

Name _____

Current Events Quiz 1

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

- 1) Which of the following fields of economics was described in the Planet Money podcast about congress playing "chicken" 1) _____
A) Public Finance B) Environmental Economics
C) Monetary Theory D) Game Theory
- 2) Which of the following industries was discussed in the article about "creative destruction" 2) _____
A) Fast-food B) Books
C) Education D) Professional Sports
- 3) According to The economist, which of the following is not one of the largest employers around the world 3) _____
A) Starbucks B) Walmart
C) McDonald's D) U.S. Department of Defence
- 4) The Planet Money "indicator" \$49,445 describes 4) _____
A) The average cost of an electric car B) Median household income
C) Norway's debt/GDP ratio D) The payoff for winning "chicken"
- 5) What does the Wall Street Journal's "Real Time Economics" find to be the 'silly effect' that the corporate tax rate has on decisions to build factories 5) _____
A) Analysts assume that because the tax rate is now 0%, it always will be
B) The absurdly low tax rate gives businesses the incentive to build factories even though they don't have the labor force to run them
C) Analysts assume a 35% tax rate even though they aren't actually paying that much. Thus, firms decide against building new factories that could be profitable
D) Analysts assume a tax rate of 0% even though the actual tax rate is 35%. The result of this is the building of factories that are not profitable to the company

TRUE/FALSE. Write 'T' if the statement is true and 'F' if the statement is false.

- 6) Recently the youth unemployment rate has decreased signifying that more 16-24 year-olds have jobs than ever before 6) _____
- 7) In the article "Hundred Years' War" the issue of pay discrimination that is discussed involves salary differences between men and women 7) _____
- 8) "Moreover, the way work-study funds are allocated to individual institutions has virtually no connection to the neediness of its student body" 8) _____

The above statement questions the equity of the Work Study Program, not its efficiency

GRAPHING. Use the space below to answer the following question

9) Using a supply and demand graph show the following.

"Of course, as the supply of electric vehicles increases, the value of each to the power company will fall"

SHORT ANSWER. Write the word or phrase that best completes each statement or answers the question.

10) Which article or podcast did you enjoy the most and why?

10) _____