

Name _____

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

- 1) Policies that provide benefits to individuals through entitlement or means testing are called 1) _____
 - A) charity.
 - B) equal opportunity policies.
 - C) social welfare policies.
 - D) regulatory policies.
 - E) tax subsidies.

- 2) Government benefits provided regardless of financial need are called 2) _____
 - A) nonmerit benefits.
 - B) generic expenditures.
 - C) means tested.
 - D) transfer payments.
 - E) entitlements.

- 3) An example of an entitlement program is 3) _____
 - A) federal student loans.
 - B) Medicare.
 - C) food stamps.
 - D) Medicaid.
 - E) All of these are entitlement programs.

- 4) Food stamps and Medicaid are 4) _____
 - A) entitlements.
 - B) means-tested programs.
 - C) non-means-tested programs.
 - D) rights of citizenship.
 - E) government guarantees.

- 5) Which best characterizes the distribution of wealth and income in the United States? 5) _____
 - A) Wealth and income are each distributed in roughly the same pattern.
 - B) The distribution of wealth is becoming slightly more equal, while the distribution of income is becoming slightly more unequal.
 - C) Wealth is more unequally distributed than income.
 - D) Income is more unequally distributed than wealth.
 - E) The distribution of income is becoming slightly more equal, while the distribution of wealth continues to grow more unequal.

- 6) Studies of America's wealth show that _____ of America's wealth is held by the wealthiest 1 percent of the population. 6) _____
 - A) one-sixth
 - B) one-third
 - C) one-half
 - D) one-quarter
 - E) one-fifth

- 7) Which of the following statements about the distribution of wealth in America is TRUE? 7) _____
- A) All groups are increasing their wealth, with the poor increasing at a slightly higher rate.
 - B) The middle class (the middle quintile of the population) is increasing its share of the national income, while the top and bottom quintiles are losing their share of national income.
 - C) All groups are increasing their wealth, with the poor increasing at a slightly lower rate.
 - D) Many of the poor are slowly gaining ground, relatively speaking, to higher-income groups.
 - E) Many of the poor are losing ground to the higher-income groups in absolute terms.
- 8) The share of national income earned by various groups in the United States is described by the concept of 8) _____
- A) income distribution.
 - B) wealth allocation.
 - C) income relativity.
 - D) socioeconomic stratification.
 - E) the apple pie.
- 9) Poverty among the elderly declined over the past several decades primarily due to 9) _____
- A) the larger proportion of savings held by the elderly.
 - B) the booming economy in the 1980s.
 - C) changing attitudes in society regarding the elderly.
 - D) Social Security benefits.
 - E) All of the above are true.
- 10) A _____ tax takes a higher percentage from the incomes of the rich than the poor. 10) _____
- A) relative-deprivation
 - B) regressive
 - C) proportional
 - D) flat
 - E) progressive
- 11) A _____ tax takes a higher percentage from those with lower incomes and less from the wealthy. 11) _____
- A) regressive
 - B) flat
 - C) relative-deprivation
 - D) progressive
 - E) proportional
- 12) A tax in which the tax rate increases with increases in income is a(n) 12) _____
- A) proportional tax.
 - B) example of relative deprivation.
 - C) earned-income tax credit.
 - D) progressive tax.
 - E) regressive tax.

- 13) Unemployment insurance is 13) _____
A) designed for workers who have been laid off and cannot work.
B) variable from state to state.
C) an entitlement program.
D) funded through taxes on employers.
E) All of the above are true.
- 14) How is Medicaid funded? 14) _____
A) Through federal grants to state health programs
B) Through general federal revenue
C) Through payroll taxes on employees and employers
D) Through taxes on employers
E) By premiums paid by beneficiaries
- 15) Which of the following is funded through payroll taxes on employers and employees? 15) _____
A) Supplementary Security Income (SSI)
B) Children's Health Insurance Program (CHIPs)
C) Family and Medical Leave Act
D) Social Security
E) All of these are funded through payroll taxes.
- 16) A major study by Charles Murray argued that 16) _____
A) not only did the social programs of the Great Society fail to curb the advance of poverty, they actually made the situation worse.
B) there is a "new poverty" in America that is largely the result of deindustrialization, foreign competition, the exploitation of part-time workers, and stagnation of the minimum wage.
C) although the Great Society was able to reduce poverty in America, it had no effect on racial discrimination.
D) although the Great Society did not eliminate poverty, it did reduce the number of poor.
E) macroeconomic cycles were responsible for much of the movement into and out of poverty during the post-1965 period.
- 17) Which of the following statements is TRUE? 17) _____
A) The rich send a bigger proportion of their income to Washington in the form of federal taxes than do the poor.
B) The rich and the poor send the same proportion of their income to Washington in the form of federal taxes.
C) The poor send a bigger proportion of their income to Washington in the form of federal taxes than do the rich.
D) The rich and the poor send the same absolute dollar amount to Washington in the form of a flat tax.
E) Neither the rich nor the poor send income taxes to Washington.
- 18) The most important ratio for Social Security is that of 18) _____
A) workers to beneficiaries.
B) beneficiaries to tax rates.
C) contributions to the number of contributors.
D) tax rates to workers.
E) contributions to workers.

- 19) What explains why politicians are reluctant to attempt to significantly reform Social Security? 19) _____
- A) Politicians seek to avoid blame for the failures of Social Security.
 - B) Politicians are self-interested and want to protect their own retirement.
 - C) Social Security has been so successful; few see a need for meaningful reform.
 - D) Older Americans vote at higher rates than do younger Americans; politicians fear a backlash from older Americans.
 - E) Both A and C are true.
- 20) Which of the following is TRUE of the ways in which competing groups are organized in the social welfare policy arena? 20) _____
- A) The elderly are relatively well organized and often have the resources to wield significant influence in support of programs they favor.
 - B) On rare occasions in which the government expands social benefits, they are often quickly and easily taken away.
 - C) Compared to other groups, the poor are relatively well organized and are often successful demanding generous benefits from the government.
 - D) There are few differences in political organization between the elderly and the poor; both groups, on average, are equally as successful in wielding political influence in social policymaking domains.
 - E) The elderly are relatively unorganized and have few resources to wield significant influence in support of programs they favor.

Answer Key

Testname: SOCIAL POLICY

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