

Economic vs. Political Decision-Making

1. At the beginning of his speech, Sowell asserts that just because there is a system of producing and distributing goods and services, this doesn't mean you have an economy. As an example of this, he mentions Noah's Ark and says it was not an economy, since there was no scarcity.
☒ True
☐ False
2. What realities does Sowell say are inherent in the circumstances of a true economy?
☐ wants and needs
☐ rationing and competition
☒ supply and demand
☒ supply and demand
3. It is said that "politics is the art of the possible." Sowell says that politics is the art of the plausible, because what politicians are advocating doesn't have to be possible.
☒ True
☐ False
4. Statistically, living within five miles of a nuclear power plant for 50 years carries the same risk to one's life as:
☐ driving 10 miles on the highway
☐ spending half an hour in a coal mine
☐ spending six minutes in a canoe
☒ any/all of the above
5. At the time of Sowell's speech in 1993, there were more people in poverty (following the so-called "War on Poverty") than there had been in 1964.
☒ True
☐ False
6. An American doctor is likely to pay how much *more* for malpractice insurance than a doctor in Germany?
☐ double
☐ 3.5 times
☐ 10 times
☒ 14 times
7. According to Sowell, one of the reasons that the people in the upper income bracket receive such a high percentage of the total national income is
☐ the threshold (or cutoff number) for the top bracket has been lowered since 1992.
☐ they inherited their wealth.
☒ there are more people in the top bracket.
☐ there are more immigrants in the top 20% bracket.