the main reasons for the decline of the middle

class in the U.S. is their lack of productivity at work.

53.(t/f) According to Inequality for All, there are parallels between the Great Depression of the

1930s and the Great Recession of 2008?

54.(m/c) According to Inequality for All, the Great Prosperity ended in the late \_\_\_\_\_\_\_\_.

a. 1960s b. 1970s c. 1980s d. 1990s

55.(m/c) An almost fifty per cent decline in the tax rates for the rich began under \_\_\_\_\_\_\_\_\_\_.

a. Eisenhower b. Ford c. Reagan d. Bush I e. Clinton

56.(m/c) The Great Prosperity, according to Inequality for All, included all of the following EXCEPT:

a. low inequality b. increased educational opportunity, especially affordable higher education

c. decline in union membership d. highly educated work force e. none are exceptions

57.(m/c) The Great Prosperity involved a Virtuous Cycle. All of the following were characteristics of the Virtuous Cycle EXCEPT:

a. increase in wages for workers. b. increased consumer demand c. increased unemployment

d. increased tax revenue e. increased government spending on education and infrastructure

58.(m/c) The end of the Great Prosperity led to a Vicious Cycle. All of the following are characteristics

of the Vicious Cycle EXCEPT:

a. wages stagnant for workers b. decrease in consumer demand c. companies downsized

d. less government funding for education e. higher welfare payments to help those hurt the most.

59.(t/f)) According to Inequality for All, a factor that correlates directly with the stagnate and/or declining wages of the middle and working class in the U.S. is the decline in union membership.

60.(m/c) According to Inequality for All, the middle class tried to cope with the stagnant and

declining income in all of the following ways EXCEPT:

a. women entering the workforce. b. average worker working longer hours

c. middle class borrowing on their homes d. entering the workforce at an earlier age

e. none are exceptions