REAL WORLD GRADUATION

THE ENTRANCE EXAM FOR ADULTHOOD

VOLUME 1: THE QUESTIONS
(Revised)

EDWARD D. DUVALL

REAL WORLD GRADUATION

The Entrance Exam for Adulthood

Volume 1: The Questions

Fremont Valley Books LLC

Also by Edward D. Duvall

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Volume 1: The Questions

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Fremont Valley Books, LLC
Queen Creek, AZ

Initial: 12 Nov 2019
Revised: 10 May 2023

ISBN: 978-0-9845773-2-3

Published by Fremont Valley Books, LLC
https://fremontvalleybooks.com

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To my wife, Mary
"The muscle car lady"

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Introduction

This book is an update to an original published in 2019. As before, the book is intended for young people aged 18 to 23 who have completed, or are close to completing their formal education. To you I say congratulations: you've done your time in school, and now you are ready to begin living as an independent person. Your teachers have spent all the time necessary to teach you the basic knowledge you will need from a purely academic standpoint. Unfortunately, the real world does not function in the neat, organized fashion as represented in the textbooks. The real world operates entirely differently.

Those of you who graduated after 2015 are probably the first generation to be exposed to the mainstream media constantly talking about "propaganda", "disinformation", "misinformation", "malinformation", "inauthentic information", "authentic information", and "conspiracy theories". All but the last have definitions [1] which may be summarized as follows:

a. Propaganda is usually produced by government, generally political, and similar to advertising
b. Disinformation is deliberately designed to cause harm
c. Misinformation is false, but without misleading intent
d. Malinformation is correct, but designed to harm a person's reputation
e. Inauthentic information is designed to hide its source
f. Authentic information is traceable to its source.

What about "conspiracy theory"? As recent history has shown, today's conspiracy theory is tomorrow's confirmed facts; in other words, something is called a conspiracy theory if it does not fit the desired narrative, ideological mandate, or propaganda. Before we go any further, check out the authors of reference 1. Notice that the first one and the last three gave only their first name and last initial. Page 1 of reference 1 proudly notes that the last one, "Katie M." works for the Northern California Regional Intelligence Center and the other three (Peter M., Laci F., and Michael G.) all work for the Federal Bureau of Investigation (FBI). Why would these four individuals be hiding their identities as the authors of a publicly available document? Maybe they don't actually exist. Maybe the entire document is itself propaganda and/or disinformation. Maybe asking that question will get you labeled as a conspiracy theorist.

I digressed on that subject to warn you that it will be necessary to filter out a great deal of useless garbage in the course of making appropriate decisions now that you are out of school. This first volume contains 101 questions designed to show how the real world that you are entering differs from how you've been taught about it. It is an informal introduction to the important issues you will confront during your lives. To make it more interesting, I have eliminated the essay format, and have instead adopted a multiple-choice question format (or as my generation called it, "multiple guess"). The answer follows immediately after each question so that you may check to see how well you are prepared for the adult world.

It is not like those "closed-book" tests you had in school. You are encouraged to use every means available to answer the questions. After all, you will be doing the same thing for the rest of your life: checking with friends and family, researching things on the internet, and reading published papers by knowledgeable experts. There are several questions in which I have cited references; it will be helpful if you consult those to see if I've misrepresented anything.

References

[1] Peter M., Sam Alexander, Adam Cambridge, S. Renee Farner, Robert Kang, Stephanie Kiefer, Kawika Takayama, Christopher Vallandingham, Laci F., Michael G., and Katie M. "Combatting Targeted Disinformation Campaigns: A whole-of-society issue", Analytic Exchange Program (AEP) 2019, Oct 2019, p. 4

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101 Real World Questions and Answers

Question 1: Investment Strategies

What investment strategy is best to promote long-term prosperity for persons aged 18 to 25?
a) A mixture of stocks and bonds
b) Gold, silver, other precious metals, jewels
c) Real estate
d) Fine art
e) A mixture of the above.

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Question 2: Important Influencers

Which of these societal forces have the most influence on the basic attitudes, behavior, and overall morality of a society?
a) Government officials
b) Teachers
c) Religious leaders
d) Friends
e) It varies from person to person, but one the above has the most influence.

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Question 3: Collectibles

In 1979, a certain woman bought a large number of popular "collectible" dolls. It was commonly believed at that time that these dolls would increase in value over time, and as such, were considered by some to be a worthwhile investment. In fact, some were suggesting that a $5.00 doll purchased in 1979, if kept in its original packaging, would find buyers in 1999 (20 years later) at a price of $100.00 or more, far in excess of the effects of inflation. This means that these dolls were expected to increase in value about 16.1% per year (in so doing, their value would double every 4.47 years, and would be worth 20 times what they were purchased for at the end of 20 years). If the effects of inflation were also considered, the dolls would be expected to sell for a lot more in 1999. However, in 1999, the woman who bought the dolls found that there was virtually no demand for them, other than their usual value as children's toys. She has been offered $1.50 each by another collector, which will represent a considerable loss to her. What actions should be taken?

a) The woman should sell the dolls for $1.50 each, and then sue the person who sold her the dolls in 1979 to recover the other $98.50 each (plus whatever extra is due owing to inflation).
b) The woman should sell the dolls for $1.50 each, and then sue the person who sold her the dolls in 1979 for $3.50 each; that way, she at least recovers her investment.
c) This woman will have to take the loss, but the state or federal government should pass a law prohibiting the sale of "collectible" dolls.
d) Because collectibles always increase in value over the long run, she should hold onto them and make even more per doll than the original $100.00 estimate. Her inability to sell them at a profit now is only a temporary setback.
e) This was a case of questionable behavior by the original seller. This woman will have to take the loss. But, in order to prevent this from happening to other people, the state or federal government should pass a law requiring background checks and permits for anyone who manufactures or sells dolls.

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Question 4: The "three-fifths rule"

Article I, Section 2 of the U. S. Constitution originally contained the following provision:

> "Representatives and direct Taxes shall be apportioned among the several States which may be included within this union, according to their respective Numbers, which shall be determined by adding to the whole number of free persons, including those bound to Service for a Term of Years, and excluding Indians not taxed, three-fifths of all other persons."

In this passage, "representatives" refers to the number of seats in House of Representatives in Congress, "Numbers" refers to population, "several States" refers to the State that ratify the Constitution and join the Union, "those bound to service" refers to indentured servants (those who had committed to a term of voluntary servitude in compensation for repayment of the voyage to America fronted by others), "Indians not taxed" refers to Indians on reservations, "other persons" refers to slaves, and "free persons" refers to anyone not in the "other person" group, i.e. not slaves.

This passage can therefore be clarified as follows: "Representatives and direct Taxes shall be apportioned among the States according to their respective population, which shall be determined as the sum of the number of a) all free persons, b) indentured servants, and c) three-fifths of slaves; specifically excluding Indians on reservations." In other words, representation in Congress was apportioned to the full population of all people in the state not on reservations, except for slaves, whose apportionment was at a fraction of only 60%. This is known as the "three-fifths" rule. This three-fifths provision was superseded by the 14th Amendment, which was ratified 9 Jul 1868.

Why did the Founding Fathers insert the three-fifths clause regarding slaves?

a) Most of the Founding Fathers were slave owners who had contempt for black people, and reduced the value of black people to 60% of a white person because it was a long-held tradition.
b) Most of the Founding Fathers were slave owners who had contempt for black people, and reduced the value of a black person to 60% of a white person in an attempt to deprive the slaves of their fair share of welfare payments.
c) Even the Founding Fathers who did not own slaves were racist, and reduced the apportionment of slaves to 60% of a white person to suppress the political influence of the black slaves in the Southern states.
d) The members of the Democratic Party insisted on this provision before they would allow a ratification vote in the Southern states.

e) Each of the Founding Fathers had different motives, but these motives were generally a combination of a), b), and c).

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Question 5: College Costs

A study by the U. S. Department of Education in 2006 [1] reported that college tuition, fees, and room and board are continuing to rise. The data in Figure 5-1 shows the costs of tuition, fees, books, and room and board for in-state students attending public four-year universities, living on-campus.

School Year	Tuition & Fees ($)	% Increase in Tuition & Fees	Room and Board ($)	% Increase in Room and Board
1998-1999	3640	-	4985	-
1999-2000	3768	3.52	5144	3.19
2000-2001	3979	5.60	5342	3.85
2001-2002	4273	7.39	5675	6.23
2002-2003	4686	9.67	5918	4.28
2003-2004	5363	14.45	6316	6.73
2004-2005	5939	10.74	6649	5.27
2005-2006	6399	7.75	7025	5.65

Figure 5-1

A separate study [2] concluded that a college graduate with a 4-year degree in 2005 will earn 63% more than a person with only a high school diploma (approximately $57,000 per year vs. $35,000 per year). This means, on average, that a college graduate earns approximately 75% more over their working life-times ($2.1 M vs. $1.2 M) as compared to a person with only a high-school diploma. Given the costs of a college education shown in Figure 5-1, and the earnings benefits of a college education, what is a good federal policy regarding college costs?

a) The federal government should ensure all tuition, fees, and room-and-board is free.
b) Congress should enact price controls on tuition, fees, and room and board to keep the annual rate of increase at or below the rate of inflation.
c) Congress should pass a law requiring that tuition costs be frozen at the rates that prevailed during the freshman year.
d) Attendance at college should be mandatory so that everyone's income will rise.
e) Some combination of a), b), and c) should be adopted to improve the current system.

[1] Digest of Education Statistics, 2006, (NCES 2007-017), U. S. Department of Education, Washington DC: Institute of Education Statistics, Table 319 (Jul 2007)
[2] National Center for Education Statistics (NCES), 2004, Table 14-1; NCES 2006, Table 22-1 (based on U. S. Census Bureau, Current Population Survey, and U. S. Census Bureau, 2006, PINC-03.

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Question 6: Donating to Charities

A person wishes to donate $100 to a charity. What percentage of the $100 will actually go to the cause for which the charity was established?

a) All of it (100%) will go for the cause, because that's what charities are legally required to do.
b) None of it (0%), because all charities are rip-offs.

c) There are always some expenses associated with fundraising, but these are regulated, and charities are required to spend more than 90% of contributions on the cause.
d) There are always some expenses associated with fundraising, but these are regulated, and charities are required to spend more than 80% of contributions on the cause.
e) There are always some expenses associated with fundraising, but these are regulated, and charities are required to spend more than 70% of contributions on the cause.

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Question 7: Gauging Inflation

A reputable economic research organization conducted a survey of prices in 2004. They found that median prices of the following items increased as follows:

1. Unleaded gasoline, from $1.59 per gallon to $1.88 per gallon; an increase of 18.23% [1]
2. Single-family homes, from $170,483 to $191,738; an increase of 12.46% [2]
3. Soybeans, from $6.00 per bushel to $9.67 per bushel; an increase of 61.16% [3]
4. Flour, 5-lb bag, from $1.44 to $1.50; an increase of 4.10% [4]

From these statistics, what is the approximate inflation rate from 2003 to 2004?

a) The inflation rate should include only the data for gasoline, soybeans, and flour, since those are common products that people use directly or indirectly every day; the inflation rate is approximately 27.83% = ((18.23 + 61.16 + 4.10)/3).
b) Only the data for single-family homes should be used, since homes are purchased on long-term mortgages (usually 30 years), and are therefore a better predictor of long-term inflation. The long-term inflation rate is the most important metric. Therefore the inflation rate for 2003-2004 is approximately 12.5%.
c) Only the data for unleaded gasoline should be used because it is the only one of these that most people have to buy directly. Most people do not buy homes every year, and the prices of soybeans and flour are not useful because they are only components in items purchased by most people (i.e., flour is used in making bread, but there are other costs besides flour that contribute to the increase price of bread, such as sugar, butter, and fuel). Therefore, the inflation rate for 2003 to 2004 is approximately 18.23%.
d) All of the data should be used, but not equally weighted, since some of these are purchased frequently, some infrequently, and some are used more than others. For example, gasoline is purchased frequently, and homes infrequently. No data was provided on the pro-rated amount of usage, so the most that can be inferred about inflation during this period is that was somewhere between 4.10% and 61.16%.
e) Only the data for soybeans and flour should be used, since they are basic commodities that are used in a large number of products, and represent structural trends in the economy. Therefore, the inflation rate was approximately 32.7% (the average of 61.16 and 4.10).

[1] Energy Information Administration, https://www.eia.gov/dnav/pet/pet_pri_gnd_dcus_nus_w.htm, Series history (file = PET_PRI_GND_DCUS_NUS_W.xls).
Within the file, see series EMM_EPM0R_PTE_N_US_DPG
[2] Federal Housing Finance Agency, Quarterly Average and Median Prices for States and U. S.: 2000Q1-2010Q2, file = state_statistics_for_download.xls, available at: https://www.fhfa.gov/DataTools/Downloads/Pages/House-Price-Index-Datasets.aspx#mpo
[3] Macrotrends, https://www.macrotrends.net/2531/soybean-prices-historical-chart-data; the data points are for 7 Apr 2003 and 19 Apr 2004
[4] St. Louis Federal Reserve, Economic research, Average Price of White Flour, series APU000070111, available at: https://fred.stlouisfed.org/series/APU0000701111. The data points are for Oct 2003 and Oct 2004

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Question 8: Success by Polling

A reputable pollster takes an opinion poll of 1000 people. The poll consists of only one question, and it is about the probable success of a proposed government policy. None of the respondents were familiar with the policy, but were familiar with the issue that the policy addressed. The respondents of the poll are asked to give their opinion as one of the following choices. The percent of the respondents that gave each answer is indicated in parentheses. The choices were:
a) Virtually no chance of success (3%);
b) Small chance of success (31%);
c) Good chance of success (64%); and
d) Virtually guaranteed success (2%).

The reputable pollster calculates that his margin of error is about 4%. How accurate is the poll as an indicator of how successful the policy will be if it is enacted?
a) The probability of success is 96% (100% - 4%), because the answers have to be corrected for the pollster's estimated error.
b) The policy will be 64% successful because that choice got the highest percentage.
c) It has a good chance of succeeding because that choice got the highest percentage, but is not necessarily 64% probable.
d) The probability of success is always 50-50 no matter what the poll says.
e) The policy will never be enacted because the people who responded to the poll did not achieve the required two-thirds (66%) majority in their opinion.

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Question 9: Hospital Surcharges

Consider the following fictional scenario. Suppose a certain surgeon perfected a surgical procedure involving the treatment of a certain heart disease. This procedure increased the survival rate for this particular disease from nearly zero to nearly 100%. It is widely used throughout the medical industry to treat this particular disease and its complications.

A certain person had this type of heart disease. He had the procedure performed on an emergency basis after being brought in unconscious in an ambulance, and subsequently made a full recovery. Reviewing the hospital bill, the patient noticed a $50 surcharge annotated "Originator's surgical procedure usage fee". The insurance company informed the patient that his insurance policy does not cover this fee. It turns out, upon further investigation, that this $50 is going to the surgeon who developed the original procedure as a type of royalty; i.e., a payment for the use of the procedure. What is the best argument the patient can make to the insurance company and/or hospital for not paying the $50?
a) That he did not know about it before treatment, so he should not have to pay.
b) That it is likely another one of those arbitrary charges the hospitals always add, so it should be deducted off the bill as a routine matter.
c) That he cannot afford it.
d) That the procedure was not provably necessary in his case.
e) That the procedure is so common that people should not have to pay it.

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Question 10: Predicting Bailouts

A Savings-and-Loan bank crisis in the 1980's and 1990's required a government bailout. Major automobile companies (Chrysler and General Motors) have sometimes required government bailouts. In the 2007-2009 bailout, many banks (Washington Mutual, IndyMac), mortgage companies (Fannie Mae, Freddie Mac), and financial institutions (Bear Stearns, American International Group) required government bailouts.

"Fannie Mae" and "Freddie Mac" are nicknames for two government-sponsored entities (GSE) that buy residential mortgages; the goal being to stimulate home-buying. In the 2008 bailout, the losses to the taxpayers for bailing out these two organizations will range between $221 billion and $363 billion [1].

Bear Stearns, a long-standing investment bank specializing in mortgage securitization, was sold to JP Morgan Chase in an emergency sale to avoid a formal bankruptcy that would negatively affect the rest of the economy. The New York Federal Reserve bought $29.97 billion of Bear Stearns' "assets" to get them off the balance sheet, and then lent $28.82 billion to JP Morgan to finance the purchase of Stearns [2].

American International Group, an insurer of mortgage contracts, borrowed $182 billion in bailouts from the Federal Reserve; with the taxpayers liable if they fail to pay it back [3].

Morgan Stanley and Goldman Sachs converted to bank holding companies in order to obtain access to emergency funding from the Federal Reserve to stay afloat and avoid collapse [4]. Goldman Sachs required loans totaling $67.5 billion, while Morgan Stanley required loans of $96 billion.

How can one predict in advance which segment of the economy will require a bailout?

a) The ones with the highest CEO pay will require the bailout, because the CEO takes all the money out of the company.
b) All companies who operate in accordance with for-profit capitalism.
c) Only foreign companies require bailouts, because they borrow too much American money and fail to pay it back on time.
d) They are not really bailouts because the government pays for it.
e) All of the above.

[1] Phil Angelides, Chairman, *The Financial Crisis Inquiry Report*, New York: Public Affairs, 2001, p. 322
[2] ibid., pp. 290, 291
[3] ibid., p. 350
[4] ibid., p. 362, 363

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Question 11: Income Tax Fairness

Some in Congress in 2006 proposed an income-tax modification bill that would have provided a 5% across-the board reduction in federal income tax rates. The bill mandated that the highest marginal income tax rate would have been reduced from 38% to 33%; the next rate from 25% to 20%, and the lowest from 10% to 5%. Capital gains rates would remain unchanged. Critics have claimed that only the very rich would benefit from this measure. They were joined by Mr. Ralph Thompson, estimated to be the nations fourth-richest person, who came out in opposition to the tax cut, saying, "Neither I nor any other wealthy people need an income tax cut." But people who favor the tax cut claim that the working people will benefit because they will have more money in their pocket. For example, the single person working a full-time job (40 hours per week) at $6.50 per hour (just over minimum wage of $5.75 per hour) would have their marginal rate reduced to 5%, so they would have received a tax cut of approximately $4.67 per week after the combined standard deduction of $8,750. Does this income tax proposal unfairly benefit the wealthy or unfairly penalize the working poor with regard to income tax rates?

a) It unfairly benefits the rich because they will pay less in income taxes.
b) It unfairly benefits the rich because they don't need the extra money, as Mr. Thompson said.
c) It unfairly penalizes the poor because it left the minimum wage unchanged.
d) It unfairly penalizes the poor because the proponents of the tax cut are lying: the extra $4.57 won't buy much and isn't necessary.
e) All of the above are true to some extent.

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Question 12: Reporting Storms

There are about 85 named storms worldwide each year [1]. Prior to 1950, hurricanes were not officially named. Hurricanes were given official names after 1953, and the minimum sustained winds necessary to qualify as a hurricane was 74 MPH [2]. In 2002, tropical storms also began to be named (having sustained winds greater than 38 MPH) in an effort to legitimize claims of "man-made global warming" [3, 4, 5]. Thus, the number of named storms has grown over time, due to the lowering of wind speeds used as the criteria. Every such storm, whether a tropical storm, or hurricane, has the same characteristics: strong winds, large waves impacting the shore, and a lot of rainfall. Why does every TV news outlet feel it is necessary to send a reporter to the beach before and after every storm to show viewers that this one will cause high winds, large waves, and heavy rainfall, exactly like all the others that have occurred during the past 100,000 years?

a) TV was not around for the first 99,960 years of hurricanes and tropical storms, and the news networks are trying to catch up.
b) TV anchors deserve a chance to do a little surfing.
c) So there will be a photographic record of the damage, for insurance purposes.
d) To conduct interviews with the local people, who can describe what they expect or what they saw afterward from the storm.
e) Some combination of c) and d).

[1] "Number of category 4 and 5 hurricanes has doubled over 35 years", University Corporation for Atmospheric Research, 16 Sep 2005 press release
[2] The National Oceanic and Atmospheric Administration (NOAA); https://oceanservice.noaa.gov
[3] "NOAA inflating storm numbers and aiding political campaign for carbon restrictions", The National Center for Public Policy Research press release, 30 Nov 2007
[4] 2007 Hurricane Season: In Like a Lamb, Out Like A Lion?, The National Center for Public Policy Research press release, 30 Aug 2007
[5] 2007 Hurricane Update, Have Records Been Broken?, The National Center for Public Policy Research press release, 10 Sep 2007

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Question 13: Team Jerseys

A sports fan (father of three young children) is in a clothing store and finds a jersey from his favorite major league sports team in his size that is on sale at $75.00. It normally sells for $100.00 (i.e., the $75 represents 25% off regular price). The jersey is a genuine one, authorized by the major league franchise (not an imitation). Why is this jersey a good deal?

a) The sports fan can show his support for the team whenever he wears it.
b) If he wears it to a game, the players will appreciate that he is one of their fans.
c) He can use it to teach his children the value of teamwork.

d) The jersey may become a valuable collectible in the future.
e) Some combination of all of the above.

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Question 14: Lobbying Congress

Consider the following fictional scenario.

Congressman A received a total of $161,000 from a consortium of oil and gas companies, consisting of $118,000 in direct campaign contributions and $43,000 to his Political Action Committee (PAC). Congressman B received a total of $68,000 from a legal lobbying group that supports expansion of civil lawsuits, consisting of $53,000 in campaign contributions and an additional $15,000 in contributions to his PAC. Congressman C received a total of $258,000 from an environmental lobbying group, consisting of $204,000 in campaign contributions and $54,000 to his PAC, which is another environmental lobbying group. Congressman D received a total of $380,000 from a group devoted to increased regulation of "conservative talk radio", consisting of $346,000 in campaign contributions and $34,000 to his PAC. All four of these Congressmen were lawyers before they ran for Congress.

A bill came before Congress which contained the following provisions:

1. A reduction in natural resources leasing fees, which will save oil and gas companies $24,000,000. This is the outcome desired by Congressman A's donors.
2. An increase in the deductibility of rent and expenses for legal offices, which will result in a $138,600,000 savings to lawyers because they will pay less in income taxes. This is the outcome desired by Congressman B's donors.
3. An extension of the amount of federal land to be controlled and administered by environmental groups along with a federal grant of $102,700,000 to cover administration, lobbying, education, and other costs. This is the outcome desired by Congressman C's donors.
4. A provision in which a portion of the advertising revenue from certain talk radio shows (totaling $47,200,000) is to be turned over to a federal agency to investigate the political ideology and financial condition of talk radio hosts. This is the outcome desired by Congressman D's donors.

All four of the Congressmen voted for the bill. Which Congressman's actions constitute the worst examples of bribery?

a) Congressman A, because he seeks to protect the predatory for-profit oil and gas industry, which seeks to pollute the entire earth.
b) Congressman B, because the contributions he received constitutes a conflict of interest (he was a lawyer himself before he ran for Congress).
c) Congressman C, because the amount that was given to the environmental PAC will be devoted to lobbying, part of which will be probably be donated to Congressman C next year.
d) Congressman D, because his donors seek to reduce the free speech rights of conservative talk radio hosts.
e) All of them are equal offenders, because the principle involved (trading favors or creating laws for money), is immoral and illegal. The problem is not the exact amounts of money that changed hands.

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Question 15: Legal Short-Term Earnings

The most effective plan to adopt for earning a lot of money legally in a short period is:

a) Lottery tickets
b) Games of chance (legal gambling) at a casino

c) TV game shows
d) Church bingo
e) Timing of investments in the stock market

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Question 16: Jim Crow

Slavery in the Southern states was abolished in the U. S. after the Civil War with the ratification of the 13th Amendment to the Constitution on 6 Dec 1865. However, racism continued to be a problem, as exemplified by the so-called "Jim Crow" laws that began to be passed in the Southern states during the late 1880's. The Jim Crow laws consisted of provisions such as [1, 2]:

a. Whites and blacks were segregated in restaurants, theaters, hospitals, public transportation, schools, and libraries. The facilities provided for blacks were generally inferior to those provided for whites.
b. Literacy tests were applied to black voters, but exemptions made for illiterate whites.
c. Poll taxes were imposed on black people, but waived for whites.
d. Marriages between whites and blacks were prohibited.
e. Curfews were imposed only on black people.
f. Railroading of black people into long jail sentences for minor infractions and then paroling them to large landowners, who worked them as slaves.
g. Occasional lynching's by the KKK and other white supremacy groups to keep the black people in fear (approximately a total of 4,950 lynching's occurred between 1880 and 1968)
h. Black people were prohibited from owning guns.

Based on the above facts, what were the primary underlying objectives of the Jim Crow laws?

a) Allowed the Republican Party to suppress the black voters and keep them in fear because they could not defend themselves.
b) Allowed the Republican Party to take advantage of black people by keeping them in poverty relative to whites.
c) Allowed the Republican Party to perpetuate the falsehood that black people were inferior and could not be trusted.
d) Allowed the Republican Party to keep the black people isolated and ignorant by preventing them from achieving the same educational level as the whites.
e) All of the above.

[1] Ronald L. F. Davis, Ph. D, "Creating Jim Crow: In Depth Essay", available at: https://agaul.weebly.com/uploads/3/7/8/0/3780214/jimcrow_lesson.pdf
[2] Clayton E. Cramer, "The Racist Roots of Gun Control", *Kansas Journal of Law and Public Policy*, Winter 1995, available at: https://www.claytoncramer.com/scholarly/racistroots.htm

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Question 17: Unusual Behavior

A famous Hollywood movie star/celebrity concluded that he was born as the wrong sex because he was attracted to other men. He had a sex change operation and changed his name from William to Jessica. After the sex change, she found that she was no longer attracted to men, but was now attracted to women. This has turned out to be very confusing for her and her fans. What is the best course of action to address this unusual behavior?

a) Have a sex change back to a man and announce he is gay.

b) Maintain her sex as a woman, but live like a man and date women.
c) Undergo extensive therapy to find out why he/she thought she/he should have been a female in the first place.
d) Become a lesbian, since that is her present orientation.
e) Change his/her name to Dale, Kim, Robin, or Gene to get in touch with her masculine side (since these names are commonly given to both boys and girls).

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Question 18: Suppressing Rats

Consider the following fictional scenario. A certain city of 250,000 people was consistently overrun with rats. It was estimated that there were about 20 times as many rats in the city as there were people. The rats continued to be a health nuisance, and many children had to be treated in local hospitals due to rat bites and the diseases they carry. Over the past ten years, the citizens had voted for, and paid, special taxes to be allocated to fighting the rat problem, totaling $150,000,000. (This works out to about $60 per year for ten years for each city resident.) The city sanitation department was in charge of suppressing the rats, and sometimes made some progress. They routinely proclaimed great successes, but over the long run, the reality was that the rat population continued to grow.

A certain wealthy man decided to take some action. He convinced a local radio station to announce a "bounty" on rats, amounting to $2.00 per pound for any rats, dead or alive, payable in cash to any resident of the city who showed up at the city dump with the rats on a certain day. This was widely advertised over a two-week period; on the chosen day, many city residents arrived at the city dump with about five million dead rats. This was far greater than the total number of rats killed by the city forces in the past ten years.

The average weight of the rats was about 1.5 lbs each; this initiative cost the wealthy man about $15,000,000 all total. The wealthy man paid the bounty in cash as promised. The total expense was about one-tenth of the total cost of the special taxes paid by the residents over the past ten years.

Then, to embarrass the city, the wealthy man arranged for all the dead rats to be dumped on the sidewalks in front of City Hall late on a Sunday night. When the City Hall workers come to work the next morning, they could not get into the building because of all the dead rats blocking the entrances. Naturally, the Mayor and City Council members were furious, and called a press conference to denounce the private rat killing effort. The mayor demanded that the wealthy patron have the rats removed, which was refused. The city ended up removing the rats and burned them in a neighboring incinerator. What is likely to happen next?

a) An investigation will be conducted into how the tax money appropriated for the unsuccessful city-run rat suppression initiative was spent to see if there was any waste, fraud, or abuse of the taxpayer's money.
b) The head of the sanitation department will resign for his failure to get the rat population under control, even though the taxpayers had paid $150,000,000 in taxes for that purpose over the previous ten years.
c) The Mayor will resign in disgrace for letting the rat situation get out of control.
d) The Mayor will remain in office, but will announce that he will not run for re-election.
e) Both a) and b) will occur plus either c) or d).

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Question 19: Speech Restrictions

Suppose a prominent black civil rights leader had made public speeches like these in 1993:

> "Only after the white virus destroying the quality of life of black people has been eliminated can we hope to promote cooperation between the remaining races, which will then be founded on a common understanding."

> "Honkie parasites on one hand ripped off the black people without a second thought, and on the other hand instigated people of color to violence. The misfortunes of black people have become a continuing objective for these white trash crackers, and it was unfortunately made possible because of the large number of desperate unemployed black people that mistakenly supported the international trade treaties, which further benefitted the rich honkies."

What is the proper amount of government regulation or actions that should be adopted to address speech of this sort?

a) Public speeches of this sort should first be subject to review by qualified people to determine if they are acceptable for public consumption. If a proposed speech is considered acceptable, then the speech could be made. However, neither of these two fragments is acceptable, and both should be prohibited.
b) These fragments are obviously racist, and should be prohibited by appropriate legislation.
c) These fragments indicate both racism and mental illness, and the person who made these statements should be examined to determine his mental health. If he is found to be of sound mind, he should be prosecuted for racism or hate speech.
d) The person making these statements should be prosecuted for hate speech unless he can prove he is mentally ill and therefore not responsible for what he says.
e) Because of the First Amendment, it is difficult to pre-empt speech solely because some find it objectionable. For radical opinions like these, a one-size-fits-all approach won't work, but the government should consider some appropriate remedy, tailored to specific cases. However, such remedies should be civil (i.e., fines and restrictions) instead of criminal (imprisonment).

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Question 20: The IRS

Why is the agency that collects federal income taxes called the "Internal Revenue Service" (IRS)?

a) It is responsible for answering taxpayer questions.
b) It is responsible for printing all the forms and making them available online.
c) It generates the revenue necessary to run the government.
d) It advises Congress on the advantages and disadvantages of various tax policies.
e) It is a combination of a), b), and d).

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Question 21: Security of Property

The Mayor and City Council of a certain city desired to raise the amount of tax revenue received by the city. They made a secret arrangement with a mall developer as follows:

1. The city would designate a certain district of the city, consisting of 150 homes and a few small businesses as suitable for development. This district was selected because most of the homes are more than 30 years old, and it has excellent access to major freeways.
2. With the area so designated, the city would send notices to each homeowner and business owner that they had 90 days to move out of their homes, and the land turned over to the developer.

3. In order to save taxpayers money, the city would offer 85% of the current appraised values of the homes and businesses as compensation. On average, the homes in the affected district are appraised at $130,000.
4. The total amount paid to the homeowners by the city as compensation would be repaid by the developer. He would be allowed to collect an additional 2% surcharge sales tax on everything sold by stores in the mall. That way, the city would be repaid the amount given to the original homeowners, and also collect all the usual sales taxes.
5. The Mayor, City Council, and their respective staff members were to do all of the foregoing without any public hearings or notices until the formal designation letters were mailed to each affected resident.

The Constitution of the State in which this was to occur contains a "takings" clause, in which people are to be compensated for any seizure of property devoted to public use (i.e., the same as the Fifth Amendment to the U. S. Constitution). If this plan were enacted, which of the activities contained in the secret plan would violate both Constitutions?

a) A government entity entering into a secret financial agreement with a private entity.
b) Seizing property from a group of private owners and giving it to another private owner for the benefit of the new private owner (as well as the city).
c) Arbitrary designation of a certain district for unusual treatment simply because of the age of the homes and their location.
d) Forcing each homeowner to take a $19,500 loss on their property, since they will be paid only $110,500 for homes that were appraised on average for $130,000.
e) All of the above.

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Question 22: Leading Stories

The editor of a local newscast has received four stories from his reporting staff on a certain day. The four stories concern a) an armed robbery in which two victims were stabbed, but not fatally; b) a local woman who claims to have proof that wearing white underwear causes skin cancer, although she has made many claims over the years and all of them have been proven incorrect; c) the Governor made a speech at a local hotel outlining his budget recommendations for next year; and d) the owner of a popular local restaurant was arrested for drug possession. Which of these stories will lead off that evening's newscast and why?

a) The armed robbery story, because violent crime affects the most people in the community.
b) The white underwear story, because it provides people with important information to help them protect their health.
c) The Governor's speech, because it is required by law.
d) The restaurant owners arrest, because people want to know if the restaurant will still be open.
e) They will be broadcast according to the chronological order in which the four events occurred that day.

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Question 23: The Work Ethic

A certain person holds the following opinion on the work ethic: "Everyone should get off their butt, find a job, and do for themselves unless they can afford not to work, or they are too old, or too sick to hold a job." What is the fallacy in his reasoning?

a) He is ignoring the fact that people should not have to work for less than they are worth.

b) He is ignoring the fact that some people do not want to work and they shouldn't be forced; everyone has a right to basic necessities.
c) He is ignoring the fact that the world is interconnected now, and it is no longer necessary to "do for one's self".
d) He is ignoring the fact that "doing for one's self" is actually a form of selfish indulgence and smug self-satisfaction, which leads to the type of effete snobbery so harmful to community harmony.
e) This man is an extremist ideologue and his statement contains no evidence of logic or reason, so the question is irrelevant.

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Question 24: Islamic Terrorists

Why do famous Islamic leaders such as Osama bin Laden and Yassir Arafat never volunteer to personally undertake suicide bomber missions?
a) They are well educated in the will of Allah, and therefore are more valuable to Allah directing the work of others.
b) They serve as an inspiration to all Moslems, and therefore it is important that they continue to sacrifice in this life for the spreading of Islam, rather than taking the easy way out by transferring immediately to paradise in a suicide bombing.
c) The leaders of Islam receive special revelation from Prophet Mohammed himself, and he told them that it is not their time yet.
d) They cannot remember which button to push.
e) The answer is some combination of a), b), and c).

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Question 25: Famous Phrases

Which of these are phrases found in the Constitution of the United States of America?
a) "… separation of church and state…"
b) "… government shall have the right …"
c) "… people shall be entitled to general welfare …"
d) "… right to rest and leisure …"
e) Both a) and c).

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Question 26: Federal Budgets

Some political operatives stated during 2008 that there was a $5 trillion surplus at the end of the Clinton administration (20 Jan 2001). The total national debt as of 30 Sep 2008 was $10.024 trillion, per the official U. S. Treasury records [1], and Figure 26-1 shows the budget deficits for each year of the G. W. Bush administration (20 Jan 2001 to 20 Jan 2009) from the same dataset. Keep in mind that a trillion is 1,000 billion. The total of all the deficits during the G. W. Bush administration is $4.35 trillion as shown at the bottom of the table.

FY	Ending Date	Deficit ($)	Deficit ($ T)
2001	30 Sep 2001	133,285,202,313	0.1333
2002	30 Sep 2002	420,772,553,397	0.4208
2003	30 Sep 2003	554,995,097,146	0.5550
2004	30 Sep 2004	595,821,633,587	0.5958
2005	30 Sep 2005	553,656,965,393	0.5537
2006	30 Sep 2006	574,264,237,492	0.5743
2007	30 Sep 2007	500,679,473,047	0.5007
2008	30 Sep 2008	1,017,071,524,650	1.0171
Totals		4,350,546,687,026	4.3505

Figure 26-1: U. S. Federal Deficits, 2001-2008

A surplus of about $5 trillion when Bush came into office (20 Jan 2001) and a total debt of $10.024 as of 30 Sep 08 represents a $15.024 trillion increase in the national debt. Where did all the money go?

a) George W. Bush, Richard V. Cheney, and all their crooked friends on Wall Street stole it.
b) It was spent on the war in Iraq.
c) It was spent on the war in Afghanistan.
d) The rich people got tax cuts.
e) Some combination of b), c), and d); and the jury is out on the possibility of answer a).

[1] U. S. Treasury Department, Fiscal Data/Historical Debt Outstanding, available at: https://fiscaldata.treasury.gov/datasets/historical-debt-outstanding/historical-debt-outstanding

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Question 27: Artistic Purpose

A group of artists has assembled samples of their work and have displayed them at public venues. Among the works is one that portrays child molestation as desirable, one that blatantly mocks Christians, one that ridicules the notion of hard work and sensible spending, and one that celebrates violence against women. All of them have high-scale production values. They are not cheap efforts designed only to get attention; they are serious artwork.

All of these works of art have themes that are contrary to traditional values, and in fact, turn out to be commercial failures. Why would artists knowingly and willingly spend their talents in this manner?

a) They are trying to exceed the limits of what is protected by the First Amendment.
b) They are trying to illustrate the obsolescence of the traditional moral values by example.
c) It is usually the truly visionary people who tend to become artists; it is their job to instruct society.
d) They are using reverse psychology to educate people that what they depict in their art really should be rejected.
e) It is some combination of a), b), and c).

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Question 28: For Your Convenience

A woman is shopping at a mall, and has a small bag of with one purchase from one of the various stores she has visited. She enters into another store, and sees a sign saying "Please leave all bags at the desk for your convenience", and a store employee informs her that all her bags must be left at the front desk while shopping. All the other shoppers are doing likewise. In what ways is this convenient?

a) She won't have to carry that other little bag around with her in the store.
b) She won't be running the risk of having someone steal from her bag while she is shopping.

c) She will have more room in her cart.
d) She will not run the risk of losing the small bag while shopping.
e) Some combination of the above.

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Question 29: Preservation of Rights

Article 2, Section 1 of the U. S. Constitution requires the President to take the following oath of office:

> "I do solemnly swear (or affirm) that I will faithfully execute the Office of the President of the United States, and will to the best of my ability, preserve, protect, and defend the Constitution of the United States".

An integral part of preserving, protecting, and defending the Constitution is preserving the rights of the people. The rights of individuals specifically called out in the Constitution and its first ten amendments are:

1) Habeas corpus (right to challenge detainment)
2) Freedom of speech
3) Freedom of the press
4) Freedom of religion
5) Freedom to keep and bear arms
6) Freedom from bearing the expense of quartering soldiers
7) Freedom from arbitrary search and seizure (searches require warrants signed by a judge, with testimony under oath by the officials seeking the warrant)
8) Federal indictment only by grand jury
9) No double jeopardy (a person can only be tried once for the same crime)
10) Immunity from self-incrimination
11) Due process of law
12) Compensation for property allocated for public use
13) Speedy and public trial
14) Cross-examination of witnesses in criminal trials
15) Counsel for defense in criminal trials
16) Trial by jury
17) Facts found by a jury not reviewable by a court
18) Prohibition of excessive bail
19) Prohibition of excessive fines
20) Prohibition of cruel and unusual punishments

Also, rights not specifically mentioned are reserved to the people (individuals) or to the states. Based on your understanding of American history, which three would you rate as the worst Presidents with regard to preserving the rights of the people? The letter after their name indicates their party affiliation (F refers to Federalist, R indicates Republican, N indicates None, D indicates Democrat, D-R indicates Democrat-Republican, which later became the Democratic Party in the 1820's).

a) Alexander Hamilton (F), Aaron Burr (F), and Benjamin Franklin (F)
b) Richard M. Nixon (R), Gerald R. Ford (R), and George Washington (N)
c) George H. W. Bush (41) (R), James E. Carter (D), and Thomas Jefferson (D-R)
d) Walter Mondale (D), Barry Goldwater (R), and Alf Landon (R)
e) Three among those listed in groups b) and c)

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Question 30: Anonymous Sources

Why do journalists publish articles using information from "anonymous sources"?
a) To protect the identity of people who secretly provided vital information to the public, although it may not have been legal or ethical to do so.
b) To protect the First Amendment rights of people who may be afraid of publishing or speaking out on their own.
c) Because the media serves as the watchdog of a free society, and the people have a right to know about all the available information.
d) Information from anonymous sources is generally more accurate than from open sources.
e) It is primarily due to a combination of a), c), and d), although situations like b) do occur occasionally.

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Question 31: Super Bowl Victories

If the NFL team in a given city wins the Super Bowl, in what ways do the people living in that city and its surrounding suburbs benefit?
a) Sense of accomplishment
b) Increased economic opportunities
c) Increased revenue from tourism
d) Prestige
e) All of the above

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Question 32: Politician's Fears

What charge will cause the greatest amount of fear, anger, and resentment among politicians (as opposed to actual "statesmen")?
a) Flip-flopper
b) Liar
c) Crook
d) Ideologue
e) They are equally afraid of all of the above.

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Question 33: Legislative Lobbying

"Lobbying" is the term used when a person or organization spends money and energy to influence legislators, administrations, and courts to adopt policies favorable to the person or organization. It has been estimated that a total of about $3 billion was spent by lobbyists in Washington in 2007, mostly in the course of influencing Congress. Among the groups that have lobbying activities in Washington are finance, insurance, real estate, medical, unions, trade associations (such as construction, firemen, police, miners, plumbers, electricians), industrial associations (such as automotive, tobacco), and the various ethnic, civil rights, and conservation activist groups. The influence of lobbyists has become so pervasive that often it is lobbying groups that actually write the legislation that Congress votes on. Generally, these legislative initiatives involve a change in tax conditions or status, or changes in the amount and type of regulation.

Congress is supposed to be working in the interests of the people, but most legislation is pushed through due to the activity and influence of lobbyists. In what ways do lobbyists present a problem for the legislative function?

a) Congress opens itself up for legitimate criticism by accepting money, gifts, favors, and travel from lobbyists.
b) There is considerable risk that corporate interests will gain unfair tax advantages because they wrote the legislation for that purpose.
c) There is some risk that insufficient regulations will be enacted due to lobbying influence, because the legislation was written by those who will benefit from the change in regulation.
d) There is some risk that unions will engage in unethical activities because they get favorable treatment under the law, which occurs because they wrote the legislation for that purpose.
e) It is a combination of a), b), and c).

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Question 34: Wise Investments

Suppose you are 21 years of age and have $1,000 to invest. Which of the following investment strategies offer the greatest long-term financial benefits? Assume that the Prime Rate (the interest rate the Federal Reserve charges to the largest banks) is 5.2%. The banks in turn will lend money at 3% to 10% above the Prime Rate, depending on the credit-worthiness of the applicant. All of these investment strategies are legal in all 50 states.

a) You lend your $1,000 to an individual who promises to pay you 25% per year ($250 per year) interest on the principal. At the end of 10 years, you will receive $3,500, $1,000 of which is your original loan, and $2,500 is interest on the loan. The average annual return to you on this loan is 25%.
b) You lend your $1,000 to a corporation. The corporation agrees to repay you $600 the first year, $400 the second year, and $200 in the third year. In all, you will receive $2,200 over the three years, $1,000 of which is the original loan amount, and $1,200 is interest. The average annual return on this loan is 40%.
c) You give your $1,000 to a corporation, and they agree to pay you $100 per month (indexed for inflation) for life beginning when you turn age 50. Suppose your current median life expectancy is 57 years (meaning that people your age have a median life span of 57 more years). This means that half the people now aged 21 will die before they reach 78, and half will live to 78 or longer. If you fall in the median range for life expectancy, you will collect for 28 years starting on your 50th birthday. Indexing for inflation means that if inflation of the currency causes the dollar to be only half as valuable as it is now, the corporation will compensate you by paying $200 per month, i.e., you will receive $100 in today's buying power, not just $100. Assume that you are now 21 and you expect to live to be 78 (the median life expectancy). Then, you will receive the equivalent of $33,600 in present-year dollars, all of it in interest. The average return over the 57 years between now until time of death is 58.9% (although you will collect it only for the last 28 years of your life).
d) Go to the Off-Track Betting Parlor next Tuesday and bet the entire $1,000 on horse #3 in the fourth race.
e) Each of the first three options have varying benefits and risk, so it would be wise to split the $1,000 among the first three options (not necessarily equally).

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Question 35: The Source of Wealth

What is the source of wealth in the U. S.?
a) The Federal Reserve, because it prints the money.
b) The U. S. Treasury
c) Banks
d) The Stock and Commodities Markets
e) There is no one source of wealth in the U. S.; all of the above together are the source of wealth.

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Question 36: 401(k) Withdrawals

The 401(k) system was set up such that people could save and invest their money prior to paying taxes, let the assets grow over time, then pay the taxes later when they started withdrawing it as early as age 59.5. However, early withdrawals are permitted for certain hardships with no penalty. Hardships are defined as large medical bills (as long as they do not exceed what can be deducted on your income tax), disability, and the splitting of a 401(k) account due to a divorce. Otherwise, early withdrawals are penalized at 10% of the withdrawal amount, and all income taxes on the amount withdrawn are due immediately. Aside from hardship cases, under what circumstances should the average person consider an early withdrawal from their 401(k), even though they have to pay taxes and penalties?
a) To buy a house, or make a down payment on one.
b) To buy a car.
c) To invest in the stock market, buying individual securities, instead of staying with the generic mutual fund offerings in 401(k) programs.
d) To pay for a honeymoon or other vacation.
e) Both a) and c) are valid reasons.

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Question 37: The Point Spread

The San Diego Chargers are scheduled to play the Washington Commanders in a regular-season NFL game. If Washington is favored to win by 9 points (this is known as the "point-spread"), it is because:
a) A team of reputable football experts have analyzed the respective player's abilities, and the majority of them have concluded that Washington is a better team, and will probably win by about 9 points.
b) A team of reputable football experts analyzed the respective coaching strategies, and a majority of them have concluded that Washington will probably win by about 9 points.
c) A team of football experts analyzed the health status of the most important players on both teams, and a majority of them have concluded that Washington will probably win by about 9 points.
d) The politicians and bureaucrats in Washington are using their influence to intimidate the Chargers players, which usually helps the Commanders by about 9 points.
e) Some combination of a), b), and c)

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Question 38: Policy and Regulation

What is the main benefit of being a government employee involved in policy or regulatory activities?
a) The satisfaction that comes from performing useful services for the public.

b) The satisfaction that comes from being part of the solution to the community/state/nation's economic problems.
c) The opportunity to promote fairness and equality in the community/state/nation.
d) The opportunity to manage the resources of the community/state/nation to improve the standard of living and quality of life.
e) All of the above.

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Question 39: Media Standards

Media outlets such as newspapers, magazines, radio, and television are important sources of news and information to the voters. Because the success of a democratic republic requires voters to be well-informed, it is important for the media to report on issues in a truthful manner. The First Amendment to the U. S. Constitution states that "Congress shall make no law … abridging the freedom of speech, or of the press…". This means that the government is bound in principle, and the officers of the government are bound by oath, to recognize the pre-existing right of the media to be immune to governmental interference; that is, the media themselves are free to develop their own standards for accuracy in their reporting. Because there is no formal system or standardization imposed by the government, what standard have the media imposed on themselves? This question does not apply to the internet.
a) Media outlets impose a general prohibition on reporting facts unless they are provable.
b) Media outlets impose a general prohibition on expression of any opinions or biases by reporters, management, or editors. The only opinions that are allowed are those of readers in "Letters to the Editor" or by viewer emails in the case of radio and television.
c) When reporting "news", the media reports only the facts. The media outlet may be biased in their opinions, but those opinions are reserved solely to portions of articles or broadcast segments clearly labeled as "Opinion" or "Editorial".
d) Opinions of reporters and editors reflecting their personal biases are allowed within news stories, but are segregated in their own section, and clearly labeled as "opinion".
e) Although the exact practice varies from state to state, and from market to market, nearly every media outlet has adopted either c) or d) as an informal standard.

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Question 40: Burglary Rates

In 2007, there were a total of 2,179,140 burglaries in the United States, of which 67.9% were burglaries of residences [1]. There are 3,143 counties/parishes (Louisiana)/independent cities (including Baltimore and St. Louis) in the U.S., counting those for which the county governments have been eliminated (Delaware) or are planned for elimination (Massachusetts) [2]. There are 14,166 school districts in the United States (2007 data) [3]. From this data, which statistic indicates the greatest risk that your residence will be burglarized next year?
a) On average, a residence is burglarized in the U. S. every 21.3 seconds, because no matter where one lives in the country, it is possible that one's home will be burglarized in one of those 21.3 second average intervals.
b) On average, a residence is burglarized in each state every 17.75 minutes, because no matter where one lives in their state, it is possible that one's home will be burglarized in one of those 17.75 minute average intervals.

c) On average, a residence is burglarized in each county every 18.59 hours, because no matter where one lives in their county/parish/independent city, it is possible that one's home will be burglarized in one of those 18.59 hour average intervals.
d) On average, a residence is burglarized in each school district every 3.49 days, because no matter where one lives in their school district, it is possible that one's home will be burglarized in one of those 3.49 day average intervals.
e) All of the above indicate an equal risk.

[1] FBI Uniform Crime Statistics, 2007: https://www.fbi.gov/ucr/cius2007/offenses/property_crimes/burglary.html
[2] n9jig.com/counties/county.html
[3] https://nces.ed.gov/surveys/annualreports/topical-studies/locale

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Question 41: The U. S. Dollar

The basic currency unit of the United States is called the dollar. The word "dollar" is a modification of the word "taler", which is a nickname for "thaler", which was the name of a coin minted by the Dutch which contained one ounce of 0.999 pure silver. Therefore, a dollar was originally devised in 1786 to designate a coin containing 375.64 grains of pure silver. There are 480 grains in a troy ounce, so the dollar consisted of 0.7825 troy ounces of silver. There are 31.103 grams per troy ounce, and therefore the dollar was 24.3406 grams of pure silver. Silver was traditionally regarded as 1/15th the value of gold, hence the dollar, although defined in silver, was equivalent to 1.622 grams of gold (which is equivalent to 25.31 grains of gold).

In 1834, the U. S. government decided to reduce the weight of gold in the gold coinage, so it altered the value of silver to be 1/16th of the value of gold, thus one dollar was devalued to 1.521 grams of gold. This put the dollar implicitly on a gold standard, although coins of both types circulated (and the dollar remained at 0.7825 ounces of silver).

In 1900, the dollar was formally converted to a gold standard, in which one dollar was worth 23.195 grains (which is 0.0483 troy ounces or 1.503 grams) of pure gold. The dollar was thus valued at 20.694 dollars per troy ounce.

In 1934, the dollar was devalued to $35 dollars per troy ounce of gold (13.71 grains or 0.02857 troy ounces or 0.8886 grams); In 1972, the dollar was devalued to $38 dollars per troy ounce of gold (12.63 grains or 0.026315 troy ounces or 0.8185 grams); in 1973 it was devalued to $42.222 per troy ounce of gold (11.36 grains or 0.02368 troy ounces or 0.73665 grams).

In modern times, dollars are issued as paper Federal Reserve Notes by the Federal Reserve Bank. The dollar is backed by the "full faith and credit of the United States Government". Therefore, the paper dollar, while itself is nothing more than paper and ink, is simply a representation of real value. How is the "full faith and credit of the United States Government" manifested when redeeming the paper dollars (in other words, for what things of value may paper dollars be exchanged at any Federal Reserve Bank)?
a) Gold, at the rate of 1/16th troy ounce per dollar.
b) Silver, at the rate of 0.7825 troy ounces per dollar.
c) Stock in the Federal Reserve banks.
d) Land held in trust by the Government, mostly in the western states.
e) The citizen may choose either gold at 0.02368 ounces per dollar per the 1973 gold standard, or silver at 0.7825 ounces per dollar per the revised 1834 silver standard.

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Question 42: "No New Taxes"

During the Presidential election campaign of 1988, George H. W. Bush stated, "Read my lips, no new taxes". He was subsequently elected as the 41st President of the U. S. What did this statement mean regarding his intended tax policy as President?

a) He would never raise income taxes if elected President.
b) Since he said "read my lips", the statement was directed only at deaf people; so he meant that he would not raise income taxes on deaf people.
c) "No new taxes" means he would not create any new category of taxes.
d) If there are any tax increases, they will only apply to other people, not to you.
e) A combination of a) and c).

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Question 43: Gold Coins

Gold has historically been recognized as the ultimate "safe" money because it never loses all of its value. On the other hand, many paper currencies throughout history have eventually become worthless. Some noteworthy examples are Continental dollar issued by Congress during the American Revolution (1777-1781), the German mark in 1923, the Yugoslav dinar in 1994, and the Zimbabwean dollar in 2008. Many people choose to hedge against paper currencies by purchasing gold coins as a form of insurance, which could be sold or bartered in the event the paper currency ever fails. Many types are offered for sale and advertised as follows:

a) "Authentic St. Gaudens $20 Double Eagles (originally issued between 1908 and 1929). A total of approximately 65,000,000 were originally minted. It is 34 mm in diameter, and contains 42.0 milligrams (mg) of pure gold. Each can be purchased for $29.95 US."
b) "Tribute proof $10 Liberty Head Eagles (originally issued between 1866 and 1907). Approximately 64,000,000 total were minted. It is 27 mm in diameter, and contains 21 mg of pure gold. Each can be purchased for $21.95 US."
c) "24 carat gold clad $10 Indian Head Eagles (originally issued between 1908 and 1933). Approximately 15,000,000 total were minted. It is 27 mm in diameter, and contains 19 mg of pure gold. Each can be purchased for $18.95 US."
d) "Private mint authorized $5 Indian Head Half Eagles (originally issued intermittently between 1908 and 1929). Approximately 14,000,000 total were minted. It is 21.6 mm in diameter, and contains 8.5 mg of pure gold. Each can be purchased for $19.99 US."

A famous company advertises these coins for sale on TV, radio, and newspaper ads, reminding the audience that these coins are rare and out of circulation, and that gold is always highly sought after both for its intrinsic value and in the form of beautiful old coins. The ad goes on to remind the audience that gold coins should be part of every investment portfolio. Which of these coins offers the best investment value?

a) The Double Eagle, because it is the largest physical coin and has by far the largest amount of pure gold.
b) The Liberty Head, because they were minted in the most distant past, which makes them more desirable.
c) The Indian Head Eagle, because it has the lowest price and is still contains pure gold.
d) The Half Eagle, because it is the rarest one (fewest were minted), which makes it more valuable.
e) It is best to have a variety of these coins as an investment. The prudent investor, or person who wants some insurance against a currency collapse, would be wise to buy some of each, but not necessarily in equal amounts. This is important to diversify one's gold investments, even more so than stocks and bonds.

The additional information required to determine the best investment value is as follows:

a. Suppose the current price of gold is about $1,450 per troy ounce.
b. There are 31.103 grams per troy ounce and 1,000 mg per gram (thus there are 31,103 mg of gold per troy ounce).

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Question 44: One-Year Investment

Suppose Christine has $1,000 to invest for one year only (she will cash out after 12 months), and is only interested in conservative investments such as mutual funds based on high-quality bonds that have a guaranteed annual return. She is presented with three options: a) Bond Fund A with a guaranteed return of 3% and no sales commission; b) Bond Fund B with a guaranteed return of 6% and a sales commission of 3%; and c) Bond Fund C with a guaranteed return of 10% and a sales commission of 7%. Nothing is zero risk, but assume for this example that the risk of all three options is zero. Sales commissions are always paid up-front. Choose the correct statement for this one-year investment:

a) Bond Fund B is twice as good an investment as Bond Fund A (6/3 = 200%)
b) Bond Fund C is 166% better as an investment than Bond Fund B (10/6 = 166%).
c) Bond Fund C is 333% better as an investment than Bond Fund A (10/3 = 333%)
d) Bond Fund C is a better investment than splitting the $1,000 between Fund A and Fund B in any ratio.
e) All of the above are true.

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Question 45: Assigning Blame

A wife had to go to a Garden Club meeting. She told her husband to stay home while she was out, and asked him to watch Channel 6 and get the winning lottery numbers. Also, she did not like the friends he was likely to hang out with (especially Bob). The husband was resentful of the way his wife had ordered him around. While his wife was gone, the husband noticed that they were out of beer, so he decided to violate his wife's wishes. He left the house to go and buy some beer. On the way, his truck ran out of gas. So he called his friend Bob, who met him where the truck was, and brought him a few gallons of gas. Bob went back home, and the husband continued onto the store. As he was going into the store, a mugger tried to hold him up. The husband refused to give the mugger his beer money, so the mugger shot and killed the husband. Who is to blame for the death of the husband?

a) The wife, for not treating the husband with respect, which provoked him into leaving the house. If he had stayed home, he would be alive now.
b) The husband, for leaving the house when his wife specifically told him to stay home.
c) Bob is at fault because he provided the gas that enabled the husband to get to the store where he was killed.
d) The husband, because he refused to obey the mugger.
e) Everyone in the story shares some of the blame except for the wife.

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Question 46: Music Television

The first music video network, called "Music TV", better known as MTV, was launched in Aug 1981. It began by showing video clips of musical acts, and later expanded to commentary on popular culture, reality shows, satire, and some political activism, mostly concerning the environment and getting young people to vote. There are now several music video networks, among them are VH1 and CMT. What is the underlying purpose of the music video networks?

a) To finally give young people an opportunity to see their favorite musical acts without censorship by the traditional networks.
b) To allow a youth-oriented culture to express itself over the airwaves.
c) To provide an opportunity for up-and-coming musical acts to obtain some exposure.
d) To allow the recording companies to test the potential popularity of their new acts before committing to a full contract.
e) All of the above.

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Question 47: Presidential Election Results

Suppose, in a U. S. Presidential election, candidate A gets 48% of the popular vote, candidate B gets 46%, and the remaining 6% is divided among various other minor-party candidates as officially reported by the election authorities in all the states. However, candidate B is declared the winner of the election, and takes the oath of office. How could this happen? Between the election and inauguration, neither candidate dies, is convicted of a felony, is found to be ineligible, or refuses the office. Also, none of the 6% gained by other candidates represented a victory in any given State.

a) Candidate B engaged in large-scale election fraud, and was able to get many of candidate A's votes to be rejected. Although 48% voted for candidate A, less than 46% were counted.
b) Candidate A was favored by the mainstream media, and they inflated the vote counts for their favorite, even though he was not as popular.
c) The other minor-party candidates gave their votes to candidate B, so he ended up with 52%, and is clearly the winner.
d) Since neither candidate got a 50% + 1 popular majority, a runoff was held in the U. S. House of Representatives, and candidate B was the winner.
e) A combination of a) and c).

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Question 48: Paying First

Which of these should be paid first?

a) Rent or mortgage.
b) Car payment.
c) Credit card bill.
d) Any utility bill (gas/electric/water).
e) A bill from a doctor, dentist, chiropractor, or lawyer.

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Question 49: An Epidemic

A chemical known as dichloro-diphenyl-trichloroethane was accidentally discovered in 1874 by O. Zeidler; and was re-discovered by P. Muller in 1939. It was found to be a very effective pesticide. Its name was abbreviated to DDT, and was produced commercially and used widely from 1943 until it was banned from use in 1972. It was banned due to allegations, since proven to be false, that DDT caused the thinning of bird's eggs, caused cancer in humans, and reduced the populations of eagles, falcons, and pelicans. The main reason it was banned was because the environmental activists wanted to establish a power base, and used the banning of DDT as their test case. The greatest benefit of DDT was in combating the mosquito-borne disease malaria: while it was being used, several million deaths from malaria were prevented [1]. Malaria has always been fairly rare in the U. S.

Since DDT was banned, about 300 to 500 million cases of malaria occur worldwide each year, and about 1 million black people in southern Africa die from it; most of these fatalities are children under 5 years of age. There is at present no vaccine for malaria; and treatment of it must occur rapidly and in the right dosage; otherwise relapses may occur (sometimes decades later) [2].

The best way to prevent an outbreak of malaria is to suppress the population of the mosquito that spreads it. Consider the following scenario. An infestation of the malaria-transmitting mosquito is discovered in Manhattan (part of New York City), and the use of pesticides other than DDT proved ineffective in reducing the mosquito population. Because malaria is so rare in the U. S., Americans have no immunity to the disease (since immunity comes from exposure). Experts therefore predict that about 15% of the population of Manhattan would get malaria, and about 5,000 people living in Manhattan (nearly all children) would be expected to die from the epidemic. What would happen?

a) The people of Manhattan would all temporarily move to their upstate summer homes, and wait for the epidemic to move to Brooklyn, Queens, Staten Island, the Bronx, and New Jersey.
b) The people of Manhattan would sell their homes, quit their jobs, and move elsewhere.
c) The people of Manhattan would stay put, continue their normal activities, and watch 5,000 children die; reasoning that it is only fair that each resident of Manhattan accept the same risks as other people, especially since malaria is a naturally-occurring disease.
d) The people of Manhattan would remain in Manhattan, but would close themselves up in their homes as a self-imposed quarantine, until all the mosquitoes either died or moved elsewhere.
e) Some combination of a) through d). In other words, those who could afford to move would do so; those who could maintain quarantine would do so, and those who could do neither would have to risk their children's lives.

[1] https://junkscience.com/?s=DDT
[2] https://www.cdc.gov/malaria/about/faqs.html

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Question 50: Libel and Slander

Suppose a famous nationally-distributed newspaper publishes a news article. This particular story is about a series of arsons and burglaries committed by specific persons, who are named in the story. It is based on information provided to the newspaper by the local police department. This information was provided to the newspaper editors because he is on friendly terms with officials at the police department. Because this newspaper is regarded as the standard for integrity, its story is picked up by other newspapers, and then by various radio and television stations. The broadcast and cable television networks accurately repeat the story in their broadcasts, with full audio and video "dramatic re-creations" of the events described in the story.

A few days later, the truth came out. The police officers who provided the information to the newspaper had lied under orders from their superiors in the police department. The officers knew that the subjects in the story were innocent, but obeyed the chief's order to relay the information to the newspaper. The persons named in the story were in fact completely innocent; the upper echelon of the police department held a personal grudge against them because they were frequent critics of the department. The newspaper editors did not know the people in the story were innocent, but did not investigate to verify the information. They were happy to go ahead and publish it although unverified because the subjects in the story held political views contrary to those of the official position of the newspaper. This story was also widely distributed on the internet, including all of the "social networking" sites. The subjects of the article were libeled, slandered, and publicly vilified until they were completely exonerated by the court. Unfortunately, they experienced considerable loss of income and legal expenses. The Police Chief who created the false allegations and the officers who carried out the politically-motivated orders were subsequently fired. The editors at the newspaper were all subsequently given raises and promotions. But the public was misled and misinformed all along, and some still believe the people mentioned were guilty, since the initiating newspaper never was required to issue a formal retraction or apology. What should be done to prevent this kind of attack upon innocent people and the spreading of false information to the public?

a) Implement quality controls to prevent inaccurate reporting, such as:
   1) All journalists, editors, and commentators shall require a journalism license, to be renewed annually;
   2) Persons who are not licensed journalists shall be prohibited from publishing in any format (except for works clearly labeled as fiction).
b) Implement reasonable content controls to prevent political bias, such as:
   1) All newspaper, magazine, and printed publications shall be reviewed for news relevance and censored if appropriate, including a prohibition on "editorial opinion";
   2) Radio and TV broadcasts shall be subject to the same controls, except for live sporting events (without play-by-play).
c) Implement technological controls in order to reduce the occasions under which this type of crime could occur, such as:
   1) Manufacture and possession of high-speed printing presses (above a certain number of pages per hour) shall be prohibited;
   2) Manufacture and possession of broadcast equipment, including cameras, microphones, and lighting systems for studios shall be controlled by suitable authorities, to be released to users when required.
   3) Social networking sites shall be prohibited from linking to news articles;
   4) The internet shall be regulated as a public utility.
d) Implement capacity controls in order to reduce the magnitude of crimes when they do occur, such as:
   1) Newspapers shall be restricted to publishing once per month, with a maximum page count based on community population;
   2) Magazines shall be published once per year with a page count limit proportional to the number of paid subscribers;
   3) Radio and television broadcast talk show hosts shall be restricted to one five-minute segment per month, to make room for greater diversity in broadcasting.
   4) Media outlets of all types shall be prohibited form having websites on the public internet (but may create a private internet at their expense).

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Question 51: American Political Parties

The political parties in America can be summarized as follows. The Federalists were members of the Founding generation who believed in a strong central government. The Republican-Democrat party was established in the late 1790's, and supported a weaker federal government and stronger State governments. In the 1820's, the Republican-Democrat Party split into the Democratic and Whig parties. The Whig party was the conservative party that favored and aided the western expansion, including many public works such as canals, railroads, and improvement of navigation on the rivers. It became extinct after the election of 1858 and was replaced by the Republican Party. There have been many minor parties in U. S. politics, but none of their candidates have ever become President. The two main parties today are the Democrats, who claim to favor the working people, unions, civil rights, and equality. They are especially critical of the large salaries paid to high-ranking corporate executives. Democrats claim to be altruistic in their motives. The Republicans claim to favor business interests, working people, civil rights, and equal opportunity. Republicans are not bothered by high salaries of top corporate executives, and believe generally that people should be paid what they are entitled to either under the law or by contract.

The Federalists are considered to be a unique party that was short-lived and had no successor. The modern Democratic Party is considered to be the successor to the Republican-Democratic party that split in 1828. The modern Republican Party is considered to be the successor of the Whig party that was disbanded in 1858.

The Presidents belonged to Parties as follows, and the number after their names indicates their order in the line of Presidents. Of all the Presidents, only Washington was not a member of any political party.

a. None: Washington (1)
b. Federalist: J. Adams (2)
c. Republican-Democrat: Jefferson (3), Madison (4), Monroe (5), J. Q. Adams (6)
d. Democrat: Jackson (7), Van Buren (8), Polk (11), Pierce (14), Buchanan (15), A. Johnson (17), Cleveland (22 and 24), Wilson (28), F. D. Roosevelt (32), Truman (33), Kennedy (35), L. B. Johnson (36), Carter (39), Clinton (42), Obama (44), Biden (46)
e. Whig: W. H. Harrison (9), Tyler (10), Taylor (12), Fillmore (13)
f. Republican: Lincoln (16), Grant (18), Hayes (19), Garfield (20), Arthur (21), B. Harrison (23), McKinley (25), T. Roosevelt (26), Taft (27), Harding (29), Coolidge (30), Hoover (31), Eisenhower (34), Nixon (37), Ford (38), Reagan (40), G. H. W. Bush (41), G. W. Bush (43), D. J. Trump (45)

Three Presidents served either for a symbolic salary of $1 per year, at no salary at all, or donated his entire salary to charity. Keep in mind that the President is the nominal leader of his Party, and the most effective leaders lead by example. Based on the above information on party affiliation, and the claimed objectives of each political party, which three Presidents served essentially for free? The letter following their name indicates their political party affiliation.

a) Van Buren (D), Buchanan (D), and F. D. Roosevelt (D)
b) Polk (D), Pierce (D), and L. B. Johnson (D)
c) Wilson (D), Carter (D), and Clinton (D)
d) J. Adams (F), Nixon (R), and Reagan (R)
e) It is either a), b), or c).

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Question 52: Hypocrisy in High Places

A certain man was a successful politician for many years. He gradually rose through the ranks from a city council member to state Representative to state Senator to federal Congressman to federal Senator. In all those years, he was a consistent advocate for gun control, including various proposals to ban all guns and ammunition held by private persons. He himself always lived in places with strict gun control, but he also was always in violation of the existing gun laws: he owned many guns that were banned, he failed to register guns he owned, and he bought and sold guns without the legal reporting requirements.

While he was a federal Senator, he was called upon by the President to serve as an under-Secretary of a cabinet-level department by the new administration. As part of the vetting process, he was asked if he had ever violated any gun laws. He lied about his guns, and the administration believed him, since he had a "perfect" voting record promoting and enacting gun control. But once he was confirmed by the Senate, it came to light that he had in fact owned many guns, some of them illegally, and had committed numerous violations of the existing gun laws (some of which he had helped to pass at the state and federal level). What will happen next?

a) He will be fired by the President.

b) He will resign in disgrace.
c) He will be investigated by the federal authorities.
d) He will be indicted by state and local authorities.
e) Either a) or b), followed by either c) or d).

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Question 53: Long-Term Finances

A certain man has a steady job and earns a good income. However, he likes to spend more than he makes. In fact, he has no savings or assets, and he spends about 10% more than he earns every year. At first he financed his excesses by running up large balances on his credit cards. Then, when they were at their maximum, he opened up new accounts, paid off the old accounts, and continued to run up debt on the new accounts. He eventually had to stop paying on the principal he owes, and is now only paying the current monthly interest due (although the principal keeps rising due to his continued spending). Over time, he earns more income, but continues to spend about 10% more than he earns, year in and year out. What is his long-term financial outlook?
a) Gradually, the effect of inflation, in which each new dollar has less buying power, will serve to reduce the true debt and he will then be able to pay it off.
b) In the long run, his real income after inflation will continue to rise, and he will be able to grow his way out of debt.
c) He has purchased a number of things with the debt, and can sell them when he needs to in order to pay off the debt.
d) He will be able to borrow indefinitely, since the creditors realize that they may lose what he already owes them if they force him into bankruptcy.
e) Some combination of two or more of the above.

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Question 54: The Pledge of Allegiance

In 1892, in preparation for the celebration of the 400th anniversary of Columbus' discovery of America, a magazine in Boston called *The Youth's Companion* published a "pledge to the flag" to be recited by schoolchildren. It is believed to have been written either by Francis Bellamy or James Upham. The pledge has undergone several revisions in the years since; it currently reads:

> "I pledge allegiance to the flag of the United States of America, and to the republic for which it stands, one nation under God, indivisible, with justice and liberty for all."

Although it was originally devised for schoolchildren, it was eventually adopted in 1942 as part of the United States Flag Code (U. S. C. Title 36). What is the purpose of such a pledge?
a) To inspire people to be proud of living in a nation that has liberty and justice for all.
b) To emphasize that only people who believe in God can be Americans.
c) To remind people that America cannot be divided.
d) To confirm that the people are the ultimate sovereign in America.
e) A combination of a), c), and d).

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Question 55: Tax Deductions

A man has earned income in a certain year. He took the "standard deduction" on his federal "gross income" tax, and as a result, his "taxable income" is taxed at 25%. If he had made a $100 "tax-deductible" contribution that year, how much would his federal tax have changed?

a) "Tax deductible" refers only to state taxes, so his federal tax would remain unchanged.
b) His tax would have been reduced by $100.
c) The "tax deduction" only applies in the following year, so he would get a reduction next year, not now; his tax for the current year is unchanged.
d) His tax would be 25% of his gross income less the $100, or the amount previously calculated, whichever is less.
e) His total tax is 25% of $100 = $25.

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Question 56: Roe v. Wade and Dobbs v. Jackson

The Supreme Court legalized abortion nationwide in 1973 in a ruling called the Roe v. Wade decision. Since then, many people who are opposed to abortion have been trying to get either: a) the Supreme Court to reverse itself and overturn Roe v. Wade; or b) have the U. S. Congress pass legislation to supersede the ruling. Now that the Supreme Court overturned the Roe v. Wade decision per the Dobbs v. Jackson decision (24 Jun 2022), what is the net effect?

a) It is illegal for anyone to be in favor of abortion rights.
b) Women can be prosecuted under existing federal law for having an abortion.
c) Doctors who performed abortions can be tried for murder under existing federal law.
d) Women are required to report pregnancy to the federal government so they could be monitored until giving birth.
e) Both b) and c).

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Question 57: TV Interviews

You are watching a talk show on TV. The host is conducting an interview with three guests. Each of them, including the host, gives their view on the topic at hand. You are trying to determine which of the four people on the show is most likely to be correct about the issue being discussed. Which is the most efficient method to determine who is correct?

a) The host is correct because it's their show, and they are not allowed to lie on TV.
b) The person who looks most like a nerd is probably the smartest of the four, so they are most likely to be correct.
c) The most attractive person is probably correct because people like attractive people, and they likely were told the correct answer in advance.
d) If a government official is part of the discussion, then they are likely to be correct.
e) If a member of the clergy is part of the discussion, then they are most likely to be correct.

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Question 58: Unequal Credit

Credit is a situation in which a person or institution lends money to another person or institution upon a written promise to repay the loan. The loan is usually repaid at an agreed-upon interest rate. This additional amount paid by the borrower to the lender is the fee to the lender for the use of his (or the lending institution's) money. In other words, the lender gives his money temporarily to the borrower; the borrower repays the amount borrowed plus a certain percentage per year at a certain rate. The additional amount repaid is income to the lender for the borrower's use of his money.

Normally individuals borrow from banks or credit card companies, but not every person is allowed to borrow the same amount. Some people are allowed to borrow more than others. Why do banks and credit card companies give credit unequally?

a) Most banks prefer to deal with people they know, and are more likely to be more liberal with those people in the amount of credit they give --- in other words, those who know bankers and those who work at credit card companies have an advantage.
b) People who are given less credit are victims of some bias or prejudice by the banks and credit card companies; in fact offering different credit levels is a violation of the Fair Lending Act.
c) Banks and credit card companies give credit based on what is necessary to maintain their lifestyle. Therefore, wealthy people are given more credit than the middle class people, and middle class people are given more credit than poor people because the wealthy have more day-to-day needs than the middle class, and the middle class likewise has greater needs than the poor.
d) Banks and credit card companies prefer to give more credit to those who are desperate, because they can squeeze a higher interest rate out of them.
e) Some combination of the above, depending on state regulations.

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Question 59: Witness Protection

One evening, a local tavern was invaded by a large number of motorcycle gang members. Their main mission was to intimidate the bar owner over some previous incident, but some of the members of the gang decided to have a little "fun" and assault the customers, including people who had no stake in the previous incident, and were only having a few beers after work. Some of the bar patrons were injured seriously enough to require hospitalization. The police were called, and they were able to make a few arrests, although most of the gang members dispersed before the police came.

Because so many innocent people were injured, the case became a local sensation. Usually the gang members were able to buy off certain officials to reduce charges, but were unable to do so in this case because of public outrage at the scale and severity of the attack. As the prosecutor was preparing his case against the gang members who had been arrested, a reliable informant reported that the other members of the gang intended to kill anyone they believed would testify against the defendants. This particular gang operated nation-wide according to a strict organized crime discipline. They had a long-established reputation for carrying out their threats; they have promised "to finish the job" if any of the victims testify. But there is little chance of a conviction if the victims do not testify. The prosecutor was faced with a choice of: a) dropping the cases; b) watering the charges down to a laughable set of misdemeanors, or c) proceeding with the case, and offering each victim entry into the Witness Protection Program. The victims are asked to consider the third prosecutorial option. What are the benefits of the Witness Protection Program for the victims who testify?

a) They are given a new identity.
b) They are relocated out of the area.
c) They receive special police protection at public expense.
d) They receive monthly payments in return for standing up to the criminals in the interest of justice.

e) All of the above.

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Question 60: Causes of Death

The U. S. Government published a report [1] summarizing the causes of death among Americans in 2004. A total of 2,397,615 deaths occurred in that year, broken down by cause as follows. The text in parentheses appears in the original; that in square brackets is editorial explanation.

a. Diseases of the heart: 652,486
b. Malignant neoplasm [cancers]: 553,486
c. Cerebrovascular diseases [stroke]: 150,074
d. Chronic lower respiratory diseases: 121,987
e. Accidents (unintentional injuries): 112,012
f. Diabetes mellitus: 73,138
g. Alzheimer's disease: 65,965
h. Influenza and pneumonia: 59,664
i. Nephritis, nephritic syndrome, and nephrosis [kidney diseases]: 42,480
j. Septicemia [blood poisoning]: 33,373
k. Intentional self-harm (suicide): 32,439
l. Chronic liver disease and cirrhosis: 27,013
m. Essential hypertension [high blood pressure] and hypertensive renal [kidney] disease: 23,076
n. Parkinson's disease: 17,989
o. Assault (homicide): 17,357
p. All other causes: 414,674

Consuming too much salt (also known as dietary sodium) is known to cause an increase in blood pressure (hypertension). Increased blood pressure is known to be a contributing cause of strokes, kidney disease, and some heart attacks. There is a sub-category of "Accidents" that deals with poisoning, but none of those deaths are listed as sodium or salt poisoning. None of the 414,674 residual deaths from accidents are related to stroke, heart disease, or kidney disease. Also, none of the 414,674 residual deaths are called out as being due specifically to salt intake. Based on these facts and statistics, how many of these deaths can be attributed directly or indirectly to the intake of salt?

a. The sum of those due to stroke (150,074) and nephritis/nephritic syndrome/nephrosis (42,480), which totals to 192,554.
b. The sum of those due to stroke (150,074) and essential hypertension/renal disease (23,076), which total to 173,150.
c. The sum of those due to stroke (150,074), nephritis/nephritic syndrome/nephrosis (42,480), and essential hypertension/renal disease (23,076), which totals to 215,630.
d. The sum of those due to stroke (150,074), nephritis/nephritic syndrome/nephrosis (42,480), and essential hypertension/renal disease (23,076), plus some unknown portion of those due to heart disease (652,486), in which the total is somewhere between 215,630 and 868,116.
e. All 2,397,615 (except the 414,674 residual deaths) were caused by salt because: a) all of them are dead; and b) all of them had to have eaten some salt at some point in their life.

[1] A. M. Minino, M. P. Heron, S. L. Murphy, K. D. Kochanek, *National Vital Statistics Report,* Vol. 55, No. 19 (21 Aug 2007), p. 8; Hyattsville, MD: National Center for Health Statistics (U. S. Department of Health & Human Services); available at: https://www.cdc.gov/nchs/data/nvsr/nvsr55/nvsr55_19.pdf

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Question 61: Leasing Cars

A certain car could be purchased for $18,500 from any of four dealers at 7% interest for 4 years with $1,850 down ($398.70 per month = $19,137.82 total). Including the down payment, the average monthly cost is $437.25. The exact same car is available for lease at the same four local car dealers. The terms of the leases being offered are shown in the following table:

Dealer	Amount Down ($)	Length of Lease (months)	Monthly Payment ($)	Annual Mileage Allowance	Total Mileage Allowance	Cost per Mile Over Limit ($)
Abbott	2,470	36	180	10,500	31,500	0.30
Baker	2,060	42	224	11,000	38,500	0.35
Canton	1,650	48	258	11,500	46,000	0.40
Drury	1,500	54	276	12,000	54,000	0.50

Figure 61-1: Data for Car Leases

For example, at the Baker dealership, you would pay $2,060 down, and pay $224 per month for 42 months, at which time you would give the car back to the dealer. If you drive more than 11,000 miles annually, you are required to pay 35 cents per mile. In the Baker example, if you drove 12,000 per year over the 42 months (42,000 miles), you would owe $0.35 for each mile above 38,500, which comes to $1,225, payable at the end of the lease. In all leases, you are responsible for insurance, registration, and maintenance costs.

Suppose you drive an average of 13,000 miles per year. If you desire to do what makes the most sense financially over the long run, which lease should you enter into?

a) Abbott
b) Baker
c) Canton
d) Drury
e) Either Canton or Drury, because they have the longest term leases.

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Question 62: Anti-Christian Activists

A certain city has experienced a large influx of people who have embraced a hatred of Christianity. They claim to be atheists who reject the concept of God and all religions, but in practice, only seek to offend Christians, and to a lesser extent Judaism. They never have an unkind word for Moslems, Buddhists, Sikhs, Wiccans, or Hindus. The atheists have distributed leaflets against "all religion", but only single out Christian traditions as being evidence of evil, hypocrisy, or ignorance. The Christians in the community are subjected to the tirades of atheists in many public places, and even on public property.

The atheist groups have become increasingly aggressive, up to the point of calling Christians names on the streets, demonstrating in front of churches during services, and occasionally disrupting a service by physical intrusion. What should the Christians of this community do in response?

a) Appeal to the American Civil Liberties Union (ACLU) for their help in opposing the atheists, or hire lawyers and sue the city directly in order force the city to enact an ordinance that restrains the activities of the atheist groups.
b) Close all the churches.
c) Organize and stage counter-demonstrations whenever they find a group of atheists.

d) Appeal to the Civil Rights Commission or other federal government agencies for help against the atheists (since they are violating the rights of Christians).
e) Both a) and d) are viable options.

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Question 63: Impeachment Timeline

State legislatures have a power to impeach (convict) a State Governor and to remove him from office. Suppose a Governor of a State has been implicated in a wide variety of corrupt activities, and federal investigators have videotapes, emails, and wiretapped phone calls in which the Governor is observed engaging in numerous criminal conspiracies to commit fraud and bribery. The evidence is provided to the State legislature by the investigating authorities. The Governor refuses to resign his office. How soon will the State legislature impeach the Governor and remove him from office?
a) Within a few hours
b) Within a few days
c) Within a few weeks
d) Within a few months
e) As soon as possible, consistent with the procedures called out in the state constitution.

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Question 64: Breaking Glass

A local neighborhood gang threw a party, and in the course of having a good time, smashed 1000 beer bottles all over a residential street. The gang members all left the area before the police showed up, and none were arrested or charged. The beer had been purchased at a local store, and the gang members all paid a deposit to the store on the beer bottles that they subsequently broke. No matter what you think about parties, or beer, or about gangs in general, consider this action in the economic sense. In what economic sense did the gang members indirectly perform the most useful economic service?
a) The store that was paid the deposit on the beer bottles gets to keep the deposit paid by the gang members.
b) It is possible that some people will make money when they are paid to clean up the broken beer bottles.
c) Broken beer bottles are a true sign of urban life, and will probably increase the partying type of tourism in that area.
d) Some people will run over the beer bottles and get flat tires, which have to be replaced, which will those who manufacture, sell, and install tires will indirectly benefit from increased sales.
e) Some combination of a) and d).

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Question 65: Mattress Warranties

Joe is at a furniture store to buy a mattress. He tested them all out by lying on them briefly. He found four mattresses that were comfortable, they are all priced about the same, and all are made by known manufacturers of good reputation. The only real difference between them is the nature of the manufacturer's warranty. He can buy a warranty on Mattress A that consists of a one-year warranty against workmanship flaws; it costs $21.00. He can buy a warranty on Mattress B that offers a three-year warranty against workmanship flaws which also includes replacement of any broken springs; it costs $74.00.

The manufacturer of Mattress C offers a lifetime warranty against workmanship defects plus a warranty against tears in the fabric and replacement of springs; it costs $91.00. The manufacturer of Mattress D offers a lifetime warranty on all problems and defects except if the mattress is used for commercial purposes (does not apply to Joe, since he will use his at home); the Mattress D warranty costs $125.00. Which is the best warranty to buy?

a) Mattress A, because it is the cheapest.
b) Mattress B, because it lasts three years, and most problems occur between one and three years, so is better than Mattress A's warranty.
c) Mattress C, because it is for the life of the mattress and covers the most common mattress problems.
d) Mattress D, because it covers everything for life, and for the few dollars more, offers the best overall protection.
e) In general, it won't matter which one he gets, because there are a wide variety of problems with mattresses. The important thing is to get at least the protection offered by Mattress A, but the other ones are worth considering.

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Question 66: Evolutionary Probability

Charles Darwin (1809 - 1882) was an English "naturalist", that is, a scientist who studies nature and the workings of nature. He is highly regarded as an honest, patient worker who sifted through the facts available to him, testing various hypotheses per the scientific method, until he obtained some measure of consistency that allowed him to propose theories. His most famous theories have been combined under a general concept of "the theory of evolution". He presented his work on "evolution" in two books, *The Origin of the Species By Means of Natural Selection* (1859) and *The Descent of Man and Selection In Relation to Sex* (1871). Consider the following passages from Charles Darwin's original work; the italicized portions in square brackets are explanatory notes that I have added.

> "As species have generally diverged in character during their long course of descent and modification, we can understand why it is that the more ancient forms, or early progenitors of each group, so often occupy a position in some degree intermediate between existing groups. Recent forms are generally looked upon as being, on the whole, higher in the scale of organization than ancient forms; and they must be higher in so far as the later and more improved forms have conquered the older and less improved forms in the struggle for life; they have also generally had their organs more specialized for different functions. This fact is perfectly compatible with numerous beings still retaining simple and but little improved structures, fitted for simple conditions of life; it is likewise compatible with some forms having retrograded in organization, by having at each stage of descent better fitted for new and degraded habits of life." [1]

> "The similar framework of bones in the hand of a man, wing of a bat, fin of a porpoise, and leg of the horse, -- the same number of vertebrae forming the neck of the giraffe and of the elephant, -- and innumerable other such facts, at once explain themselves on the theory of descent with slow and slight successive modifications. … On the principle of successive variations not always supervening at an early age, and being inherited at a corresponding not early period of life, we clearly see why the embryos of mammals, birds, reptiles, and fishes should be so closely similar, and so unlike the adult forms." [2]

> "Throughout whole classes various structures are formed on the same pattern, and at a very early age the embryos closely resemble each other. Therefore I cannot doubt that the theory of descent with modifications embraces all the members of the same great class or kingdom. I believe that animals are descended from at most only four or five progenitors [ancestors], and plants from an equal or lesser number." [3]

[Note: Apparently "class" and "kingdom" in this context are synonymous, and refer to mammals, reptiles, birds, fish, and insects. I have inferred this from two sources. The first is a glossary in The Origin of the Species, in which "mammalia" are called the "highest class of animals". The second is a section in Chapter 21 of The Descent of Man (paragraph 19) in which Darwin states: "In the several great classes of the animal kingdom,--in mammals, birds, reptiles, fishes, insects, and even crustaceans…"]

"The main conclusion here arrived at, and now held by many naturalists who are well competent to form a sound judgment is that man is descended from some less highly organized form. The grounds upon which this conclusion rests will never be shaken, for the close similarity between man and the lower animals in embryonic development, as well as in innumerable points of structure and constitution, both of high and of the most trifling importance, -- the rudiments which he retains, and the abnormal reversions to which he is occasionally liable, -- are facts which cannot be disputed." [4]

From the preceding statements, which is most likely within the kingdom of mammals, considered over the entire course of earth's history?

a) That birds are descended from dinosaurs.
b) That humans are descended from monkeys.
c) That monkeys are descended from tigers.
d) That elephants are descended from rabbits.
e) That cats are descended from dogs.

[1] Charles Darwin, *The Origin of the Species By Means of Natural Selection*, Chapter 15 "Recapitulation and Conclusion", paragraph 30.
[2] Charles Darwin, *The Origin of the Species By Means of Natural Selection*, Chapter 15 "Recapitulation and Conclusion", paragraph 35.
[3] Charles Darwin, *The Origin of the Species By Means of Natural Selection*, Chapter 15 "Recapitulation and Conclusion", paragraph 46.
[4] Charles Darwin, *The Descent of Man and Selection In Relation to Sex*, Chapter 21 "General Summary and Conclusion", paragraph 2.

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Question 67: Successful Acting Off-Screen

An actor is anyone who pretends to be someone they're not. If an actor works hard and persistently studies to become skillful at his profession, he can sometimes achieve great fame and earn a lot of money (that is, he becomes a celebrity, which is defined as being someone who is famous for being famous). When such an actor subsequently endorses a political proposition or supports some cause, he is often able to persuade many other people to adopt his views. Why are actors so successful in political causes?

a) Acting skill is extremely rare, and those who have been blessed with it generally have a higher intellectual capacity. The general public is smart enough to recognize superior intellect, and is therefore inclined to trust the opinions of actors.
b) Acting skill requires an unusual amount of insight into the character of people, which enables the actor to acquire a very keen sense of morality. The general public is smart enough to recognize superior moral perception, and is therefore inclined to imitate the actor and adopt his views.
c) Achieving success as an actor requires an inordinate amount of hard work that most people cannot even imagine. Those who have put in this kind of effort demonstrate their total commitment to something; therefore, their endorsement of a political cause indicates a true level of commitment not observed among ordinary people. The general public is smart enough to recognize the virtue of sincere commitment, and is therefore inclined to imitate the actor.

d) Being a famous and wealthy actor affords him the luxury of leisure time which he can use to increase his knowledge on subjects of interest to society. This is aided by his access to people of greater knowledge and he is then able to acquire true wisdom on important issues. The general public is smart enough to recognize true wisdom, and is therefore inclined to defer to the actor for guidance.
e) It is generally one of the above, although the motivation to trust actors' judgment may vary from person to person and with the importance of the political cause.

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Question 68: Home Ownership

Why is owning your own home a good investment?
a) In the long run, values of houses tend to go up, thus owning a home causes a person's net worth to increase over time.
b) The federal government and most state governments give homeowners an income tax deduction for interest payments made on a house (if it's a primary residence).
c) It is easier to customize and decorate one's own house to one's own tastes, which is not normally permitted when leasing or renting.
d) One will be able to live very cheaply after the house is paid off, whereas one never stops paying rent.
e) It is a combination of a), b), and d).

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Question 69: The Gang Problem

A certain community has been plagued by many years of violence by criminal gangs. These gangsters have engaged in street battles in which innocent people, sometimes even small children, were killed in the cross-fire. They have burned peoples' houses down, ruined the schools and parks, and hold loud parties that reduce the quality of life in the neighborhood. Children are afraid to go to school, and people in general are afraid to go outside after dark. Over the past ten years, 92 innocent people (24 of them children under the age of 10) have been killed by the gangs, with 264 others injured seriously enough to warrant hospitalization. The local police force has done the best they could with limited resources. They do manage to arrest a few gangsters after especially infamous crimes, but overall the neighborhood is becoming increasingly dangerous. Criminal activity by the gangs shows no signs of abating, despite the fact that the members of the gangs are well-known to the police and residents alike. The residents have found that complaining to City Hall is a waste of time, as the politicians say they are doing the best they can.

A group of residents decides to act in their own interests. They hold a secret meeting and develop a plan to take up arms, patrol the neighborhood, and attack and kill as many known gang members as they can find. A local informant finds out about the plan, and reports the residents to the police. What will happen next?
a) The Chief of Police will arrange a meeting with the residents, and offers to share all the information about the gangs possessed by the police, so that the gangs can be eliminated more efficiently.
b) The Chief of Police will order his men to assist the residents in any way they can.
c) The Mayor intervenes and convinces the residents to abort the plan and also orders the police not to aid the residents. He arranges for representatives of the residents and the various gangs to sit down and discuss the issues in the neighborhood, with the idea that a negotiated settlement can be worked out.
d) The Mayor tries to convince the State to fund a jobs-training program for the gang members. At the same time, he convinces the residents to hold off on their plan until the jobs program takes effect.
e) Some combination of the above.

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Question 70: Charitable Foundations

A famous person decides to set up a tax-exempt Foundation. He names the Foundation after himself (like the Ford, Carnegie, and Rockefeller Foundations), files all the necessary paperwork, and begins to solicit tax-deductible contributions from the public. Although the Foundation has zero assets at the beginning, the Foundation receives a great deal of money from the public owing to the founder's personal popularity. After withholding a small percentage for administrative costs, he bundles all the contributions received from the public into large amounts and gives the money away to various causes, such as AIDS research, literacy, etc. All of the donations are made in the name of the Foundation. What is the main benefit of this arrangement?

a) People get to take a tax deduction for their contributions.
b) The money contributed, except for administrative costs, goes to good causes that help the less fortunate.
c) Enough money can be concentrated in each of the charitable areas to make a real difference.
d) People feel better about themselves by helping others.
e) All of the above.

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Question 71: Risky Foods

Popular foods consumed by millions of people have been discovered to have a process involving a dangerous chemical in the manufacture of those food items. Upon investigation, it was discovered that manufacturers used a process in which a quantity of carbonic acid gas was dissolved in hydroxic acid, which then forms what the manufacturer claims is a safe, edible compound although it contains known levels of carbonic and hydroxic acids. Consider the following facts regarding carbonic acid gas and hydroxic acid.

Item: Carbonic acid gas, although naturally occurring, is a known asphyxiant. It is odorless and colorless. It is dangerous because in concentrations of 15% in air, carbonic acid gas causes unconsciousness, coma, and death. However, the carbonic acid gas used in the manufacture of the "edible" compound is 100% pure, that is, at more than seven times the lethal concentration.

Item: Hydroxic acid is an odorless, colorless liquid at room temperature. It is known to cause death in humans if too much of it penetrates into the lungs, which can occur in the process of ingesting the manufacturers' "edible compound". It is particularly deadly in children. In 2004, statistics show that children under the age of 14 died from this cause 14.73 times more frequently than adults over the age of 85.

Item: The "edible" compound containing these materials has no known health benefits, but has not been studied to determine if it poses any health risks. It is used merely for aesthetic reasons in the production of some foods.

With these facts in mind, what would be the most prudent course for regulation of these materials?

a) A study should be done to determine if anyone has been poisoned, and if so,
   1) The manufacturers should be prosecuted, and then
   2) These substances should be regulated the same as other poisons.
b) Manufacturers should require a license, be subject to periodic government inspections, and warning labels should be placed on all containers until the risk level has been determined.
c) Prohibition on sale to minors should be enacted to protect children.
d) An excise tax should be levied to discourage production and consumption since it has no known health benefits.

e) Manufacture, importation, possession, and consumption should all be prohibited, with an exemption for those entities specifically licensed to handle this material, due to the danger to children.

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Question 72: Congressional Workload

Consider the following chart, which contains data on the salaries of members of Congress [1] and the number of days Congress (House) was in session [2].

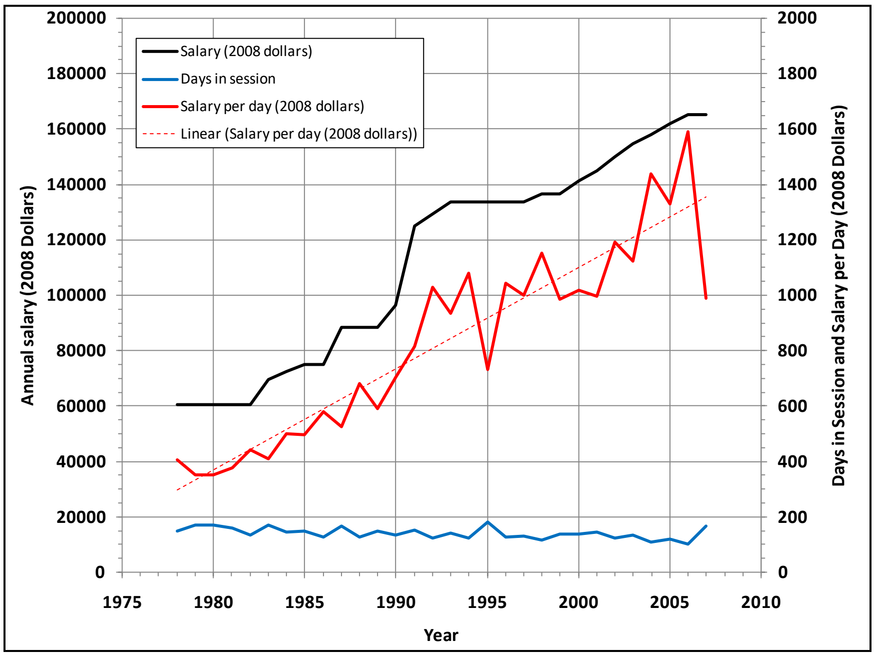

Figure 72-1: Congressional Salaries and Work Days

The black line shows the annual salary of House members for each year, normalized to 2008 dollars (the salary value is read from the vertical axis at left). The solid blue line shows the number of calendar days the House was is session for each year; the value is read on the vertical axis at right. The solid red line shows the salary per working day (annual salary divided by the number of days in session); the value is read on the vertical axis at right. Finally, the dashed red line shows a linear fit to the salary per day (value read at right); it indicates the general trend. What conclusions can be drawn from this data?

a) The annual salary has leveled off in the past two years, and the number of days worked has increased, driving the salary per day down. This trend will continue.

b) The salary per day is becoming too large compared to what ordinary people make. Eventually, Congress will either reduce the Congressional salary or work more days in order to bring their compensation more in line with ordinary people.

c) The salary per day is increasing only because the number of days worked is steadily decreasing. This shows that Congress is becoming more efficient. Therefore, the salary per day will increase, but that is a positive trend because it reflects increased Congressional productivity.

d) The salary per day line shows that Congress took pay cuts in 1979, 1983, 1987, 1989, 1993, 1995, 1997, 1999, 2001, 2003, 2005, and 2007. Therefore, it is only fair that the long-term trend of salary per day be upward to compensate for those cuts.

e) Either b) or c).

[1] Ida A. Brudnik, "Salaries of Members of Congress: A List of Payable Rates and Effective Dates, 1789-2008"; Congressional Research Service, The Library of Congress, 21 Feb 2008
[2] https://history.house.gov/Institution/Session-Dates/All/

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Question 73: Basketball and NASCAR

Two men, one white and one black, are being interviewed on TV. The two men are successful engineers being honored for their inventions and contributions to technology. The interviewer, who (as usual) understands nothing of the technology and inventions made by the two men, decides to spend most of the interview on subjects not related to the two engineers' expertise, focusing instead on two sports: basketball and NASCAR racing.

It turns out that the white engineer hates both basketball and NASCAR racing; he hates basketball because it finds it monotonous, and also hates car racing because he thinks there are too many phony rich people involved in the sport.

The black engineer also hates both basketball and NASCAR racing; he hates basketball because he thinks there are too many phony rich people involved in the sport, and he finds NASCAR racing to be monotonous.

Suppose the interviewer asks both about basketball and NASCAR racing. What responses should the two engineers give? This is a family-oriented show.

a) Everyone knows that engineers are nerds who should not waste our time giving opinions on anything. Both should simply lie, and say "I don't know anything about either one" and hope that the interviewer finally asks a relevant question.
b) The black engineer should give his honest opinion on basketball, since it won't offend either whites or blacks. But he should not give an opinion on NACSAR racing because whites might find it offensive. The white engineer should give his honest opinion on NASCAR racing, because that won't offend anyone, but should not give his opinion of basketball so as not to offend black people. In other words, they can comment on the sport they dislike so long as it is played primarily by people of their own race, but each should refrain from commenting on the sport they dislike if it is played mostly by people of the opposite race.
c) The black engineer can say anything he wants about basketball, and can mention that he doesn't like NASCAR racing so long as he compliments a famous white race car driver (preferably a deceased one) for being a good role model. The white engineer can say what he wants about NASCAR racing, and can mention that he doesn't like basketball, so long as he compliments a famous black basketball player (preferably a deceased one) for being a good role model.
d) The question is illogical because it is inconceivable that a black person could dislike basketball, or that a white person could dislike NASCAR racing.
e) Any of (a), (b), or (c) is acceptable.

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Question 74: Public Harassment

A certain homosexual man is consistently being harassed and intimidated by people who are opposed to the "gay lifestyle". He has been assaulted several times (requiring hospitalization), lives in fear for his life, and is thinking of buying a gun for self-defense. However, it is illegal to own, possess, or carry a gun in his city. The city is economically distressed, and he is unable to sell his house and move away. What should he do?

a) File complaints with the police, and depend on them for protection.

b) Turn "straight".
c) Get a gang of gays together, go out and administer a beating one of his assailants; that will send a message to his abusers and solve the problem.
d) Hire some lawyers and attempt to sue his antagonists for harassment and violations of his civil rights.
e) A combination of a) and c).

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Question 75: Responsibility

If a married couple makes a decision about something, and the decision turns out to be wrong, which is the best method to determine who takes the responsibility for it?
a) Whoever yells the loudest gets to blame the other one.
b) The one who feels the least guilty about it has to take the blame.
c) Neither should have to take responsibility for it.
d) The couple should agree to blame someone else.
e) The couple should discuss the situation rationally and mutually agree on who should take the responsibility.

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Question 76: Using Realtors

When buying a house, many people use the services of realtors, who are licensed specialists in handling real-estate transactions. Usually they operate in "territories", and acquire an extensive knowledge of the neighborhoods and school systems. Normally they will assist the buyers in helping them get around, and "showing" the houses for sale. Their fee for this service is normally 7% of the selling price of the house, which is paid by the seller out of the proceeds of the sale. What are the benefits of using a realtor if you are buying a house?
a) The realtor provides protection for the buyer against unscrupulous sellers, since they work directly with and therefore, have a vested interest in satisfying the buyer.
b) The services rendered by the realtor are paid by the seller, so whatever the realtor does is ultimately free to the buyer.
c) The realtor can provide legal advice on the complexities of real-estate law and regulations governing these transactions.
d) Since the realtors are licensed, the buyer can be confident that every property listed for sale is listed accurately with regard to age, conditions, known defects, and any existing liens against the property.
e) All of the above.

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Question 77: Short-Term Sacrifices

A certain man has a full-time job. Every work day (Monday through Friday), he spends an average of $7.00 for lunch. His wife has offered to make him a lunch every day (which would cost about $2.00 per day). Suppose the man took his wife up on her offer, and invested the $5.00 per day in mutual funds that received an average annual return of 8%. Will saving these small amounts make any economic difference over the long run, say 20 or 30 years? To assess this question, the formula for calculating the value of an investment with a fixed annual return is (neglecting inflation):

$A = P(1.0 + r)^n$,

where P is the amount invested, r is the rate of return expressed as a decimal (8% = 0.08), n is the number of years the money is invested, and A is the value of the investment after n years. In this case, P would be the amount saved in a year. Inflation is ignored here because we are interested in the buying power, not the number of dollars. (Including inflation makes the calculation more difficult, and increases the number of dollars the investment is worth, but those dollars have less buying power). The effect of inflation does not change the general answer to this question.

a) It is not worth it because "brown-bagging" is not cool, especially if one is a white-collar worker. In our image-conscious society, people think "brown-bagging" is a sign of cheapness, and appearing cheap may impede one's chances of getting ahead.
b) "Brown-bagging" over long periods of time is bad for the environment because several trees will probably have to be sacrificed to manufacture the bags, so it is not worthwhile.
c) It may be worthwhile for short periods when money is tight, or if one's workplace is far away from restaurants, but is otherwise socially degrading.
d) It is not worth it; the amount accumulated will be so small that he would have been better off to enjoy buying his lunch every day.
e) It is not worth it in general, for a combination of the above reasons, and possibly some others.

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Question 78: Marginal Income Tax Rates

The U. S. has a graduated personal income tax system. This means that income levels are divided into several levels, and those income divisions are taxed at different rates. The tax rates increase as the amount of income increases. The tax rate of the lowest division of income is called the "base rate", and all the other tax rates at the higher income levels are called "marginal rates". As a person's income increases, the marginal rates become higher; hence the name "graduated tax". For example, in tax year 2014, the income level divisions and marginal rates for single persons and married couples were:

a) 10% rate for incomes between \$0 and \$9,075 (single person), \$0 to \$18,150 (married)
b) 15% rate for incomes between \$9,075 and \$36,900 (single), \$18,150 to \$73,800 (married)
c) 25% rate for incomes between \$36,900 and \$89,350 (single); \$73,800 to \$148,850 (married)
d) 28% rate for incomes between \$89,350 and 186,350 (single); \$148,850 to \$226,850 (married)
e) 33% rate for incomes between \$186,350 and \$405,100 (single); \$226,850 to \$405,100 (married)
f) 35% rate for incomes between \$405,100 and \$406,750 (single); \$405,100 to \$457,600 (married)
g) 39.6% rate for incomes above \$406,750 (single); and above \$457,600 (married)

There are slightly different marginal rates for "heads of household", but those are not relevant for this topic.

The overall size of the federal government depends on how much tax revenue it can obtain. It is clear from the tax schedule above that those who earn more must generally pay more in taxes. Some activists desire to reduce the size of the government by using a tactic they call "starving the beast". The idea is that if marginal tax rates are reduced, the government will receive less income tax revenue, and thus will ultimately force the government to reduce its budget targets. The claim is that in the long run, steadily declining revenue will require the government to reduce its spending and therefore its size. In other words, nearly all taxpayers would have more money left over from their paycheck. In what ways could this policy "starve the beast"?

a) Money that would otherwise go to the government can be spent on appliances, cars, etc; the benefit accrues to selfish individuals and deprives the government of some revenue.
b) Money that would otherwise go to the government can be spent on furthering one's education; the benefit accrues to selfish individuals and deprives the government of some revenue.

c) Money that would otherwise go to the government can be spent on charitable causes. The benefit accrues to the less fortunate, but deprives the government of some revenue.
d) Money that would otherwise go to the government can be spent on vacations or saved for the future; either way, the benefit accrues to selfish individuals and deprives the government of some revenue.
e) All of the above to varying degrees, depending on individual preferences.

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Question 79: Crooked Presidents

Which of the following are crooks?
a) A U. S. President who covered up a burglary of the opposing political Party's headquarters that was engineered by a group of his subordinates.
b) A U. S. President who committed perjury for the purpose of obstructing justice in order to deprive a citizen of their legal rights in a civil case in which the President was a defendant.
c) A U. S. President who authorized and enforced a mandatory confiscation of all gold possessed by Americans.
d) A U. S. president who knowingly used questionable evidence to entice Congress into authorizing a foreign war.
e) All of the above.

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Question 80: Secret Codes

A certain foreign group is in the business of smuggling heroin into the U. S. They are aware that the FBI and DEA have tapped their phones and are monitoring their emails. They wish to communicate to their allies in the U. S. that: a) a shipment of 40 kg of heroin is available; b) it will brought into New Orleans, LA on the 14th of April; and c) they will meet their co-conspirators at the pre-arranged safe-house at noon. It is decided send this message by posting it on a blog using a pre-arranged user name, and using an encryption method developed by the group and their allies. Thus, even though the blog is being monitored by the FBI and the DEA, they believe a sufficiently strong code will prevent the police from figuring out what is going on.

Here are the candidate codes they have developed, each of which sends the message above:
1) `XCV TY YORE BNY EDT WSAAAW PLLU GJJ GYEWQ`
2) `B9X42 N83 FGJPT 6HOGD 9JNU 49 BPO954E VB6 R5 4E3F GA 78HB`
3) `83927 83261 90943 74835 12772 81934 61732 91846 91034 17283 81926 88225`
4) `#7(*^ %^#ED *(K 7H 9JH6& FgR^N GhE$4 GH*dE H&%%B &()UH eRbVG`

Which is the most effective way for the drug dealers to send their secret message?
a) Code #1, because it is the shortest, and hence the most efficient.
b) Code #2, because it uses numbers and letters and has no repeating sequences.
c) Code #3, because it consists only of numbers in a uniform sequence of 5 characters, which does not give any hint about what words are being represented.
d) Code #4, because it uses all the upper and lower case letters plus the special characters on the keyboard, and therefore is more difficult to break.
e) The group should use commercial encryption software.

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Question 81: Buying a New Car

A person went to a new car dealer to buy a new car. He found one that he was interested in, and the dealer offered to let him take a test drive, but required that the prospective buyer first provide his drivers license so the dealer could make a copy of it before the test drive. Why did the dealer want to see the license and make a copy?

a) To check with the police to see if the prospective buyer has any outstanding arrest warrants and report him to the local police.
b) To make sure the prospective buyer is legally allowed to buy a car.
c) To see if the prospective buyer has any unpaid parking tickets, and report him to the local parking violation bureau.
d) To verify that the prospective buyer has adequate automobile insurance, in case of an accident during the test drive.
e) Some combination of the above, which varies from state to state depending on the state and local laws.

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Question 82: The Penny

There has been some discussion in recent years about the utility of small-denomination U. S. coins such as the penny and the nickel. Some people have concluded that we would be better off to abolish these coins. What is the most plausible reason for abolishing the penny?

a) The buying power of the penny is so low as to not be worth continuing; for example, there is no such thing as "penny candy" any more.
b) The penny is too heavy to justify carrying around, when considered with regard to its buying power.
c) The effect of monetary inflation has made penny nearly worthless. People don't even collect change if it is only a few cents; people won't stop to pick up a penny on the street.
d) It has always been an inconvenience, since it is nearly the same size as a dime.
e) It is some combination of a), b), and c).

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Question 83: Rat Sightings

There are 8.143 million (8,143,000) people and an estimated 25 million (25,000,000) rats in the New York City metropolitan area. Suppose that the estimated rat population is accurate. The area of the metropolitan area is 322 square miles (8,976,844,800 square feet). Therefore, the population density of rats is 25,000,000/8,976,844,800 = 0.002784 rats per square foot, or one rat for every 359 square feet. Likewise, the density of people is 8,143,000/8,976,844,000 = .000907 persons per square foot, or one person per 1102.4 square feet. Since the density of rats is higher, and an area of 359 sq. ft. is a square with sides 18.9 ft long, and since the distance from the center of such a square to any corner (where a person could be) is 13.4 ft, a researcher has concluded (to a first approximation) that a person in New York City is at most (on average) 13.4 ft. from a rat.

On the other hand, another researcher conducted a survey about how often rats are observed in New York City. Some people reported seeing rats every day, while others could not recall the last time they saw one, even for protracted periods. A survey was taken in 2002. In the survey, people were asked if they had seen rats or evidence of rats in their homes in the previous 90 days. On the upper end, 43% of Hispanic people with income less than $25,000 had seen rats or evidence of them, while only 10% of white people making over $50,000 saw them [1]. Other income levels among whites and Hispanics fell between these two extremes, as did the data for black people of all income levels.

How can these two sets of facts about rats be reconciled?

a) They can be reconciled if one recalls that white people and some upper-class black people have high rates of baseball bat ownership, which rats fear the most.
b) They can be reconciled if one realizes that some people in New York live in expensive neighborhoods and others live in slums because they are victims of the rich. Since rats prefer to live in the poorer neighborhoods because the rodent controls are not as effective, it is logical that some (the poor) see rats every day while others (the rich) never see them.
c) They can be reconciled if one recalls that averages do not apply here because rats prefer to live near people of Hispanic descent because Hispanics throw out a lot of unused vegetables, which are the favorite food of rats.
d) The data can be reconciled because most blacks and nearly all whites will deny or minimize any rat problems in their homes, whereas Hispanics are much more honest.
e) The data can be reconciled because most Hispanics will exaggerate any rat problems in their homes.

[1] A. Karpati, B. Kerker, F. Mostashari, T. Singh, A. Hajat, L. Thorpe, M. Bassett, K, Henning, T. Frieden, *Health Disparities in New York City*, NY: New York City Department of Health and Mental Hygiene, 2004, p. 23

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Question 84: The Cabinet Officer

Article 2, Section 2 of the U. S. Constitution states, regarding the office of the President:

> "He shall have power, by and with the consent of the Senate, to make treaties, provided two-thirds of the Senators present concur; and he shall nominate, and by and with the advice and consent of the Senate, shall appoint ambassadors, other public ministers and consuls, judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law; but the Congress may by law vest the appointments of such inferior officers, as they think proper, in the President alone, in courts of law, or in heads of departments."

The President's Cabinet members fall under the category of "officers of the United States", and require confirmation by the Senate. A member of the U. S. Senate once voted against the creation of a federal Department of Education (although it passed). But now, many years later, he has been nominated by the President to be the Secretary (head) of the Department of Education. On what grounds should the Senate confirm or not confirm him?

a) His original opposition to the creation of any federal Department proves that he cannot be trusted to lead any department. Therefore the Senate should not confirm him.
b) The Senate should not confirm him. The fact that he voted against the creation of the Department proves he is opposed to education, so schools will get worse under his "leadership".
c) The Senate should not confirm him. If he voted against the creation of the Department, then it is likely that he has contempt for teachers, teachers unions, Department of Education workers, and children in general. Such a person would not command respect within the department.
d) The Senate should confirm him only in the interest of getting him out of the Senate. True, his original vote proves he is unqualified, but he will do less harm overall as a member of the bureaucracy than as a member of the Senate.

e) The Senate should confirm him only if he promises not to change current policy and promises to recuse himself from budget debates; that way, his biases against education will have no practical effect.

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Question 85: Energy-Efficient Commuting

Four people commute to work in the following ways. Person A drives a very fuel efficient car that gets 50 miles to the gallon; he drives alone 75 miles each way to work. Person B drives alone in an old inefficient pickup truck that gets 12 miles to the gallon; he drives 12 miles each way. Person C drives a car that gets 25 miles to the gallon. He drives it alone 5 miles each way to a light-rail station. There he gets on public light-speed rail; each train consists of 4 cars, and each car holds up to 30 people. The train is electric, but its energy usage is the equivalent of 2 miles to the gallon, and his commute on the train is 20 miles each way. Person D takes the city bus 16 miles each way; the bus gets 4 miles per gallon, and holds up to 60 people. Figure 85-1 shows a summary for each person.

Person	Total Miles Alone	MPG Traveling Alone	Total Miles, Mass Transit	MPG, Mass Transit	Maximum Number of Passengers, Mass Transit
A	150	50	0	N/A	N/A
B	24	12	0	N/A	N/A
C	10	25	40	2	120
D	0	N/A	32	4	60

Figure 85-1: Data for Energy Usage in Commuting

Assume that all the mileages are calibrated to the same blend of gasoline (although they may actually use different fuels). Which person uses the most efficient means of energy expenditure in the course of getting back and forth to work?

a) Person A
b) Person B
c) Person C
d) Person D
e) Indeterminate exactly, but it is either Person A or D.

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Question 86: Identity Theft

An insurance company offers insurance against identity theft. It covers you for all losses you incur due to the fraudulent use of your identity, should it be stolen. On average, identity theft cases result in losses of about $3,500. The insurance company offers various types of coverage at various costs described below. What is the best value for the money, considering the risk?

a) For $10 per month, there is a $750 deductible, after which the insurance company will cover all losses up to $5,000, and will cover 50% of losses above $5,000 up to $10,000. The insured is responsible for half the losses between $5,000 and $10,000, and all the losses above $10,000.
b) For $15 per month, there is a $1,000 deductible, after which the insurance company will cover all losses up to $50,000. The insured is responsible for losses above $50,000.
c) For $25 per month, there is a $3,000 deductible, after which the insurance company will cover all losses up to $100,000. The insured is responsible for losses above $100,000.

d) For $35 per month, there is no deductible, and the insurance company will cover all losses up to $75,000, and 80% of all losses thereafter up to $250,000. The insured is responsible for losses above $250,000.
e) For $50 per month, there is no deductible, and the insurance company will cover all losses up to $1,000,000.

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Question 87: Athletic Statistics

On a football team, a "cornerback" is a defensive player whose main job is "pass defense". His job is to "cover" the other teams' pass receivers. His duties include preventing the receiver from catching a pass from the quarterback, intercepting the pass if he can, and tackling the receiver if he does catch a pass from the quarterback. He also has other defensive duties related to defending against running plays and blocking.

What would be the best way to determine, based on statistics collected over player's careers, of which cornerbacks were the most highly skilled at pass defense?

a) Total number of interceptions of passes.
b) Total number of tackles made against receivers who caught passes.
c) Sum of total number of interceptions and number of passes broken up.
d) Sum of total number of interceptions and fumbles forced (i.e., total "turnovers").
e) Some weighted combination of all of the above.

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Question 88: Social Security and Your Estate

A man graduated from high school in January of 1972, and went to work in an office immediately afterwards. His initial salary was $10,500 per year. Over time, he received raises and promotions. His income rose on average 3.5% per year. He never married, never had children, and died suddenly in 2006 at age 52. During his working life, he paid in the required percentage of his income in Social Security payroll taxes, and his employer paid in an equal amount. Both types are required by law, with certain exception for agricultural workers, which did not apply to this man. At the time of his death at the end of 2006, his equivalent hourly wage was $16.57 (annual salary = $33,819.03).

Figure 88-1 shows his income by year (in red), and the total Social Security taxes paid in over his working lifetime (in black). The total FICA Social Security tax paid during his lifetime was $82,108.07; half was paid by the man, and half was paid by his employer. The earliest age at which Social Security retirement benefits can be paid is 62. Since he did not live long enough to collect any Social Security retirement benefits, how much did his estate receive from the Social Security Administration after his death?

a) His estate received a total slightly more than $82,108.07, since FICA contributions are invested in U. S. Treasury bonds, which earn a small amount of interest. It is difficult to calculate exactly because of the bond maturation schedule. No taxes are due.
b) His estate received exactly $82,108.07 (the total paid in by the man and on his behalf by his employer) since Social Security benefits are not invested, and do not earn interest. No taxes are due.
c) His estate received $41,054.04, which is the amount the man contributed. It would not be fair for him to receive contributions made by his employer. No interest is paid, but no taxes are due.
d) His estate received $34,895.93, which is his contribution without interest ($41,054.04), but with income taxes taken out (15% marginal rate).

e) His estate received an amount equal to the last 40 quarters (10 years) of his contribution, less 15% income taxes. In the last 10 years of his working life, his contributions totaled $18,048.43; this amount less 15% comes to $15,341.16, which was paid to his estate.

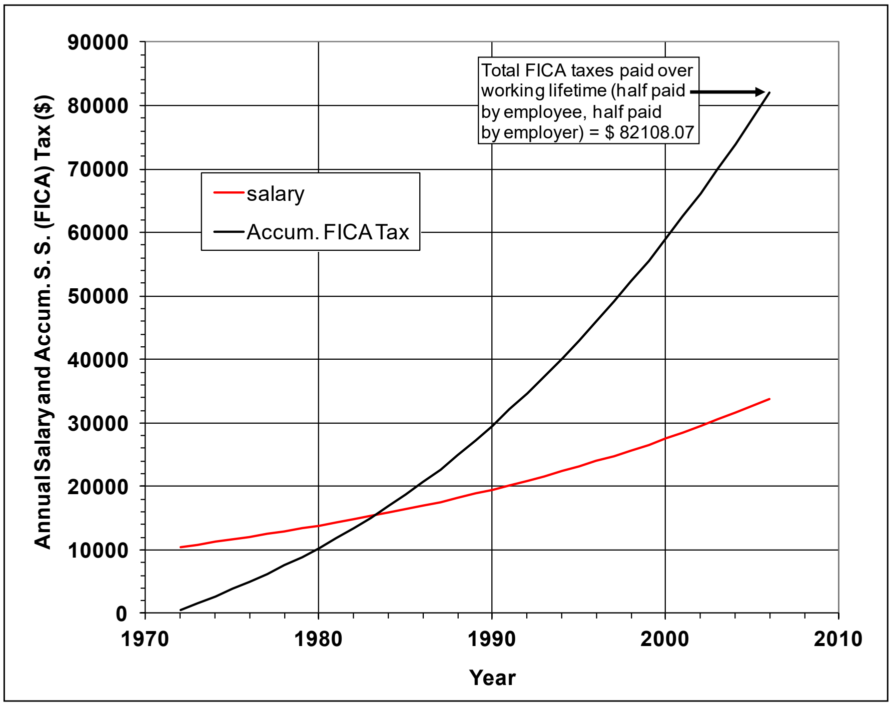

Figure 88-1: Income and Social Security Taxes Withheld

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Question 89: Public Disclosure

The Governor of a certain State desired to appoint a certain man to a position in his Cabinet. It is very important that this person be confirmed by the State senate because giving this particular person the appointment will serve to unite their political party. The prospective appointee has worked as a lobbyist and used his connections within the State government to influence policy. He also operates a political action committee (PAC), taking in donations from contributors and distributing them to other activist groups so they will have funds to pursue their agendas. He is rumored to have many connections to foreign interests, to some domestic corporations, and activist groups that routinely seek special favors from the State government. Some in the media and many citizens have claimed that the candidate cannot be impartial in carrying out his duties if appointed. In order to avoid the negative publicity, the Governor and candidate held a joint news conference wherein the candidate promised full disclosure of his financial and political ties. What is likely to happen next?

a) The candidate will set up a public-access website and list all the contacts, working relationships, and financial transactions of his PAC over the past twenty years.
b) The candidate will provide a list of all the contacts, working relationships, and financial transactions of his PAC over the past twenty years to the media that has been most vocal in demanding it, which they may review and publish as desired.
c) The candidate will hold a series of "town meetings" with all the relevant data on contacts, working relationships, and financial transactions of his PAC for the past twenty years, and answer any questions the public may have.

d) The candidate will send full documentation to all interested parties, which will contain all the relevant data on contacts, working relationships, and financial transactions of the PAC over the past twenty years.
e) The candidate will do at least two of the options cited in a) through d) in the interest of honest government.

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Question 90: Speeding Ticket Probability

A certain district lies along 25 miles of Highway U. S. 193, where the speed limit is 55 MPH throughout. The police force in this district issues speeding tickets based only on radar readings, and the department regularly calibrates its equipment to make sure the readings are accurate. It is also department policy to issue tickets only if the driver is more than 7 MPH over the speed limit (i.e., is considered speeding only if going more than 62 MPH). Over the long run, the probability of getting a speeding ticket in this locality is 0.2 (meaning that over a long period of observations, 20% of people who were going faster than 62 MPH got tickets).

Consider the following situation. It is a Tuesday morning, after the rush hour. The weather is clear and traffic is light in this locality on Hwy U. S. 193. The police officers on duty at this time checking for speeders are 30% black male, 40% white male, 20% black female, and 10% white female, which is approximately the racial makeup of the police force at most times. A black woman in a foreign sports car was going 73 MPH in the 55 MPH zone. What is the likelihood that she will get a speeding ticket?
a) 50%, because half the officers on duty are white.
b) 100%, because she is driving a foreign car.
c) Greater than 50%, because more than half the officers on duty are men.
d) Either zero or 100%, depending on the race of the officer who sees her first.
e) This question is illogical because everyone knows that black women never exceed the speed limit.

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Question 91: Legal Exemptions

A Bill was introduced in House of Representatives during the 111th Congress (2009-2010) called H. R. 45 (6 Jan 2009), named "The Blair Holt's Firearm Licensing and Record of Sale Act of 2009". The bill, if passed into law, would require:
1) Every person is to obtain a federal license to buy, sell, or possess any firearm;
2) All persons who owned a firearm prior to enactment of the law to obtain a license for those firearms;
3) Each person would have to apply for renewal of the license every five years;
4) Each person would have to pay a fee to obtain the license;
5) All firearm sales would be permanently recorded in a federal database;
6) All persons seeking to buy or possess a firearm would be required to submit to a background check;
7) A licensee would be required to report theft or loss of a firearm to federal authorities within 72 hours;
8) Licensees would be required to maintain secure storage of all firearms such that persons under age 18 cannot access them;
9) Firearms owners would be required to permit the federal government to search without warrants any facility where firearms are stored, manufactured, or held;
10) Persons seeking a license would be required to pass an examination on handling, use, and storage of firearms; and
11) Imposition of various penalties for violations of any of the foregoing.

However, Section 801, called "Inapplicability to Governmental Authorities", states:

> "This Act and the amendments made by this Act shall not apply to any department or agency of the United States, of a State, or of a political subdivision of a State, or to any official conduct of any officer or employee of such a department or agency".

One of the stated justifications for the bill is "to protect the public against unreasonable risk of injury and death associated with the unrecorded sale or transfer of qualifying firearms to criminals and youth".

Why is it necessary to exempt every level of the government and their employees from this Act?

a) Requiring government agencies and their employees to comply with this Act would reduce their efficiency.
b) Requiring government agencies and their employees to comply with this Act would cost too much money that could be devoted to more important objectives.
c) Requiring government agencies and their employees to comply with this Act would cause unnecessary confusion over which agency is to defer to which other agency.
d) Requiring government agencies and their employees to comply with this Act would interfere with the powers of the governments under the respective Constitutions.
e) All of the above.

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Question 92: Overall Government Policies

Which of the following general government policies will contribute to general happiness and prosperity of the people?

a) An economic policy that eliminates profiteering by the business community.
b) A political policy by which the government itself will gradually give up power because everyone will be equal.
c) A foreign policy of assisting all the people of the world in their desire to pursue freedom.
d) A policy of public decision-making based on scientific facts and advances.
e) All of the above would be beneficial policies.

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Question 93: Actors and Dictators

A wealthy American-born celebrity Hollywood actor routinely visits a nation that is ruled by a ruthless dictator. Although the dictator uses populist rhetoric, the economy and political system is actually run as a closely-held corrupt oligarchy, and the poor continue to be worse off each year. Also, the people have no civil liberties to speak of (and in fact are prohibited from immigrating out of the nation). However, the actor consistently praises the dictator as a man of the people, a champion of the poor, a defender of the rights of the common man, and as a model of what every government leader should be. The actor and dictator are not related by blood or marriage, nor does the actor have business or family ties to this nation. Why would a famous American actor bother to make any comments about the internal politics and economics of a nation run by a dictator?

a) The actor recognizes that poverty can only be alleviated if the government steps in and guides each person's work, ensuring that each person is assigned the work for which he is best suited.
b) The actor thinks it important to give dictators some positive publicity in the interest of fairness; the actor knows how it feels to be rejected since he had many unsuccessful auditions early in his career.
c) The actor wants to help the poor people of the foreign nation by giving the dictator sufficient publicity so that the people can understand why the dictator's programs are good for them.

d) The actor admires the orderliness of the dictator's nation, in contrast to the usual chaos on a movie set.
e) Some combination of the above.

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Question 94: Helpful Welfare

In the 1960's the federal government instituted a program of assisting young women who had illegitimate children. This aid came in the form of cash payments, housing at low rents, and assistance for food and medicine via government-issued stamps that could be used as cash for most grocery and medical items. In what ways were these programs beneficial to the recipient?
a) It allowed the young women to provide for their children in a safe and secure environment, without the violations of privacy and crowding that would prevail if she had continued to live with her parents.
b) It allowed them sufficient spare time to pursue education or other career training.
c) It allowed them to live independently, and although they were initially poor, they would eventually be able to rise to the middle class.
d) It provided them with an additional income if she chose to get married, even if her husband was working.
e) All of the above.

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Question 95: Presidential Debates

Why is it important for the voters to watch the Presidential debates?
a) Because it is one of the few times that the voter gets to hear both candidates explain their policies.
b) Because the candidates receive sufficient time to show how their policies will work, which is more effective than the usual 30 second commercial.
c) Because the debates are sponsored by the League of Women Voters, which ensures that the debate is conducted in a non-partisan way.
d) The debates allow all the candidates equal time.
e) All of the above.

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Question 96: News Coverage

Consider these two fictional newspaper stories.

Ex-County Executive Gets Jail Time for Multiple Felonies

> David S. Ramsey, former Republican County Executive of Hamilton County, Arkansas, received an unusually light sentence of 8 years and 2 months in a federal prison for many sensational crimes, among which are (unsurprisingly) witness intimidation, mail fraud, and bribery.
>
> Ramsey's defense team presented a bizarre argument for probation, claiming that Ramsey had spent many years as a public official, and was known as "a good husband and father that had made some serious mistakes but was sincerely repentant for his actions". Prosecutors had demanded that Ramsey be sentenced to the maximum 30 years as allowed for these three convictions. But U. S. District Judge Paula Wilson, who willfully ignored the guidelines, sentenced the former Republican

politician to a shorter term that is in fact less than one-third of the maximum. Ramsey will also have to pay a $100,000 fine, less than one year's pay from his former $110,000 salary, and will also have to pay a paltry $250,000 in restitution.

Ramsey, 65, had been a state representative for the township of Richmond. When Democratic County Executive Sheila Watson was killed in a tragic automobile accident, Republican Ramsey seized the opportunity presented by the vacancy, and took over her office in a special election in 1993. He was accepted by the voters during a few of his early years in office, winning elections in 1994 and 1998 with about two-thirds of the vote. Due to a curious quirk in the law, even though he will be in jail for multiple felony convictions, Ramsey will continue to receive his $75,000 annual pension throughout his prison term. Wilson was appointed to the bench by Republican President Richard Nixon.

Ex-County Executive Receives Sentence

Former Delaware County Executive George F. Dunaway was sentenced to ninety-eight months in federal prison in a questionable corruption case.

Prosecutors had demanded that Mr. Dunaway be sentenced to 30 years, technically the maximum allowable for convictions of this type. Dunaway's defense team respectfully petitioned the judge for probation. U. S. District Court Judge Sandra McMillan rejected the plea for leniency from the public servant's legal team, ordering Mr. Dunaway to pay a heavy $100,000 fine and imposed an additional harsh requirement to pay a quarter of a million dollars in restitution, in addition to the long prison sentence.

Mr. Dunaway was convicted last year of mail fraud, bribery, and witness intimidation in a trial of questionable legitimacy. His defense team noted that Dunaway had been a long-time public servant who was "a good husband and father … who was sincerely repentant for his actions". Tragically, Mr. Dunaway will be 73 years old by the time he is released from custody.

Dunaway (D) was a well-known state representative from Marlboro Heights who ran successfully for County Executive in a 1993 special election upon the death of then-Executive Thomas P. Randolph (R) in a car accident. He became wildly popular public official, winning re-elections in 1994 and 1998 by overwhelming 66% majorities in both races. As County Executive, Mr. Dunaway's annual salary was $110,000 per year, and he will justly continue to receive a $75,000 annual pension for his service. Judge McMillan was appointed to the U. S. District Court by Democratic President Jimmy Carter.

Which of the following is true, based on these two stories:

a) Judges appointed by Democratic Presidents tend to give higher sentences because they are tough on crime.
b) Republican judges find a way to help other Republicans convicted of crimes.
c) Ramsey should have received the full 30 years because he took advantage of someone's death.
d) Prosecutors in the Dunaway case attempted to trick Judge McMillan by citing technicalities, which could have resulted in an unfair sentence for Dunaway. Fortunately, McMillan was smart enough not to fall for the tricks.
e) Dunaway did not have the benefit of an adequate defense.

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Question 97: NSA Leaks

Consider the following sequence of events. On 11 Sep 2001, adherents of Osama bin Laden hijacked U. S. airliners and flew them into the World Trade Center Buildings in New York and the Pentagon in Washington DC. All of the following information was taken from newspaper and magazine articles, but, for the sake of argument, assume all of what follows is true. Once the federal government figured out who was behind the attacks, it engaged in a series of actions to combat terrorism. One of those actions was that President George W. Bush, in 2002, signed a secret directive authorizing the National Security Agency (NSA) to conduct email searches and make recordings of phone calls within the U. S. without a warrant, so long as one end of the party was overseas. Normally a warrant to conduct this kind of surveillance is required under the 1978 Federal Intelligence Surveillance Act (FISA). Some government officials were concerned about the legality of the program (since it was authorized by Presidential order instead of by Congress), and secretly provided information about the secret program to reporters working for the New York Times. Because of the sensitive nature of the program, the New York Times agreed not to disclose its sources. The administration learned about the disclosure of the program, and asked the New York Times not to publish the story. The New York Times held off for about a year, but then went public with the information on 16 Dec 2005 [1]. The revelation led to debates in Congress, and a law was subsequently passed in Aug 2007 allowing the NSA to continue to perform this function. Prior to the passage of the new law, the President withdrew the authorization for it, according to a letter by Attorney General Alberto Gonzales, 17 Jan 2007. It was later learned that Thomas M. Tamm, an employee of the Justice Department, was one of the people who revealed the NSA program to the *New York Times* reporters in 2004, although he was not directly involved in its execution (he was never "read into" the NSA program) [2]. Apparently he learned about it indirectly while working on unrelated programs in and around the same offices where the NSA surveillance was being conducted. Mr. Tamm subsequently lost his job at the Justice Department, apparently due to an unrelated issue. Although his house was searched, Mr. Tamm has not been arrested. Assuming all of the preceding is true, what is likely to happen next?

a) James Risen and Eric Lichtblau, the reporters for the *New York Times*, will be arrested and tried for endangering national security.
b) The *New York Times* will be shut down for publishing a story that endangered national security.
c) Michael Isikoff, the columnist for *Newsweek*, who revealed the identity of the leaker, will be prosecuted for interfering in an investigation.
d) Thomas M. Tamm, the person who leaked the program to the *New York Times*, will be prosecuted for revealing the classified methods used by NSA to conduct domestic surveillance.
e) Both a) and d).

[1] James Risen and Eric Lichtblau, "Bush Lets U.S. Spy on Callers Without Warrants", *The New York Times*, 16 Dec 2005: available at:
https://www.nytimes.com/2005/12/16/politics/bush-lets-us-spy-on-callers-without-courts.html
[2] Michael Isikoff, "The Fed Who Blew the Whistle"; *Newsweek*, 13 Dec 2008, available at:
https://www.newsweek.com/whistleblower-who-exposed-warrantless-wiretaps-82805

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Question 98: L. B. Johnson and G. W. Bush

What are the main differences between Democratic President Lyndon B. Johnson (36) and Republican President George W. Bush (43)?

a) Bush got the nation involved in foreign war in Iraq which some claim was justified on false pretenses, whereas Johnson responded properly to the attacks made by the North Vietnamese in the Tonkin Gulf Incident.
b) Johnson helped poor and middle class people by encouraging Congress to pass Medicare, while Bush cut taxes for the rich.
c) Johnson became President by defeating Goldwater in a landslide in 1964; whereas Bush defeated Gore by a very narrow margin, which required an extensive recount in Florida and ultimately a decision by the Supreme Court.

d) Bush was born and raised in Texas; in fact he served as Governor of Texas before being elected President. Johnson spent nearly his entire life in Washington, DC, although he was born in Texas.
e) All of the above.

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Question 99: Staff Work

Many members of Congress hire their spouses or other relatives to work on their permanent campaign staff or political action committees [1]. These people are paid by either the campaign funds or from contributions made to the political action committees. It is not necessary that the relatives, as employees, perform any particular task as part of their employment. It is legal for members of Congress to put relatives on their payroll for these jobs, but in what ways might it be considered unethical or immoral?
a) If it's legal, then it cannot be unethical or immoral, so this question is irrelevant.
b) It constitutes nepotism, in which family members get special treatment (good paying jobs) simply for being relatives.
c) It is possible that the relatives are no-shows, simply being paid as a means to enhance the family income without actual work being performed.
d) It is possible that the family member is less qualified than other people to perform these tasks, so the organization is not getting the best talent for the money.
e) Some combination of b), c), and d).

[1] Dick Morris and Eileen McGann, *Outrage*, New York: HarperCollins Publishers, 2007, pp. 111-115

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Question 100: Multiple-Guess

Are multiple-choice questions the most accurate way to choose among possible alternatives?
a) Yes
b) No
c) Maybe
d) Sometimes
e) Indeterminate, it depends on the subject of the question.

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Question 101: Virtue of the Test

In your opinion, how useful was this test?
a) Completely useless
b) Mostly useless
c) So-so
d) Somewhat useful
e) Very useful

3
A Retrospective on the Questions

You have seen firsthand that the questions covered a wide range of issues: economic, political, and social because all of these will come up in the course of your adult life.

Second, they were presented in random order, not neatly divided up by subject as is done in school. These issues will also arrive in random order, usually at unexpected times.

Third, the questions required a variety of skills to analyze and solve; some are mathematical, some were logical, some are historical or political, and some rely on good old common sense. Some required a little research, and others rely on instinct. Common sense is not all that common. (Maybe it wasn't as common in the past either, as some would have you believe). I believe the influence of social and corporate media has contributed to a decline in the traditional habit of gathering facts, sorting them, and arriving at consistent conclusions. The media and the loud activist groups demand immediate reaction, hoping to bait you into a false conclusion.

These questions then were designed to check on how well your education prepared you for practical life, where you have to make your own decisions and live with the consequences. There won't be any cheerleaders other than your family, and no one will take responsibility in your place.

Now we proceed to the answers in Volume 2.