

Verbal Reasoning

Test 2



Solutions Booklet

Instructions

This practice test contains **30 questions**, and you will have **19 minutes** to answer them.

You will be presented with a passage to read, and a statement about that passage. For each statement you must select one of the following answers:

True: The statement follows logically from the information contained in the passage.

False: The statement is logically false from the information contained in the passage.

Cannot Say: It is not possible to determine whether the statement is true or false without further information.

Read the passage of information thoroughly and select the correct answer from the four options. Read the question thoroughly to ensure you know what the question entails.

Try to find a time and place where you will not be interrupted during the test. When you are ready, turn to the next page and begin.

Misnomers are words or phrases that suggest a meaning that is a known falsehood. These often occur when something has already been named, but is later proven to be different in nature. For example, the term “shooting-stars” is a misnomer as it is well-known that shooting-stars are actually meteors, not stars. Similarly, the Koala bear is quite unrelated to bears, despite looking and acting much like bears. A misnomer is similar to the concept of an oxymoron, a figure of speech containing contradictory elements. Very rarely, a phrase or word can be both a misnomer and an oxymoron, such as the phrases “wireless cable” and “synthetic natural gas”.

Q1 Koala bears appear similar to bears in appearance.

True

False

Cannot say

Answer: True

Explanation:

The passage states that the koala bear, although unrelated to bears, looks and acts much like a bear. Therefore, the correct answer is “True”.

Q2 Misnomers are often oxymorons as well.

True

False

Cannot say

Answer: False

Explanation:

The passage states that words or phrases are very rarely simultaneously oxymorons and misnomers, rather than often. Therefore, the correct answer is “False”.

Misnomers are words or phrases that suggest a meaning that is a known falsehood. These often occur when something has already been named, but is later proven to be different in nature. For example, the term “shooting-stars” is a misnomer as it is well-known that shooting-stars are actually meteors, not stars. Similarly, the Koala bear is quite unrelated to bears, despite looking and acting much like bears. A misnomer is similar to the concept of an oxymoron, a figure of speech containing contradictory elements. Very rarely, a phrase or word can be both a misnomer and an oxymoron, such as the phrases “wireless cable” and “synthetic natural gas”.

Q3 Many people are aware that shooting stars are meteors.

True

False

Cannot say

Answer: True

Explanation:

The passage states that the term “shooting-stars” is a well-known misnomer, so by definition, it must be well known that shooting stars are not stars, but meteors. Therefore, the correct answer is “True”.

Q4 The Koala bear was once thought to be a true bear.

True

False

Cannot say

Answer: Cannot say

Explanation:

Although misnomers often occur because something is later proven to be different, it is not certain to be the case in this instance. Therefore, the correct answer is “Cannot Say”.

The Axolotl, also known as the Mexican walking fish, is a neotenic salamander native to Mexico. Despite the name, Axolotls are amphibians, but live exclusively in the water and bear a strong resemblance to fish. Axolotls are a model example of neoteny, the retention of juvenile characteristics throughout adulthood. This neoteny makes the adult Axolotl appear more tadpole-like than fully grown salamanders; as a result the Axolotl requires less food than fully matured salamanders. Unfortunately, due to the draining of lake Chalco and the urbanization of Mexico city, the Axolotl was declared extinct in the wild in 2013. Never the less, Axolotls are frequently kept as pets, and are extensively studied by biologists due to their extensive regenerative abilities.

Q5 The Axolotl is dissimilar in appearance to fish.

True

False

Cannot say

Answer: False

Explanation:

The passage states that the Axolotl bears a strong resemblance to fish, rather than appearing dissimilar in appearance to fish. Therefore, the correct answer is "False".

Q6 Axolotls never reach adulthood.

True

False

Cannot say

Answer: False

Explanation:

Although neoteny makes the axolotl appear juvenile, the definition of neoteny is the retention of juvenile characteristics into adulthood. As a result, Axolotls must reach adulthood to be examples of neoteny. Therefore, the correct answer is "False".

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Q7 Fully matured salamanders require more food than the Axolotl.

True

False

Cannot say

Answer: True

Explanation:

The passage states that the Axolotl requires less food than other fully matured salamanders. Therefore, the correct answer is "True".

Q8 Amphibians live exclusively in the water.

True

False

Cannot say

Answer: Cannot say

Explanation:

Although the passage states that the Axolotl lives exclusively in the water, it is not stated whether all amphibians do so. Therefore, the correct answer is "Cannot Say".

Cash crops are agriculturally grown plants whose function is to generate a return on investment. Subsistence-crops, unlike cash crops, are grown to meet the needs of those producing them, rather than for sale as commodities. Virtually all crops grown in developed countries are sold for profit, and crops such as coffee, tea and tobacco are well known examples of cash crops. Cash crop exports however, from developing countries, have been blamed for a variety of serious economic problems. Because cash crops are exported internationally at prices unaffordable to the local populous, locals are prevented from purchasing the crops themselves or using the farmland to subsistence farm, resulting in economic stagnation and even food shortages.

Q9 The export of cash crops can result in food shortages.

True

False

Cannot say

Answer: True

Explanation:

The passage states that the export of cash crops prevents locals from purchasing the crops themselves, resulting in economic stagnation and food shortages.

Therefore, the correct answer is "True".

Q10 Subsistence crops, if sold, will not generate a return on investment.

True

False

Cannot say

Answer: Cannot say

Explanation:

The passage does not state that subsistence crops would not generate a ROI, only that they are not grown for this purpose. Therefore, the correct answer is "Cannot Say".

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Q11 Cash crops could not be used to meet the needs of farmers.

True

False

Cannot say

Answer: Cannot say

Explanation:

The passage does not state that cash crops could not be used to meet farmers' needs, only that they are not grown for this purpose. Therefore, the correct answer is "Cannot Say".

Q12 Coffee can be sold to generate a return on investment.

True

False

Cannot say

Answer: True

Explanation:

The passages provide coffee as an example of a cash crop, which by definition can be sold to generate a return on investment. Therefore, the correct answer is "True".

Experimental finance is the study of financial and economic concepts using experimental and quasi-experimental research. Although traditionally, finance and economic research focuses on observational and theoretical work, experimental finance aims to test the validity of financial and economic theory. The majority of experimental finance research frequently employs laboratory experiments, often using behavioural finance principles. Although experimental finance works well for testing behavioural/microeconomic concepts, experimental and quasi-experimental research is impossible on larger scales. On a nationwide scale, observations are the only opportunity for study via experimental finance. When governments or regulatory bodies implement economic or financial policy, researchers can observe the effects on the economic environment. Publications and recommendations made by regulatory bodies are often considered when determining economic policies.

Q13 Experimental finance researchers conduct quasi experimental research.

True

False

Cannot say

Answer: True

Explanation:

The passage states that experimental finance research uses both experimental and quasi-experimental research. Therefore, the correct answer is "True".

Q14 Quasi experiments can be applied at the national level in experimental finance.

True

False

Cannot say

Answer: False

Explanation:

The passage states that, on a nationwide scale, observations are the only opportunity for study via experimental finance, rather than Quasi experiments. Therefore, the correct answer is "False".

Experimental finance is the study of financial and economic concepts using experimental and quasi-experimental research. Although traditionally, finance and economic research focuses on observational and theoretical work, experimental finance aims to test the validity of financial and economic theory. The majority of experimental finance research frequently employs laboratory experiments, often using behavioural finance principles. Although experimental finance works well for testing behavioural/microeconomic concepts, experimental and quasi-experimental research is impossible on larger scales. On a nationwide scale, observations are the only opportunity for study via experimental finance. When governments or regulatory bodies implement economic or financial policy, researchers can observe the effects on the economic environment. Publications and recommendations made by regulatory bodies are often considered when determining economic policies.

Q15 Regulatory bodies cannot influence economic policy.

True

False

Cannot say

Answer: False

Explanation:

The passage states that both governments and regulatory bodies can implement economic or financial policy. There is a slight difference in the meanings of the words 'implement' and 'influence' which can lead to ambiguity. The last sentence in the passage clarifies that the work produced by regulatory bodies is taken into account during policy-making, so we are told that they do have some influence over policies in general. Therefore, the correct answer is "False".

Britain is still firmly committed to the EXOMars Robot project even though the scope and the cost have grown since it was first initiated. The scope of the project has changed dramatically, mainly due to the inflated expectations of scientists. According to the European Space Agency (ESA), this change in direction justifies the almost doubling of the original budget. The increased cost will however have to be met by the participating countries that originally signed up to fund this programme. Both Italy, the project leader which provided much of the initial programme funding, and Britain, will have to significantly increase their contribution of funding for the EXOMars project. Britain does not begrudge its contributions as it considers that this project makes the most of its expertise in robotics. To date Britain has not been involved in other high-profile ESA programmes such as the Columbus science laboratory and the Arius Rocket project, which could explain why they are not dragging their heels on this. The ESA now hopes to send the robot to Mars by 2020.

Q16 Britain is the project leader for the EXOMars project.

True

False

Cannot say

Answer: False

Explanation:

The fifth sentence says that “Both Italy, the project leader which provided much of the initial programme funding...”. So we are told that Italy is the project leader. “The leader” means there is only one, so Britain cannot be the leader of this project.

Q17 Britain feels reluctant about its spending on the EXOMars project.

True

False

Cannot say

Answer: False

Explanation:

The sixth sentence says that “Britain does not begrudge its contributions [to the EXOMars project]”. The passage then goes on to say “they are not dragging their heels on this”. So we are told that Britain is not reluctant about the EXOMars project.

Britain is still firmly committed to the EXOMars Robot project even though the scope and the cost have grown since it was first initiated. The scope of the project has changed dramatically, mainly due to the inflated expectations of scientists. According to the European Space Agency (ESA), this change in direction justifies the almost doubling of the original budget. The increased cost will however have to be met by the participating countries that originally signed up to fund this programme. Both Italy, the project leader which provided much of the initial programme funding, and Britain, will have to significantly increase their contribution of funding for the EXOMars project. Britain does not begrudge its contributions as it considers that this project makes the most of its expertise in robotics. To date Britain has not been involved in other high-profile ESA programmes such as the Columbus science laboratory and the Arius Rocket project, which could explain why they are not dragging their heels on this. The ESA now hopes to send the robot to Mars by 2020.

Q18 Historically, Britain has tried to avoid ESA high-profile missions.

True

False

Cannot say

Answer: Cannot say

Explanation:

The seventh sentence says “To date Britain has not been involved in other high-profile ESA programmes“. However the passage does not tell us if this is because Britain has or has not tried to avoid being involved. No explanation is given for Britain's non-participation in other ESA high-profile missions. Therefore based on the information in the passage alone, we cannot say for sure if Britain has or hasn't tried to avoid these missions.

Predicting earthquakes using observable phenomena like phases of the moon, cloud formations, weather conditions or animal behaviour is a controversial and, some would say, impossible task. There is little or no verifiable evidence to link any of these phenomena to predictions of actual seismic activity. Early detection, as a means of advance warning, is far more reliable than future prediction and can be done by measuring primary waves (referred to as P-Waves). Prediction is much flakier science than detection. These non-destructive waves travel faster through the earth's crust than the harmful and destructive secondary waves and so can provide a valuable, albeit short, advance warning. This effect of different speed waves can be likened to the relationship between light and sound; we see lightning before we hear the thunder. Some people believe that animals can detect P-Waves and that this is what causes them to start behaving strangely. Other possibilities of animal's behaviour shortly before an earthquake are that they are reacting to the low-frequency electromagnetic signals caused by the fracturing of crystalline rock during the early stages of an earthquake.

Q19 Methods of detecting earthquakes are more reliable than methods of predicting earthquakes.

True

False

Cannot say

Answer: True

Explanation:

The third sentence tells us that "Early detection, as a means of advance warning, is far more reliable than future prediction". The passage goes on to say "Prediction is much flakier science than detection".

Q20 Primary waves travel at a similar speed to sound waves.

True

False

Cannot say

Answer: Cannot say

Explanation:

The fifth sentence says "This effect of different speed waves can be likened to the relationship between light and sound". However the passage makes no mention of the velocity of a P-Wave nor a sound wave, so we cannot say if they are similar. All we are told is that primary waves travel faster than the harmful secondary waves of an earthquake, which is the same concept as sound vs. light waves.

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Q21 Electromagnetic signals can be caused by the fracturing of crystalline rock.

True

False

Cannot say

Answer: True

Explanation:

The last sentence says that “the low-frequency electromagnetic signals caused by the fracturing of crystalline rock...”. So we are told that the fracturing of crystalline rock causes low-frequency electromagnetic signals.

Scientists have been able to successfully genetically modify plants, animals and micro-organisms for a number of years. They do this by manipulating genes to produce genetic changes, which could in theory occur naturally. Supporters of genetically modified (GM) organisms claim that the benefits, such as being able to produce crops that are resistant to disease, could help alleviate world food shortages. Many environmentalists believe that the accidental release of genetically modified organisms into the environment is genetic pollution and they fear that the uncontrolled interbreeding of modified organisms with those occurring naturally will contaminate the environment in unforeseen and possibly dangerous ways. They point out that experiments done by researchers to reassure the public about the safety of GM crops have been carried out under scientifically-controlled conditions which are far-removed from the actual working conditions of food producers.

Q22 There have been no experiments involving GM crops which have been carried out in a scientifically-controlled environment.

True

False

Cannot say

Answer: False

Explanation:

The last sentence of the passage states that the results of experiments “done by researchers to reassure the public about the safety of GM crops have been carried out under scientifically-controlled conditions...”. So we are told that there have been such experiments undertaken in a scientifically-controlled environment.

Q23 Genetic change in plants could occur without the intervention of humans.

True

False

Cannot say

Answer: True

Explanation:

The second sentence of the passage refers to the manipulation of genes to produce genetic changes “which could in theory occur naturally”

Scientists have been able to successfully genetically modify plants, animals and micro-organisms for a number of years. They do this by manipulating genes to produce genetic changes, which could in theory occur naturally. Supporters of genetically modified (GM) organisms claim that the benefits, such as being able to produce crops that are resistant to disease, could help alleviate world food shortages. Many environmentalists believe that the accidental release of genetically modified organisms into the environment is genetic pollution and they fear that the uncontrolled interbreeding of modified organisms with those occurring naturally will contaminate the environment in unforeseen and possibly dangerous ways. They point out that experiments done by researchers to reassure the public about the safety of GM crops have been carried out under scientifically-controlled conditions which are far-removed from the actual working conditions of food producers.

Q24 Some people expect global food shortages without the use of GM crops.

True

False

Cannot say

Answer: Cannot say

Explanation:

The passage does not tell us if this view is or is not held by anyone. The passage comments only that supporters of genetic modification claim that GM crops could help alleviate current shortages. Helping to alleviate shortages is not the same as expecting food shortages, so we are not told whether this statement is true or false and must answer Cannot Say.

The carbonated soft-drinks industry is the most profitable drinks industry. There are three reasons for this. Firstly, the cost of producing carbonated drinks, such as cola and lemonade, costs the producer a fraction of the item's selling price to make. Secondly, carbonated soft-drinks are purchased by the largest cross-section of society. Not only are soft-drinks popular amongst children and teenagers, they are a common addition to alcoholic beverages and often chosen by adults wishing to avoid alcohol. So the large target-audience of soft-drinks is another factor which contributes to the profitability of such products. Finally, research suggests that certain carbonated soft-drinks contain chemicals which have a mildly addictive quality. Caffeine is one such substance but there may be others. Therefore, many consumers of carbonated drinks are likely to be affected by such substances, leading to repeat purchases and even dependence. Such factors are to the advantage of the industry and lead to the increased profitability of their products but are frowned upon by industry regulators.

Q25 Adults are more likely to buy a soft drink than an alcoholic drink.

True

False

Cannot say

Answer: Cannot say

Explanation:

The passage does not tell us how likely an adult is to buy either a soft drink or an alcoholic drink. We are told that "carbonated soft-drinks are purchased by the largest cross-section of society" and that "they are a common addition to alcoholic beverages and often chosen by adults wishing to avoid alcohol".

Q26 A can of carbonated soft drink will make more profit than a can of non- carbonated drink.

True

False

Cannot say

Answer: Cannot say

Explanation:

The first sentence tells us that "The carbonated soft-drinks industry is the most profitable drinks industry". However this statement refers to the industry as a whole and does not tell us how profitable each unit sold is. Also, the statement is a sweeping one covering every single can of soft drink – whereas again the passage just generalises about the industry as a whole.

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Q27 Caffeine is mildly addictive.

True

False

Cannot say

Answer: True

Explanation:

The eighth sentence says "Caffeine is one such substance" referring to the previous sentence on mildly addictive chemicals. So we are told that caffeine is a mildly addictive substance.

There are statistics which suggest that in some of the most underdeveloped countries almost one half of the population is aged between 10 and 19. These countries have experienced a much smaller decrease in birth rates than has been seen in more developed countries. Charities and other agencies are calling for additional funds to be made available to provide improved education for these young people as well as easier access to contraception. Aside from this is also a global increase in the number of people aged 65 or older. In the next 50 years, 95% of this increase will happen in developing countries like India, while in countries such as Japan, Germany and Italy the percentage of the population aged 65 or more is set to rise to 40%. Increases in the numbers of the very young and the very old place stress on societies, and governments may find it difficult to cope with the demands of an increasing number of dependent elderly citizens in addition to providing healthcare and education for the young.

Q28 The percent of the population under the age of 19 is higher in developing countries than it is in developed countries.

True

False

Cannot say

Answer: Cannot say

Explanation:

The first sentence says “suggest that in some of the most underdeveloped countries almost one half of the population is aged between 10 and 19”. However this percentage is not compared with the percentage in developed countries, so we are not able to say for sure whether the figure is higher for developing countries or for developed countries.

Q29 The world as a whole is seeing more people over the age of 65.

True

False

Cannot say

Answer: True

Explanation:

The fourth sentence says “Aside from this is also a global increase in the number of people aged 65 or older”. So regardless of what is happening in developing countries we are told that overall globally the number of over 65 year olds is increasing.

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Q30 Declines in birth rates are not limited to developed countries.

True

False

Cannot say

Answer: True

Explanation:

The second sentence says that “These countries [underdeveloped countries] have experienced a much smaller decrease in birth rates than has been seen in more developed countries”. So we are told that both developed and underdeveloped countries are seeing a reduction in birth rate, albeit to differing degrees.

End of test