

## Economic Theories and Historical Background

### Multiple Choice

Identify the letter of the choice that best completes the statement or answers the question.

- \_\_\_\_\_ 1. The economic system in which freedom of choice is emphasized is  
a. capitalism. c. socialism.  
b. command economy. d. communism.
- \_\_\_\_\_ 2. This man provided a philosophy for capitalism.  
a. John Locke c. Adam Smith  
b. Benjamin Franklin d. Thomas Hobbes
- \_\_\_\_\_ 3. In this type of economy, the government owns the basic means of production.  
a. socialist c. laissez-faire  
b. free market d. capitalist
- \_\_\_\_\_ 4. The United States has this type of economic system.  
a. democratic socialist c. command economy  
b. mixed-market economy d. socialist
- \_\_\_\_\_ 5. Karl Marx believed that under this economic system one class would evolve.  
a. free market c. socialism  
b. communism d. capitalism
- \_\_\_\_\_ 6. Signed in 1620 by the Pilgrims, this colonial plan for self-rule is called  
a. the Magna Carta. c. the Petition of Rights.  
b. the Bill of Rights. d. the Mayflower Compact.
- \_\_\_\_\_ 7. The first legislature in what became the United States was the  
a. Virginia House of Burgesses. c. First Continental Congress.  
b. Constitutional Convention. d. Annapolis Convention.
- \_\_\_\_\_ 8. According to the Articles of Confederation, this power was granted Congress.  
a. to regulate trade c. to amend the Articles of Confederation  
b. to enforce laws d. to levy taxes
- \_\_\_\_\_ 9. Many Americans wanted a strong national government after  
a. the economic depression. c. the Northwest Ordinance.  
b. the Annapolis Convention. d. Shays's Rebellion.
- \_\_\_\_\_ 10. The compromise made by the Founders on this issue left a terrible burden for future generations.  
a. western territories c. slavery  
b. interstate commerce d. anarchy
- \_\_\_\_\_ 11. The Magna Carta was important because it  
a. was America's first legislature. c. established a limited government.  
b. separated church and state. d. gave power to the colonies.
- \_\_\_\_\_ 12. This man wrote the original draft of the Declaration of Independence.  
a. Thomas Jefferson c. Benjamin Franklin  
b. John Adams d. Samuel Adams
- \_\_\_\_\_ 13. Federalists were concerned that without a strong national government this would triumph.  
a. anarchy c. embargoes  
b. extralegal trade d. socialism
- \_\_\_\_\_ 14. Dividing the powers of government as the colonial charters did is called  
a. separation of powers. c. limited government.  
b. legislative government. d. government of petitions.

- \_\_\_\_\_ 15. The Declaration of Independence founded government on principles of
- a. strong central government.
  - b. arbitrary power.
  - c. taxation without representation.
  - d. human liberty and consent of the governed.
- \_\_\_\_\_ 16. Under the Articles of Confederation, the plan for the central government did NOT include
- a. an executive branch.
  - b. one vote per state.
  - c. a unicameral Congress.
  - d. one delegate from each state.
- \_\_\_\_\_ 17. Shays's Rebellion was caused by this problem.
- a. government interference
  - b. control of passports
  - c. the Northwest Ordinance
  - d. economic depression
- \_\_\_\_\_ 18. This caused many Americans to agree to a strong national government.
- a. the Philadelphia convention
  - b. the Northwest Ordinance
  - c. Shays's Rebellion
  - d. the Annapolis Convention
- \_\_\_\_\_ 19. This document suggested the legislative branch have a House of Representatives and a Senate.
- a. the Virginia Plan
  - b. the Connecticut Compromise
  - c. the New Jersey Plan
  - d. the Three-Fifths Compromise
- \_\_\_\_\_ 20. To create the needed new government, the Founders compromised on this issue.
- a. taxes
  - b. the military draft
  - c. the western territories
  - d. slavery

Name: \_\_\_\_\_

ID: A

**Economic Theories and Historical Background  
Answer Section**

**MULTIPLE CHOICE**

1. A
2. C
3. A
4. B
5. B
6. D
7. A
8. C
9. D
10. C
11. C
12. A
13. A
14. A
15. D
16. A
17. D
18. C
19. B
20. D