Exam #1

1.(t/f) Milton Friedman and Adam Smith believe that economics is a science just like physics and that the market is a natural phenomenon governed by laws of cause and effect.

2.(t/f) According to Adam Smith, a freely competitive economy will regulate itself by the invisible hand of the market place.

3.(t/f) According to Adam Smith, capitalism is the best economic system because it understands the truth about human nature, human beings are motivated by self-interest.

4.(m/c) According to Smith, the Law of Supply and Demand guarantees which of the following?

a. market place demands will be met by capitalist entrepreneurs (suppliers).

b. competition between suppliers will guarantee that the market place will provide quality products at low prices.

c. all social needs will be met d. a and b e. all of above

5.(t/f) According to Smith, understanding the free market and its laws allows to organize the entire society in a way that will benefit all.

6.(t/f) The Fourth Law of the market place, laissez faire, states that the government should only intervene in the market place when it is necessary to bail out a corporation that is too big to fail.

7.(m/c) According to Smith, the role of the government in creating an environment for a nation’s economic system involves all of the following EXCEPT:

a. creation of a system of finance b. development of a minimal system of public education

c. creation of a physical infrastructure d. financing and raising a military e. none are exceptions

8.(t/f) According to the Laws of the Marketplace, what is good for the capitalist is good for the worker and if the market is allowed to function freely wages will be good and work opportunities plentiful. This is called free labor.

9. (m/c) The dominant social theory in the United States at the end of the nineteenth and beginning of the twentieth century was social Darwinism. It was influence by all of the following theorists and/or ideas EXCEPT:

a. Darwin’s theory of evolution b. Adam Smith’s theory of the free market

c. Herbert Spencer’s social theory d. Rousseau’s theory of the social contract e. none are exceptions

10.(m/c) Social Darwinists argue all of the following EXCET:

a. the marketplace is the site of the struggle for survival. b. the struggle for survival is progressive for humanity.

c. the rich have prove themselves to be the fittest and the poor the weakest.

d. helping the “unfit” weakens the species. e. none are exceptions.

11.(m/c) Social Darwinism led to eugenics. All of the following are true about eugenics EXCEPT:

a. It is a theory whose proponents argued that bad characteristics could be eliminated and good characteristics could be furthered in the human race.

b. It argued that “feeble minded” humans should be isolated and sterilized, or when the Nazis adopted the theory, exterminated.

c. The victims of eugenics were the poor, people of color, mentally ill, and criminals (but not corporate criminals).

d. Standardized tests and “empirical observations,” watching tired, hungry and confused immigrants as they arrived in the U.S. were used to determine who was “feeble minded.”

e. all of above

12.(m/c) According to Milton Friedman, the market is governed by laws that guarantee that it functions like celestial clockwork. Which of the following distort this “heavenly” precision?

a. wage and hour laws b. workplace safety regulations c. environmental regulations

d. a and b e. all of above

13.(m/c) According to Milton Friedman, which of the following should be policy goals in a capitalist system?

a. complete deregulation so that the market can self-regulate. b. privatization

c. increase in social programs like welfare and social security d. a and b e. all of above

14.(m/c) Friedman believed that the free market had or would:

a. lead to political freedom b. end discrimination c. be good for everyone in the long run

d. a and c e. all of above

15. (t/f) Milton Friedman believed that shock in the form of a natural or man-made disaster would be necessary to get people to accept his policy goals because people were used to government help.

16.(m/c) According to Friedman, shock therapy includes all of the following EXCEPT:

a. privatization of publicly owned industries b. elimination of all tariffs and subsidies

c. cutbacks in social services d. elimination of unions e. none are exceptions

17.(t/f) Friedman thought that Hurricane Katrina presented a wonderful opportunity because it destroyed the public school system of New Orleans which meant that a new privatized educational system could be established.

18.(m/c) Which of the following is true about the economic concept of privatization?

a. The entire economy should be privately owned.

b. Goods and services should be exchanged in the marketplace for a price.

c. Access to goods or services should be through the marketplace.

d. a and c e. all of the above

19.(t/f) According to Marx, the origin of society was human beings working together to satisfy their common needs for food and shelter.

20.(t/f) According to Marx, human beings transform nature through their labor and create a social world which determines the conditions of their existence.

21.(m/c) All of the following are true according to Marx EXCEPT

a. the dominant ideas in society are the ideas of the working class.

b. society is progressing through stages driven by class conflict.

c. the interests of the capitalists cannot be reconciled with the interests of the workers.

d. capitalism will self-destruct because of the declining rate of profit. e. none are exceptions

22.(m/c) According to Marx, labor under capitalism is alienated in all of the following ways EXCEPT:

a. alienated from the product of labor b. alienated from the process of labor

c. alienated from species being d. alienated from other workers. e. none are exceptions

23.(t/f) According to Marx, the superstructure (education, political system, mass media) will reflect the inequality of the economy base of society.

24.(t/f) According to Marx, capitalism is an economic system which is structurally dependent upon the exploitation of the worker. Marx argues that profit is the result of this exploitation.

25.(m/c) Marx could not have anticipated theoretically which of the following?

a. wealthfare capitalism: the ability of the government to use public funds to bailout the capitalist system as it did between 2007-2010.

b. advertising: the power of the media to create a consumer consciousness.

c. monopoly capitalism: the rise of shared monopolies that avoid regulatory laws, like the Sherman Antitrust Act, that act as monopolies.

d. a and c e. all of above

26.(m/c) Durkheim argues all of the following EXCEPT:

a. society is external, outside of individuals. b. society is coercive, constrains behavior.

c. social facts are things that can be studied scientifically d. society is a collection of individuals

e. none are exceptions

27.(m/c) The metaphor Durkheim uses to explain society is a (an):

a. organism b. machine c. amoeba d. solar system e. ocean

28.(m/c) According to Durkheim, the way in which traditional societies maintained social order was through \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. a. mechanical solidarity b. organic solidarity.

29.(t/f) According to Parsons, society is a system that functions as a harmonious whole and is composed of numerous subsystems, and individuals are free to choose their own personal course of action within the systems and subsystems.

30.(m/c) All of the following were beliefs in the 1950s concerning American society as a utopia EXCEPT:

a. America had no class divisions and was a middle class society.

b. there was no conflict between workers and owners, if owners did well workers would do well.

c. the American political system was the best in the world because it was a two party system that eliminated extremism.

d. technology had, or would in the near future, solve all social problems, such as hunger and disease

e. none are exceptions

31.(m/c) According to structural functionalism, the most important functional component of the AGIL is:

a. adaptation b. goal orientation c. integration d. latency

32.(m/c) The structural system that performs the most important function is the:

a. personality system b. social system c. cultural system

33.(m/c) According to the Davis-Moore theory of stratification, inequality in society is:

a. universal b. necessary c. positive d. b and c e. all of above

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Match the following functional imperative to its corresponding structural system in Parson’s Action System

AGIL Structural Systems

34. Adaptation a. Personality System

35. Goal Attainment b. Behavioral Organism

36. Integration c. Cultural System

37. Latency d. Social System

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38.(m/c) All of the following are functions of the educational system EXCEPT:

a. socialize students into norms and values of society b. teach knowledge and skills for the workplace

c. select individuals for their positions in society d. nurture imagination and creativity e. none of above

39.(t/f) The function of an economy is to provide goods and services for society and to organize a division of labor.

40.(m/c) President Eisenhower, a Republican, anti-communist, former General of the Army, said that the biggest threat to American democracy was:

a. communism b. Elvis c. military industrial complex d. Soviet Union

41.(m/c) Which of the following are types of shocks that can be taken advantage of to impose Friedman’s economic policies?

a. war b. military coups c. natural disasters d. economic crises e. all of above

42.(t/f) The first type of shock in Chile was economic, created mainly by the U.S., this shock created the conditions for the second shock, the military overthrow of Allende’s government.

43.(t/f) According to Klein, as Friedman predicted, the imposition of the free market in the Southern Cone led to political freedom and democracy.

44.(m/c) According to Klein, all of the following are true about the education system in New Orleans after Hurricane Katrina EXCEPT:

a. the public education system was replaced by government subsidized privately run charter schools.

b. a viable public education option was quickly put into place for the remaining poor citizens.

c. the teachers union contract was abrogated and 4700 teachers were fired.

d. the American Enterprise Institute, a free market think tank, said, “ Katrina accomplished in a day . . . what Louisiana school reformers couldn’t do after years of trying.” e. none are exceptions

45.(t/f) According to Klein, Ewen Cameron’s idea of creating a psychological blank slate in his patients, although unorthodox, successfully cured many of the patients to whom it was applied.

46.(m/c) According to Klein, the Bush administration used the “shock” of the September 11 attacks to do which of the following?

a. Wage privatized wars abroad. b. Create a corporate security state at home.

c. Further Friedman’s economic policies domestically. d. a and c e. all of above

47.(m/c) According to Klein, after 9/11, privatization of the most sensitive core functions of government was undertaken. All of the following are examples EXCEPT:

a. privatization of the military. b. privatization of intelligence c. privatization of homeland security

d. privatization of health care for soldiers e. none are exceptions

48.(m/c) According to Klein, all of the following are true about Ewen Cameron’s “shock shop” EXCEPT:

a. he used isolation, electroshock, prolonged induced sleep, psychedelics, and angel dust in his human experimentations.

b. his experiments were funded by the CIA (U.S. Central Intelligence Agency) who had full knowledge of what he was doing.

c. his patients were reduced to preverbal infantile states.

d. his human experiments have been central to developing current U.S. torture techniques.

e. none are exceptions

49.(m/c) According to Klein, all of the following are the goals of neoliberalism EXCEPT:

a. privatization b. deregulation c. cutbacks in social services

d. a global system of tariffs e. none are exceptions

50.(t/f) According to Klein, in order to avoid an economic catastrophe because of Friedman’s economic reforms, the military dictatorship of Chile did what the socialist government had done, nationalize industries and maintain government control of the largest industry.

51.(m/c) According to Klein, Friedman chose Chile for all of the following reasons EXCEPT:

a. the people were susceptible to his “therapy” after series of shocks.

b. he had established ties with economists in the country through a scholarship program.

c. the new military dictatorship was sympathetic to Friedman’s free market theory.

d. he believed that there would be no violence directed at the citizenry who resisted his shock therapy.

e. none are exceptions

52.(m/c) Which of the following were methods used to control dissent in Latin American countries where Friedman’s free market shock doctrine was applied :

a. “disappearing” b. mass murder c. torture d. a and c e. all of above

53.(m/c) The ideas that developed in the Southern Cone which were the opposite of Chicago School economics were called? a. communism b. modernism c. developmentalism

54.(t/f) During these economic experiments/shock therapy, human rights violations were directed at specific populations, like workers, who resisted free market policies that caused high rates of unemployment and inflation.

55.(t/f) Governments engaged in economic experiment/shock therapy used violence to create or deepen shock so people would more likely accept changes that under normal circumstances they would not.

56.(m/c) Which of the following conclusions can be drawn from Klein’s argument?

a. free market capitalism could not have spread in Latin America without U.S. political, economic and military support.

b. historical evidence supports the conclusion that people in countries throughout the world have not willingly embraced free market principles.

c. the main way the free market capitalism was subsidized in the Southern cone was through violence.

d. b and c e. all of above

57 (m/c) The car associated with the violence in one country was:

a. Ford Falcon b. black BMW c. Chevy minivan d. Hummer

58.(m/c) According to Klein, the massive violence, estimated at as many as a million murdered, in the overthrow of the \_\_\_\_\_\_\_\_\_ government became the approved model for “shocking” the people of Latin American countries.

a. Brazilian b. Indonesian c. Chinese d. Iraqi

59.(t/f) According to Klein, torture was used on those who resisted “shock therapy,” not to gain information, but to destroy their sense of caring for others.

60.(t/f) According to Klein, human rights groups proved unable to identify the real extent of the problem in the Southern Cone because they failed to connect human rights violations with economic shock therapy.

61.(t/f) U.S. corporations supported the violence in the Southern Cone and benefited from it.

62.(t/f) One of the consequences of the imposition of neoliberal policies in the Southern Cone was an immediate decline in real wages for workers.

63.(m/c) Mills argues that power in the U.S. is maintained primarily through:

a. force b. authority c. manipulation d. coercion e. subversion

64.(m/c) According to Mills, U.S. society is ruled by a power elite composed of select individuals from all of the following areas or orders EXCEPT:

a. politics b. economy c. religion d. military e. none are exceptions

65.(m/c) According to Mills, which was the dominate order in the power elite of the 1950s?

a. political order b. economic order c. military order d. police

66.(m/c) Which dominates currently?

a. political order b. economic order c. military order d. religion

67.(t/f) Mills argues that the power elite govern by holding the command positions in society.

68.(m/c) According to Mills, war is good for the power elite for all of the following reasons EXCEPT:

a. creates wealth for weapons contractors. b. creates environment for manipulation of the public.

c. creates a distraction from vital domestic issues. d. eliminates dissent. e. none are exceptions

69.(t/f) The power elite make what Mills calls the “trunk decisions”; these are the decisions that determine major domestic and foreign policy for the U.S.

70.(m/c) According to Mills’ theory of the power elite, the mass media has all of the following functions EXCEPT:

a. inform the public about what they need to know to make informed decisions.

b. manipulate the public in order to manufacture consent.

c. distract the public d. scare the public e. none are exceptions

37.(t/f) A citizenry that is ignorant if the human costs of the wars that it is waging is an example of moral insensibility .

24.(m/c) According to the Davis-Moore theory of stratification, inequality in society is:

a. universal b. necessary c. positive for social order

d. b and c e. all of above

37.(m/c) Which of the following are types of power according to C. Wright Mills?

a. force b. authority c. manipulation d. a and c e. all of above

38.(m/c) Mills argues in the *Power Elite* that power in the U.S. is gained and maintained primarily through:

a. force b. authority c. manipulation d. coercion e. subversion

39.(m/c) According to Mills, U.S. society is ruled by a power elite composed of select individuals from all of the following areas EXCEPT:

a. politics b. economy c. mass media d. military e. none are exceptions

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a. political elite b. corporate elite c. military elite d. media elite e. none are exceptions

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a. inform the public about what they need to know to make informed decisions.

b. manipulate the public in order to manufacture consent.

c. distract the public d. scare the public e. none are exceptions

45.(m/c) According to Mills, all of the following are consequences for the individual in this system of power EXCEPT:

a. alienation b. apathy c. moral insensibility

d. lack of critical thinking e. none are exceptions

46.(t/f) According to your professor, a democratic society whose citizenry is ignorant if the human costs of wars that it is waging is an example of moral insensibility .

59.(m/c) According to Klein, all of the following are true about the education system in New Orleans after Hurricane Katrina EXCEPT:

a. the public education system was replaced by government subsidized privately run charter schools.

b. a viable public education option was quickly put into place for the remaining poor citizens.

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b. his experiments were funded by the CIA (U.S. Central Intelligence Agency) who had full knowledge of what he was doing.

c. his patients were reduced to preverbal infantile states.

d. his human experiments have been central to developing current U.S. torture techniques.

e. none are exceptions

64.(m/c) According to Klein, Friedman needed a laboratory to experiment with his free market theories. The country he chose first was:

a. Argentina b. Chile c. Indonesia d. Brazil e. Colombia

65.(m/c) According to Klein, Friedman chose the above country for all of the following reasons EXCEPT:

a. the people were in shock after a U.S. sponsored military coup that overthrew their democratically elected government.

b. he had established ties with economists in the country through a scholarship program to the University of Chicago.

c. the new military dictatorship was sympathetic to Friedman’s free market theory.

d. he believed that there would be no violence directed at the citizenry who resisted his shock therapy.

e. none are exceptions

66.(t/f) According to Klein, in order to avoid an economic catastrophe because of Friedman’s economic reforms, the military dictatorship of the above country had to do what the socialist government had done, nationalize industries and maintain government control of the largest industry.

67.(m/c) Which of the following were methods of controlling dissent in Latin American countries where Friedman’s free market shock doctrine was applied :

a. “Disappearing” b. Operation Condor c. torture d. a and c e. all of above

68.(m/c) The ideas that developed in the Southern Cone which were the opposite of Chicago School economics were called?

a. communism b. modernism c. developmentalism d. progressivism e. none

69.(m/c) Which of the following does Klein argue?

a. during these economic experiments, human rights violations were directed at specific populations, those, like workers, who resisted free market policies that caused high rates of unemployment and inflation.

b. governments used violence to create or deepen shock so people would more likely accept changes that under normal circumstances they would not.

c. free market capitalism always needs to be subsidized, thus undermining one of its fundamental ideological principles, laissez faire.

d. b and c e. all of above

70.(m/c) The car associated with the violence in one counry was:

a. Ford Falcon b. black BMW c. Chevy minivan d. Hummer

71.(m/c) According to Klein, the massive violence, estimated at as many as a million murdered, in the overthrow of the \_\_\_\_\_\_\_\_\_ government became the approved model for putting the populations of countries in shock so that Friedman’s economic “therapy” could be applied.

a. Brazilian b. Indonesian c. Chinese d. Iraqi