



3<sup>rd</sup> day

9th Period  
Knauff S.S. II

## TEST PRACTICE

The following questions are designed to resemble the types of questions that will be asked on the Ohio Graduation Test. Practicing with these questions will familiarize you with the types of questions on the test. If you have difficulty identifying the correct answer, discuss it with your teacher.

### MULTIPLE-CHOICE QUESTIONS:

Select the best answer and circle it.

1. A tariff is a
  - A. tax on that country's exports.
  - B. tax on utilities.
  - C. tax on automobiles.
  - D. tax on that country's imports.
2. Country A decides it will import only a certain amount of a product from Country B. This is an example of a
  - A. tariff.
  - B. blockade.
  - C. quota.
  - D. export.
3. Which is the best reason why a country would place a tariff on foreign products?
  - A. To protect foreign industries from international competition
  - B. To enable foreign businesses to compete more effectively in the global market
  - C. To expose its businesses to foreign products in order to become more competitive
  - D. To protect its industries from competition from other countries
4. Country A enacts several protectionist measures, including tariffs and quotas on foreign products. All of the following may be unintended results **except**
  - A. increase in prices of goods purchased by Country A's consumers.
  - B. increase in the amount of products available from other countries.
  - C. decrease in the variety of products available for purchase.
  - D. decrease in the number of jobs available as unemployment rises.



5. The main reason for antitrust legislation in the United States has been to
- A. increase competition among companies.
  - B. enable the growth of monopolies.
  - C. eliminate competition among businesses.
  - D. foster greater business efficiency.
6. One result of the government's increasing taxes on business might be to
- A. increase supply because businesses would have more money to produce goods.
  - B. reduce the cost of the goods as businesses would pass on increased profits to the consumer.
  - C. increase business profits as they will sell more goods than before the taxes went into effect.
  - D. reduce the supply of goods as the cost of producing them would increase.
7. In 1913, President Woodrow Wilson got Congress to establish a Federal Reserve System in order to
- A. provide additional military in case of war.
  - B. help banks to better deal with economic recessions.
  - C. create a national bank for the United States.
  - D. establish an environmental reserve for wildlife.
8. The Federal Reserve System is important to the United States economy because through its policies it
- A. determines the tax rate.
  - B. decides the rate of unemployment.
  - C. determines the money supply.
  - D. decides how many banks will exist.
9. In a period of high inflation and high unemployment, the Federal Reserve System would most likely
- A. raise interest rates to increase the amount of money in circulation.
  - B. lower interest rates to increase the amount of money in circulation.
  - C. raise interest rates to reduce the amount of money in circulation.
  - D. lower interest rates to reduce the amount of money in circulation.
10. The Great Depression has had a great influence on the United States economy because it
- A. marked a return to *laissez faire* economic policies.
  - B. reduced government involvement in the nation's economy.
  - C. shifted the nation's wealth from the rich to the poor.
  - D. increased the role of government in the nation's economy.



**SHORT ANSWER QUESTIONS:**

Answer each question as completely as possible. Use additional paper if needed.

11. The United States Government has enacted regulations to preserve the environment. One example is requiring coal burning power plants to put scrubbers on their chimneys to reduce air pollution. Describe two ways in which this regulation may impact individuals economically.

12. Describe two ways in which the New Deal under President Franklin D. Roosevelt expanded the role of government in the United States economy.



**EXTENDED RESPONSE QUESTIONS:**

Answer each question as completely as possible. Use additional paper if needed.

13. Does protectionism, particularly tariffs and quotas, help or hinder international trade? Provide specific examples to support your answer.

14. Explain how the Federal Reserve System, by adjusting the interest rate, attempts to prevent the worst consequences of periods of high inflation and economic recessions. Provide a detailed explanation of the Federal Reserve System efforts to do this.