

Civics ★ Today

Citizenship, Economics, & You

Reading Essentials and Study Guide

Student Workbook



New York, New York Columbus, Ohio Chicago, Illinois Peoria, Illinois Woodland Hills, California

To the Student

The Civics Today: Citizenship, Economics, and You Reading Essentials and Study Guide is designed to help you use recognized reading strategies to improve your reading-for-information skills. For each section of the student textbook, you are alerted to key terms, asked to draw from prior knowledge, organize your thoughts with a graphic organizer, and then follow a process to read and understand the text. The *Reading Essentials and Study Guide* was prepared to help you get more from your textbook by reading with a purpose.



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Send all inquiries to:
Glencoe/McGraw-Hill
8787 Orion Place
Columbus, OH 43240

ISBN 0-07-860532-6

Printed in the United States of America

2 3 4 5 6 7 8 9 10 047 09 08 07 06 05 04 03



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Study Guide



Chapter 1, Section 1

For use with textbook pages 6–12

Government of the People, by the People, for the People



KEY TERMS

civics the study of the rights and duties of citizens (*page 6*)

citizen a member of a community with loyalty to and protection from the government (*page 6*)

government the ruling authority for a community (*page 7*)

public policy a course of government action to achieve community goals (*page 9*)

budget a plan for collecting and spending money (*page 9*)

dictatorship a government controlled by one person or a small group of people (*page 10*)

democracy a government in which the people rule (*page 10*)

direct democracy a government in which all the citizens met to debate government matters and vote firsthand (*page 10*)

representative democracy a government in which the citizens choose a smaller group to represent them, make laws, and govern on their behalf (*page 10*)

majority rule a principle of democracy in which differences of opinion are settled by what most people want (*page 11*)

DRAWING FROM EXPERIENCE

What do you think of when you hear the word “citizen?” Are you a citizen? What are you a citizen of? What rights do you think you have as a citizen?

In this section, you will learn the purposes of having a government. You will also learn what the characteristics of a democratic government are.

ORGANIZING YOUR THOUGHTS

Use the diagram on the next page to help you take notes. The American democratic government has several characteristics. List two important characteristics in the diagram.

Study Guide



Chapter 1, Section 1 (continued)

Characteristics of an American Democracy

1. _____
2. _____

READ TO LEARN

• What Is Civics? *(page 6)*

The study of the rights and duties of citizens is called **civics**. The idea of citizenship goes back to ancient Greece and Rome. There, only men who owned property were considered citizens. They enjoyed privileges that common people did not have.

Today, owning property is not required for citizenship. Most people are citizens of the country in which they live. **Citizens** are members of a community who owe loyalty to the government and receive protection from it. Citizens of a country often share a common history, customs, and values. They also agree to follow rules and accept the government's authority.

3. What do citizens of a country often share?

• The Need for Government *(page 7)*

The ruling authority for a community is a **government**. It has the power to make and enforce laws. People have formed governments for hundreds of years. Without governments, there would be no one to

Study Guide



Chapter 1, Section 1 (continued)

make and enforce laws. People would live in a state of confusion and fear. People would have to meet all their needs on their own. Government helps people live together peacefully and helps people meet their needs.

4. Why do people form governments?

• The Functions of Government (page 7)

Governments have several purposes. They help keep order and provide security. Governments make laws to prevent conflicts. They have the power to enforce the laws, so they can settle conflicts that arise. Governments help provide security for their citizens. They help defend citizens and their land from enemies. They do this by setting up armed forces and other organizations that keep tabs on possible sources of trouble.

Governments provide services that people could not provide on their own. These include libraries, schools, transportation systems, mail delivery, and water supplies. Some government services, such as ambulance services and fire departments, help keep the public healthy and safe. Governments also help needy people. Most states provide poor families with food and cash. Government agencies also provide services such as housing and job training.

Another purpose of government is to make **public policy**. Public policy defines community goals and sets up ways to reach these goals. When community leaders set goals such as protecting consumers, they are making public policy goals. When they pass laws or make guidelines

Study Guide



Chapter 1, Section 1 (continued)

to meet these goals, they are making public policy. Public policy generally includes the need for money. Because governments have limited amounts of money, they have to use it wisely. To do so governments make up a **budget**, or a plan for collecting and spending money.

Governments also have to work to develop relations with other communities and countries. Good relations are necessary for trade, travel, and agreements between communities, states, or countries.

5. Why do governments set up budgets?

• Levels of Government *(page 9)*

Most countries have several levels of government. In the United States, the highest level of government is the national government. It makes and carries out laws for the entire nation. State governments are the next level of government. Each state government decides matters for people in that state. Most states also have local governments. They include counties, cities, and towns. State and local governments cannot take actions that go against the laws of the national government.

6. What are the three levels of government in the United States?

Study Guide



Chapter 1, Section 1 (continued)

- **Democratic Government** (page 10)

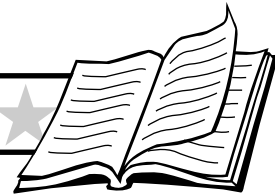
Some countries of the world have a government that is a **dictatorship**. In this type of government, power lies in the hands of just a small group or even a single person. The government in the United States is a **democracy**. In this type of government, the people rule. All citizens share in governing and being governed. Democracy began in Athens, in ancient Greece. Every citizen in Athens had the right to participate in the city's government. All citizens had an equal voice. Athens had a **direct democracy**, in which all citizens met to debate government matters. Most countries today are too large to have a direct democracy. Instead, they have a **representative democracy**. In this type of government, citizens choose a smaller group of people to represent them, make laws, and govern on their behalf. The people are the main source of the government's authority.

A democratic government has certain principles. The power of the government comes from the citizens. Therefore, democracies have free, fair, and competitive elections. Everyone's vote carries the same weight. All candidates have the right to express their views freely. The voting requirements are kept to a minimum. They generally include being a required age, living in a place for a certain amount of time, and being a citizen. Citizens vote by secret ballot.

Another principle of a democracy is that individuals are free to develop their talents. **Majority rule** is another important principle. People agree that when there are differences of opinion, they will accept what most people want. However, at the same time the rights of those in the minority are respected.

7. What is a democracy?

Study Guide



Chapter 1, Section 2

For use with textbook pages 14–17

The Path to Citizenship



KEY TERMS

naturalization a legal process in which foreigners become citizens (page 14)

alien a noncitizen (page 15)

immigrant a person who moves permanently to a new country (page 15)

deport to expel from the country (page 17)

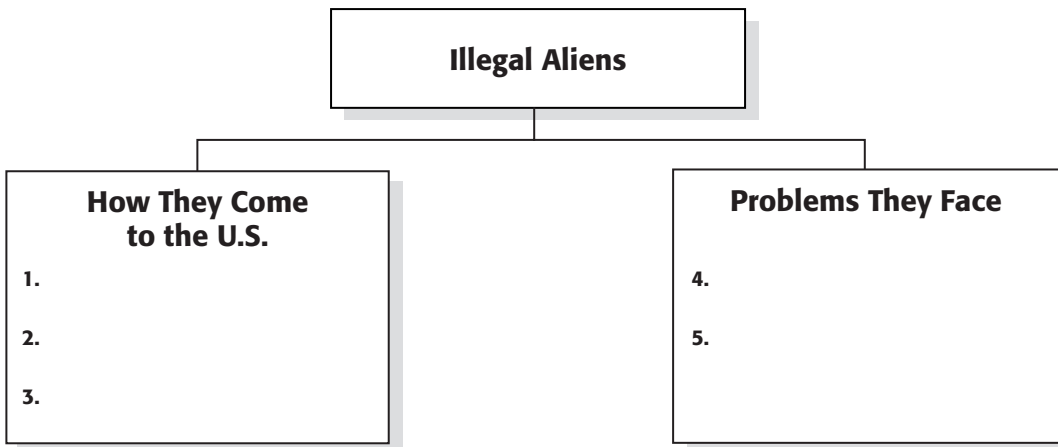
DRAWING FROM EXPERIENCE

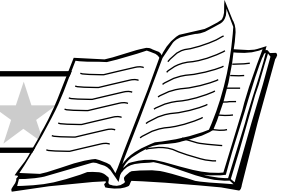
Who are immigrants? Why do you think many people from other parts of the world immigrated to America?

The last section described the functions of government and the characteristics of a democratic government. This section discusses how people become citizens.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. Explain how illegal aliens come to the United States and the problems they often face.



Study Guide**Chapter 1, Section 2 (continued)****READ TO LEARN****• Who Are America's Citizens?** *(page 14)*

Every country has rules about how people become citizens. The Fourteenth Amendment of the United States Constitution states that people in the United States can become citizens in two ways. One way is by birth. The other way for foreigners to become citizens is by a legal process called **naturalization**.

People who are born in any of the 50 states or in a U.S. territory automatically become American citizens. People who are born elsewhere but whose parents are both citizens also become citizens. In addition, people also become citizens if they have one parent who is a citizen and who has actually lived in the United States. Children who are born on American soil to parents who are not citizens also become citizens at birth. This is not true, however, for children born to foreign diplomats living in the United States. These children take the citizenship of their parents. Sometimes, a person may have dual citizenship. This can happen when a child is born in another country to American parents. That child may be both a U.S. citizen and the citizen of the country in which he or she was born.

Several million **aliens**, or noncitizens, live in the United States. Some aliens stay in the United States for a short while. They remain citizens of their own country. Other aliens, however, plan to stay in the United States and become naturalized citizens. More than half a million **immigrants**, or people who move permanently to a new country, become U.S. citizens each year.

Those who want to become citizens have to sign a statement that says just that. Aliens then have to wait five years before becoming naturalized. Those who are married to a U.S. citizen have to wait only three years. During this time, aliens take classes to prepare them for citizenship. If they are at least 18 years old, they may file an application for citizenship. They then have an interview with an official of the Immigration and Naturalization Service (INS). They also take a citizenship exam. Then the INS makes its decision. Once the application is approved, the aliens take part in a citizenship ceremony. At the ceremony, they promise to be loyal to the country and to obey the Constitution and other laws. Then they are declared citizens of the United States. If they have children under 18, those children automatically become naturalized citizens, too.

Study Guide



Chapter 1, Section 2 (continued)

Once people become U.S. citizens, most keep their citizenship forever. Only the federal government can both grant and take away citizenship. Generally the only way to lose U.S. citizenship is to give it up. This is done in a foreign country with an oath signed before an American official. Once citizenship is given up, it cannot be regained.

6. In what two ways can people become citizens of the United States?

• Aliens in America (page 16)

Although millions of people apply for entry into the United States, only about 675,000 are accepted each year. The people who are relatives of U.S. citizens and those who have needed job skills have the highest priority. After the Immigration Act of 1990 was passed, the people who had certain job skills or money to invest in the economy received top priority.

About 5 to 6 million aliens are living in the United States illegally. They come to the United States in a variety of ways. Some come as temporary visitors but never leave. Some illegally cross the U.S. borders with Mexico and Canada. Some are foreigners who have stayed in the United States after their legal permits have expired. Illegal aliens often have a difficult life in the United States. Because it is illegal to hire illegal aliens, those who find work usually receive little pay and no benefits. They also live with the fear that government officials will find them and **deport** them, or send them back to their own country.

The lives of legal aliens in the United States are much like those of American citizens. They can hold jobs, attend public schools, and receive government services. They pay taxes. However, aliens do not have full political rights. They may not vote or serve on juries. They also may not hold most government jobs. They must carry identification cards at all times.

7. What groups of immigrants are given priority to enter the United States?

Study Guide



Chapter 1, Section 3

For use with textbook pages 19–23

The Diversity of Americans



KEY TERMS

migration a mass movement of people from one region to another (page 22)

patriotism a love for one's country (page 23)

terrorism the use of violence by groups against civilians to achieve a political goal (page 23)

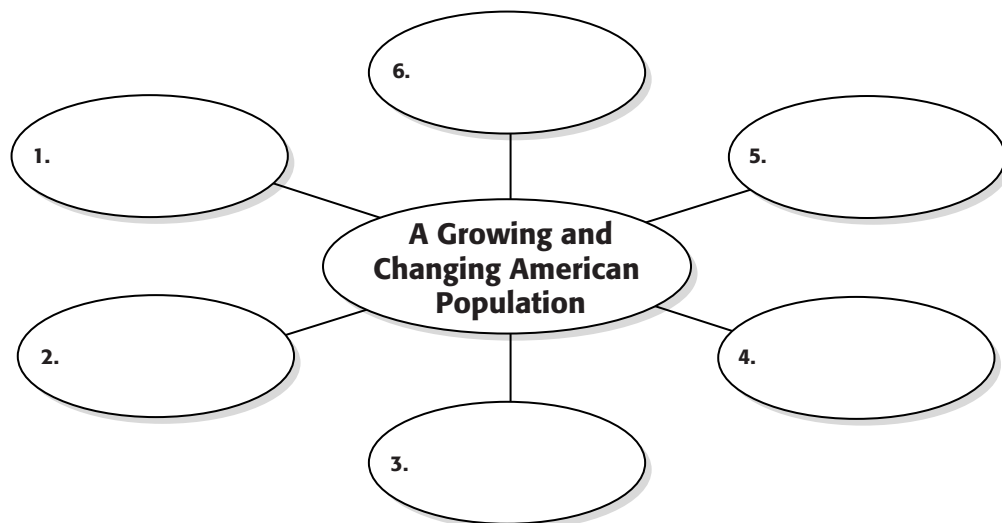
DRAWING FROM EXPERIENCE

Do you think that your school and community are diverse? What places in your community reflect this diversity?

The last section explained how people can become citizens of the United States. This section describes America's diversity and identifies the sources of unity among the American people.

ORGANIZING YOUR THOUGHTS

Use the web diagram below to help you take notes. Describe six ways that America's population has grown and changed.



Study Guide



Chapter 1, Section 3 (continued)

READ TO LEARN

• **A Nation of Immigrants** *(page 19)*

Many diverse citizens make up the population of the United States. They are linked together by shared values and experiences. All people in the United States are descendants of immigrants.

The first Native Americans came to the United States by crossing a “land bridge” that once connected Asia and North America. Before the mid-1900s, most immigrants to the United States came from Europe. The first Europeans came from Spain during the 1500s. They settled in what is now Florida, California, and the Southwest. Starting in the 1600s, people from France and England began arriving in North America. During the late 1600s and the 1700s, people from Germany, the Netherlands, Ireland, Scotland, and Sweden began arriving.

After the United States gained its independence, the number of immigrants grew from about 600,000 in the 1830s to more than 2 million by the 1850s. More than 10 million Europeans—many from Denmark, Norway, and Sweden—came to the United States between 1860 and 1890. Between 1890 and 1924 about 22 million Europeans came to the United States. Many of these immigrants came from central and eastern Europe. In the past 50 years most immigrants to the United States have come from Latin America and Asia.

Some of the early immigrants who arrived in America did so unwillingly. People from central and western Africa were taken by force and shipped across the Atlantic Ocean. They were then sold as slaves in the Caribbean Islands and in North and South America. About 500,000 enslaved persons were brought into the United States between 1619 and 1808. Most African Americans today are descendants of enslaved persons.

- 7.** Where have most immigrants to the United States come from in the last 50 years?

Study Guide



Chapter 1, Section 3 (continued)

• A Diverse Population *(page 21)*

The American people are diverse in their ethnic backgrounds. They include whites of European descent, African Americans, Asians and Pacific Islanders, Native Americans, and Hispanic Americans. Americans are also diverse in their religions. Christians are in the majority. Other religious groups include Jews, Muslims, and Buddhists. Some Americans do not practice any religion.

8. In what ways are the American people diverse?

• A Growing and Changing Population *(page 22)*

America's population has grown and changed. Part of the growth has been due to immigration. However, the population has also increased naturally. This was a result of Americans having many children.

The American population has changed over the years in many ways. People have moved from rural areas to cities. They started working in factories rather than on farms. More Americans now earn a living by working in service industries rather than in manufacturing industries. More women have joined the workforce and more workers work from home. The places where people live have changed. After the Civil War, many African Americans moved to cities in search of jobs. This resulted in a **migration**, or mass movement, of African Americans from the South to the North. The Northeast used to be the most populated part of the United States. Today, the South is the most populated. The population of the West is growing faster than that of any other region. The average age of Americans is increasing. More Americans than ever are earning college and graduate degrees. Hispanic Americans are the fastest-growing ethnic group.

9. What has caused an increase in America's population?

Study Guide



Chapter 1, Section 3 (continued)

• **Unity Among Citizens** *(page 23)*

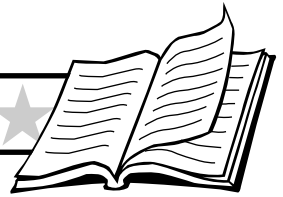
An important source of American unity is a political heritage based on documents, such as the Declaration of Independence and the U.S. Constitution, including the Bill of Rights. These documents include the ideas of individual rights, government by consent of the people, and majority rule through representatives in government. Although there is majority rule, the Constitution equally protects the rights of everyone.

Another source of unity is the English language. It is the main way of communication in government, education, and business. Although Americans are free to speak any language, they use the English language to communicate with one another.

Americans show their **patriotism**, or love for one's country, in many ways. They fly the flag, sing the national anthem, and recite the Pledge of Allegiance. They stand together in times of trouble. This was especially evident after the September 11, 2001, attacks in New York City and Washington, D.C. These were acts of **terrorism**—the use of violence by groups against civilians to achieve a political goal. Americans responded by joining together to help people in need and backing up their commitment to freedom.

10. How do Americans show their patriotism?

Study Guide



Chapter 2, Section 1

For use with textbook pages 28–32

Our English Heritage



KEY TERMS

monarch a king or queen (page 28)

legislature a lawmaking body (page 29)

Parliament England’s lawmaking body (page 29)

precedent a court ruling in an earlier case that was similar (page 29)

common law a system of law based on precedent and customs (page 30)

colony a group of people in one place who are ruled by a parent country elsewhere (page 30)

charter a written document granting land and the authority to set up colonial governments (page 30)

compact an agreement among a group of people (page 31)

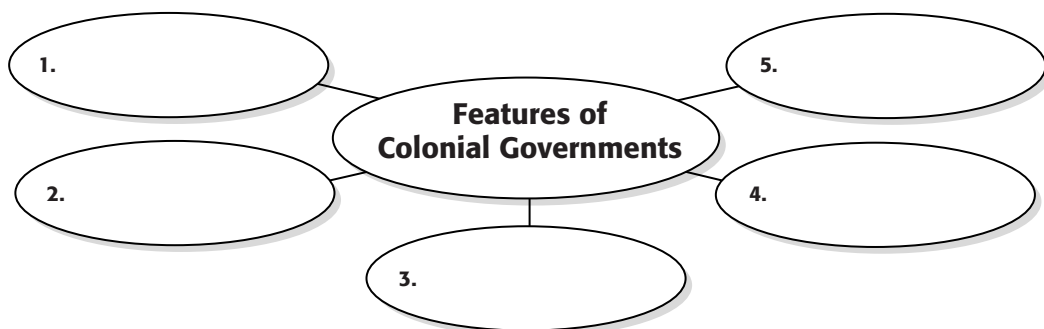
DRAWING FROM EXPERIENCE

How do people in the United States participate in their government? How is your community’s government set up? How do people in your community participate in their local government?

In this section, you will learn about early English government. You will also learn how the early English government influenced American colonial governments.

ORGANIZING YOUR THOUGHTS

Use the web diagram below to help you take notes. The early governments of the American colonies had several similarities. List these similarities in the diagram.



Study Guide**Chapter 2, Section 1 (continued)****READ TO LEARN****• Influences From England's Early Government** *(page 28)*

The English people who settled in America in the 1600s brought with them England's history of limited and representative government. For centuries before the 1600s, England was ruled by a **monarch**—a king or queen. The noble families also had power. The monarch gave them land in exchange for their loyalty, taxes, and military support. King John, who became king in 1199, treated the nobles harshly. They rebelled in 1215 and forced the king to sign the Magna Carta. This document protected nobles' rights and gave certain rights to all landholders. The rights included equal treatment under the law and trial by one's peers. The Magna Carta guaranteed that no one would be above the law, not even the king.

Henry III followed King John. He met with a group of nobles who advised him. Eventually, the group increased in size and power. It began to include representatives of the common people. By the late 1300s this group had become a **legislature**, or a lawmaking body. It became known as **Parliament**. For a while, Parliament and the monarch cooperated with each other. However, in the mid-1600s, conflicts began between the two. In 1688 Parliament removed King James II from the throne. They placed his daughter Mary and her husband William on the throne. This peaceful change in power became known as the Glorious Revolution. It showed that Parliament was stronger than the monarch. In 1689, Parliament drew up the English Bill of Rights. The document stated that the monarch could not put Parliament's laws on hold. It said that the monarch could not place taxes or create an army without the consent of Parliament. It also said that members of Parliament would be elected. Citizens gained the right to a fair trial by a jury. Finally, the document outlawed cruel and unusual punishments.

At first, England had no written laws. The decisions of courts became the basis of laws. When judges were deciding a case, they would look for a **precedent**, or a ruling in an earlier case that was similar. The judge would then make a consistent ruling. This system of law became known as **common law**. It was based on court decisions rather than on written laws. Many of the laws in the United States are based on English common law.

Study Guide



Chapter 2, Section 1 (continued)

6. What was common law based on?

• **Bringing the English Heritage to America** (page 30)

In the 1600s and 1700s, England was setting up colonies in America. A **colony** is a group of people in one place who are ruled by a parent country elsewhere. Early colonists in America were loyal to England. The first permanent English settlement in North America was Jamestown. The Virginia Company founded it in 1607 in what is now Virginia. The Virginia Company was made up of a group of English merchants who had a **charter** from King James I. A charter was a document that gave land and the authority to set up colonial governments. The charter also granted the colonists all the rights that they had as English citizens.

Jamestown was governed by a governor and a council appointed by the Virginia Company. In 1619, the colonists chose two representatives from each county to meet with the governor and the council. These representatives were called burgesses. They made up the House of Burgesses, which was a lawmaking body. It was the start of self-government in the American colonies.

In 1620 the Pilgrims, a new group of colonists, came to America. They settled in Plymouth, in what is now Massachusetts. The Pilgrims arrived in America on the Mayflower. While they were on the ship, they realized that they would need rules to govern themselves. They signed a written plan of government called the Mayflower Compact. A **compact** is an agreement among a group of people. The Mayflower Compact stated that the government would set up just laws for the good of the colony. The people who signed the compact promised to obey these laws. The Mayflower Compact set up a direct democracy. It allowed all men to vote and called for majority rule.

Study Guide



Chapter 2, Section 1 (continued)

7. Why was the development of the House of Burgesses important?

• **Early Colonial Governments** (*page 31*)

More colonies were established in America after Jamestown and Plymouth. Each colony set up its own government. Each colony had a governor. The governor was either elected by the colonists or appointed by the English monarch. Each colony had a legislature. Free adult males elected the members of the legislature. Most legislatures were modeled after the English Parliament.

The colonial governments eventually took on more responsibility. The English monarch and Parliament were paying attention to other matters at home. England became known as Great Britain in 1707, when the country united with Scotland. The colonists soon became used to taking care of themselves and making their own decisions.

8. Why did the American colonies eventually take on more responsibility and make more decisions on their own?

Study Guide



Chapter 2, Section 2

For use with textbook pages 33–38

The Birth of a Democratic Nation



KEY TERMS

mercantilism the theory that a country should sell more goods to other countries than it buys
(page 33)

boycott refuse to buy (page 34)

repeal to cancel (page 34)

delegate a representative (page 35)

independence self-reliance and freedom from outside control (page 36)

DRAWING FROM EXPERIENCE

How do you celebrate the Fourth of July? What does that day celebrate?

The last section described the development of colonial governments in America. This section discusses the reasons that the colonies declared their independence from Great Britain.

ORGANIZING YOUR THOUGHTS

Use the time line below to help you take notes. Several events led to the colonists' declaring independence from Great Britain. List these events in order on the time line.

1. _____	2. _____	3. _____
4. _____	5. _____	6. _____

Study Guide**Chapter 2, Section 2 (continued)****READ TO LEARN****• Colonial Resistance and Rebellion** *(page 33)*

With the British government involved in matters at home, the American colonists managed more of their own affairs. They enjoyed having this control. However, by the mid-1700s, the British government began tightening its control over the colonies. Around that time, the British began supporting a policy called **mercantilism**. This was the theory that a country should sell more goods to other countries than it buys. For the theory to be successful, Great Britain needed the colonies to produce cheap, raw materials. Parliament wanted the American colonies to sell raw materials to Great Britain at low prices. Parliament also wanted the colonists to buy British goods at high prices. Colonial businesses suffered under mercantilism.

In 1763, Great Britain won the French and Indian War. The victory gave them the French territory in North America. As a result of the war, Britain was heavily in debt. To pay these debts, it placed high taxes on the American colonies. For example, in 1765 Parliament passed the Stamp Act, which made colonists attach tax stamps on such things as newspapers and legal documents. The colonists disliked these taxes. They had no representation in Parliament, as people living in Great Britain did. Therefore, they believed that Parliament had no right to tax them. The colonists' slogan became "No taxation without representation."

To protest these taxes, many colonists decided to **boycott**, or refuse to buy, British goods. The boycott worked, and Great Britain **repealed**, or canceled, the Stamp Act and other taxes. However, Parliament soon passed new tax laws. One of these became known as the Townshend Acts. Passed in 1767, these laws placed taxes on items that the colonies imported such as tea, paper, and lead. These laws angered the colonists, and they brought back the boycott that they had used before.

Relations between the colonists and Great Britain worsened. In 1773 Parliament passed the Tea Act. The law gave the British East India Company the right to ship tea to the colonies without paying the taxes that were usually placed on tea. The company was allowed to bypass colonial merchants and sell the tea directly to shopkeepers at low prices. This made the East India Company tea cheaper than any other tea in the colonies. It gave the company an advantage over colonial merchants.

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Chapter 2, Section 2 (continued)

Colonists fought back by blocking all East India Company ships from entering colonial ports, except those arriving in Boston. In 1773 a group of colonists dressed as Native Americans dumped more than 300 chests of British tea into Boston Harbor. This protest became known as the Boston Tea Party. The British Parliament responded by passing the Coercive Acts, which the colonists called the Intolerable Acts. The new laws limited the colonists' rights. The laws limited the colonists' right to trial by jury. The laws also allowed British soldiers to search and move into colonists' homes.

7. How did the colonists respond to the Tea Act?

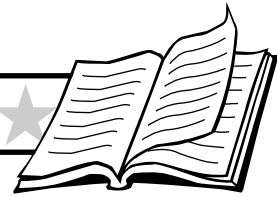
• Movement Toward Independence *(page 35)*

The colonial governments came together to fight the Intolerable Acts. In September 1774, 12 of the colonies sent **delegates**, or representatives, to Philadelphia to talk about their concerns. This meeting was known as the First Continental Congress. The delegates sent a document to King George III demanding that the colonists' rights be restored. The delegates also decided to continue the boycott of British goods. In addition, they promised to hold another meeting if Britain did not meet their demands.

King George responded with force. In April 1775, the British and colonial soldiers fought two battles in Massachusetts, at Lexington and Concord. These battles were the first battles of the Revolutionary War. Before these battles, most colonists thought of themselves as British citizens. However, with British soldiers fighting the colonial soldiers, many colonists began talking about **independence**, or freedom from outside control.

In May 1775, colonial leaders met in Philadelphia at the Second Continental Congress. Some delegates favored independence. Other colonists feared that the colonists could never win a war against Britain. Others were still loyal to Britain. While the delegates were debating

Study Guide



Chapter 2, Section 2 (continued)

what to do, support for independence grew among the colonists. In January 1776, colonist Thomas Paine published a pamphlet titled *Common Sense*. In it Paine called for complete independence from Britain. More than half of the delegates at the Second Continental Congress agreed with Paine.

8. What effect did Thomas Paine's *Common Sense* have on the colonists?

• The Declaration of Independence (page 36)

The Second Continental Congress was now acting as the colonies' government. It set up a committee to write a document that announced America's independence. Thomas Jefferson wrote most of the Declaration of Independence. The document explained why the United States wanted independence. It said that the British government was not interested in the colonies. It listed abuses by King George III.

The Declaration of Independence also included the colonists' beliefs about the rights of individuals. It said that the purpose of government is to protect people's rights. Government is based on the consent of the people. If a government ignores people's rights, then the people have the right to overthrow the government. John Locke, an English philosopher, influenced the ideas that Thomas Jefferson stated in the Declaration of Independence.

The Second Continental Congress approved the Declaration of Independence on July 4, 1776. However, freedom for the colonies would not come until the Revolutionary War ended and Great Britain recognized the United States as an independent nation.

9. Whose ideas influenced Thomas Jefferson in writing the Declaration of Independence?

Study Guide



Chapter 2, Section 3

For use with textbook pages 39–42

The Nation's First Governments



KEY TERMS

constitution a written plan for government (page 39)

bicameral having two legislative houses (page 39)

confederation a group of individuals or states that band together for a common purpose (page 40)

ratify to approve (page 41)

amend to change (page 41)

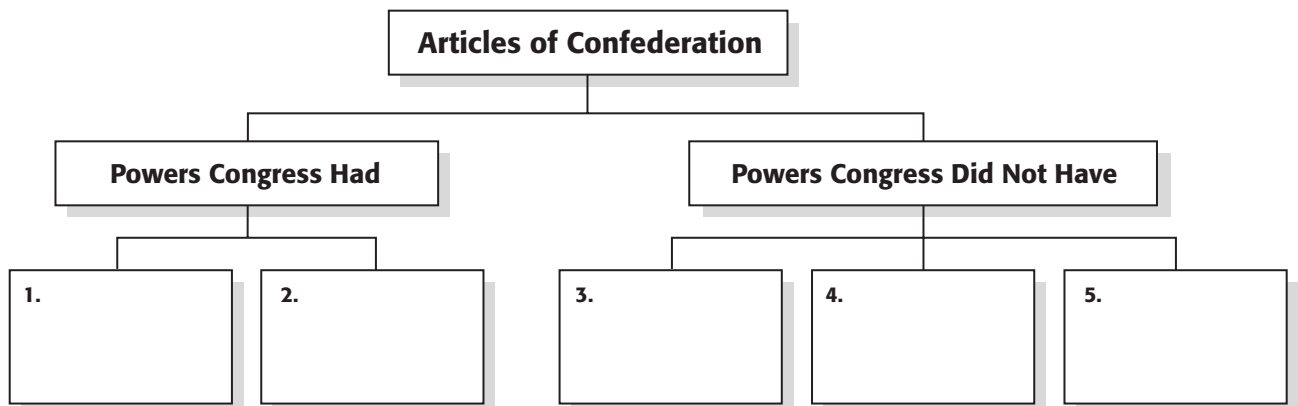
DRAWING FROM EXPERIENCE

What powers does the United States Congress have? Imagine that Congress did not have the power to tax. How do you think that would affect the nation?

The last section described the events that led to the Declaration of Independence. This section describes the kinds of governments the new nation of the United States set up.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. The Articles of Confederation was the nation's first constitution. In the chart, list the powers that Congress had and did not have under the Articles.



Study Guide



Chapter 2, Section 3 (continued)

READ TO LEARN

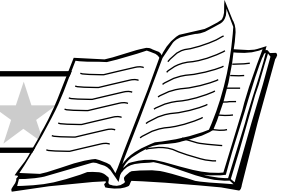
• Early State Constitutions *(page 39)*

Even before the colonies declared their independence, colonial leaders began setting up new state constitutions to replace the old colonial charters. A **constitution** is a written plan for government. New Hampshire became the first colony to write a constitution. By 1780, the other colonies did also.

Each state government included a legislature. Most legislatures were **bicameral**—divided into two parts, or houses. The members of the legislatures were chosen in several ways. Each state had a governor. His job was to carry out the laws. Each state also had judges and courts to decide what the laws meant. Many state constitutions included a bill of rights that guaranteed citizens certain basic freedoms.

Massachusetts was the last state to draw up its constitution. It was unusual in three ways. In most of the other states, the legislature was supreme. In Massachusetts, power was divided among the legislature, the governor, and the courts. The governor and the courts were given the power to check the legislature. The Massachusetts constitution was created through a special convention of delegates instead of by the legislature. The state’s citizens then approved the constitution. The Massachusetts constitution would later become the model for the U.S. Constitution.

6. How was the constitution of Massachusetts different from the other states’ constitutions?

Study Guide**Chapter 2, Section 3 (continued)****• The Articles of Confederation** *(page 40)*

Although each state wanted to govern itself, the states knew that there were some things an individual state could not do on its own. For example, the states knew that an individual state could not raise a large army by itself. The states knew that they needed a strong army to win the war with Great Britain.

The Second Continental Congress made plans for a union of the 13 states. In 1777 it developed a plan in a document called the Articles of Confederation. This was the first constitution of the United States of America. A **confederation** is a group of individual states that band together for a common purpose. The document set up a system of cooperation among the states.

The Articles set up a one-house legislature. Each state had one vote. The Congress controlled the army and had the authority to deal with foreign countries. Congress did not have the power to enforce laws or to tax. Congress could ask the states for money, but it could not demand it. Congress could not make the states to do anything.

By 1781 all 13 states had **ratified**, or approved, the Articles of Confederation. The Articles, however, had problems. For a law to pass, nine states had to vote for it. It required that all 13 states had to vote to **amend**, or change, the Articles. These requirements made it hard for Congress to get anything done. Even if Congress passed laws, it was difficult to enforce them. If a state wanted to ignore a law, the Congress could do nothing about it.

The Confederation Congress defeated Britain in the Revolutionary War. Britain and the United States signed the Treaty of Paris in 1783. After the war, the United States had serious financial problems. Because the Congress did not have the power to collect taxes, it had to borrow money to pay for the war. As a result, it ran up a huge debt. The state governments were also in debt. They taxed their citizens heavily. They also taxed goods from other states and foreign countries, which hurt trade.

The Confederation Congress could do nothing to solve these problems. In addition, Americans began to fear that the government did not have the power to protect them or their property. Riots broke out in several states in 1786 and 1787. Daniel Shays, a farmer who had fallen heavily into debt, led one of the rebellions. The state of Massachusetts threatened to take his farm away because he could not pay his debts.

Study Guide



Chapter 2, Section 3 (continued)

Shays believed that the state had no right to do so because it had created the problem. Other people agreed with Shays, and about 1,200 Massachusetts farmers joined Shays in an uprising. Shays's Rebellion was stopped, but it showed the need for a stronger national government. In 1787, 12 of the states sent delegates to Philadelphia to revise the Articles of Confederation.

7. What did Shays's Rebellion show?

Study Guide



Chapter 3, Section 1

For use with textbook pages 52–54

The Road to the Constitution



KEY TERM

Constitutional Convention the meeting held in Philadelphia in 1787 to write a new constitution
(page 54)

DRAWING FROM EXPERIENCE

What problems did the government have under the Articles of Confederation? How do you think the problems might have been solved?

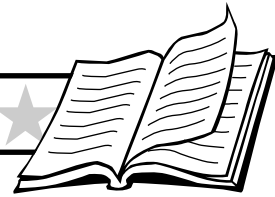
In this section, you will learn about the decisions made at the Constitutional Convention. You will also learn about the delegates to the convention.

ORGANIZING YOUR THOUGHTS

Use the cause-and-effect diagram below to help you take notes. The Constitutional Convention started in May 1787. Explain why the convention started and the result of the meeting.



Study Guide



Chapter 3, Section 1 (continued)

READ TO LEARN

- **A Distinguished Gathering** (page 52)

By early 1787, Congress realized that the national government had to be strengthened. It asked each state to send delegates to Philadelphia to fix the problems with the Articles of Confederation. Every state except Rhode Island sent delegates.

The convention started in Independence Hall in Pennsylvania on May 25, 1787. Most of the 55 delegates were lawyers, merchants, physicians, generals, governors, and planters who had political experience.

Benjamin Franklin was the oldest delegate at 81 years of age. Most of the other delegates were in their thirties or forties. Many would go on to have successful political careers. Some important leaders were not at the convention. Thomas Jefferson and John Adams were in Europe representing the American government. Patrick Henry did not attend the convention because he was against it.

3. How many delegates attended the convention in Philadelphia in 1787?

- **Early Decisions** (page 53)

The delegates appointed George Washington to supervise the convention. Washington was respected for his leadership in the American Revolution. His job was to call on speakers and to make sure that the meetings ran in an orderly fashion.

One of Washington's first actions was to appoint a committee to make rules for running the convention. The committee decided that meetings could only be held if the representatives of at least seven states were present. Decisions were to be made by a majority vote of the states.

Study Guide



Chapter 3, Section 1 (continued)

Each state would have only one vote. The delegates agreed to keep what happened during the meetings secret. They promised not to tell outsiders what was going on at the convention. The public was not allowed to attend meetings. By keeping the meetings secret, the delegates hoped that they would be able to speak freely, without reaction from the public. They could more easily make deals with one another and change their minds on issues. No formal records of the meeting were kept. We know details about the convention from a notebook of daily events written by one of the delegates, James Madison.

The delegates set out to change the Articles of Confederation. Very soon, however, they realized that changing them would not be enough. They decided instead to write a new constitution. For this reason, the meeting became known as the **Constitutional Convention**.

4. How were decisions at the Constitutional Convention made?

Study Guide



Chapter 3, Section 2

For use with textbook pages 55–59

Creating and Ratifying the Constitution



KEY TERMS

legislative branch the branch of government that makes laws (*page 55*)

executive branch the branch of government that carries out the laws (*page 55*)

judicial branch the branch of government that interprets the laws (*page 56*)

Great Compromise the compromise that resolved the problem of states' representation in Congress (*page 57*)

Three-Fifths Compromise the compromise that resolved the issue of how enslaved people would be counted in the population (*page 57*)

Electoral College a group of people named by each state legislature to select the president and vice president (*page 58*)

Federalists supporters of the Constitution (*page 58*)

federalism a form of government in which power is divided between the federal government and the states (*page 58*)

Anti-Federalists opponents of the Constitution (*page 59*)

DRAWING FROM EXPERIENCE

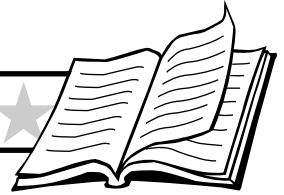
What is a compromise? What kinds of compromises do you think most people have to make in their daily lives?

The last section discussed the purpose of the Constitutional Convention. This section discusses the compromises made in the convention to reach an agreement on a new constitution.

ORGANIZING YOUR THOUGHTS

Use the chart on the next page to help you take notes. Delegates to the Constitutional Convention had to reach compromises in order to come to an agreement on a new constitution. Identify and describe the compromises made for each of the issues listed in the chart on the next page.

Study Guide



Chapter 3, Section 2 (continued)

Issues	Compromise Reached
Representation in Congress	1.
Enslaved people	2.
Trade	3.
Electing the president	4.

READ TO LEARN

- **Two Opposing Plans** (page 55)

Shortly after the Constitutional Convention began, the delegates from Virginia presented a plan for the new government, which became known as the Virginia Plan. James Madison designed most of the plan. This plan called for a government made up of three branches. The **legislative branch** would make the laws. The **executive branch** would carry out the laws. The **judicial branch**, which was a system of courts, would interpret the laws. The Virginia Plan called for the legislative branch to be divided into two houses. The states would be represented based on their population, so the large states would have more votes than the smaller states. Delegates from the large states were in favor of the Virginia Plan. However, delegates from the small states feared that the large states would ignore the interests of the smaller states.

After two weeks of angry debates, William Paterson of New Jersey suggested another plan. This plan became known as the New Jersey Plan. It called for three branches of government. However, the legislative branch was to be made up of one house in which each state would get one vote. Under this plan, the small states would have the same power as the large states. Delegates from the large states opposed this plan because they believed that larger states should have more power than smaller states.

5. Why did the delegates from the large states support the Virginia Plan and oppose the New Jersey Plan?

Study Guide**Chapter 3, Section 2 (continued)****• Constitutional Compromises** *(page 56)*

Debates over the two plans went on for six weeks. Neither side was willing to give in. A committee headed by Roger Sherman of Connecticut came up with a solution. It suggested that Congress be made up of two houses—a Senate and a House of Representatives. States would have equal representation in the Senate. Representation in the House would be based on population. Although neither the large states nor the small states were completely satisfied, they agreed to the plan. Sherman's plan was called the Connecticut Compromise or the **Great Compromise**.

Delegates then faced the problem of how to count the population for the purposes of representation in Congress. At that time, more than 550,000 African Americans were enslaved. The Southern states wanted to count them as part of their population. The Northern states, which had few enslaved people, argued that because enslaved people did not participate in government they should not be used to increase representation in Congress. Delegates agreed to the **Three-Fifths Compromise**. Under this compromise, every five enslaved persons would count as three free persons. This meant that three-fifths of the slave population in each state would be used to determine representation in Congress. (This number would also be used to figure taxes.)

The Northern and Southern delegates also compromised on trade matters. The Northern states believed that Congress should regulate both foreign trade and trade between the states. Southern states opposed that because they feared that Congress would use the power to tax exports. Export taxes would hurt the Southern economy, which depended on exports. The Southern states also feared that Congress would stop slave traders from bringing enslaved people into the United States. The South depended on slave labor. The South and the North reached a compromise. The Southern states agreed that Congress could regulate trade between other nations and between the states. In return, the Northern states agreed that Congress could not tax exports and would not interfere with the slave trade before 1808.

The delegates also compromised on how the president should be chosen. Some delegates believed that Congress should choose the president. Other delegates believed that people should vote for the president. The solution to the disagreement was the **Electoral College**. This was a group of people who would be named by each state legislature to select the president and vice president. Today, the voters, not the legislatures, choose the electors.

Study Guide



Chapter 3, Section 2 (continued)

6. Why did the Southern states not want Congress to regulate trade?

• Approving the Constitution (page 58)

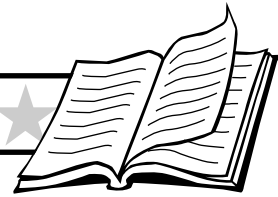
In September 1787, the Constitution was ready to be signed. Now the states had to ratify, or approve, it. Each state set up a ratifying convention to vote for or against the Constitution. At least 9 of the 13 states had to ratify the Constitution before it could become the supreme law of the land.

Those who supported the Constitution were called **Federalists**. They chose the name to stress that the Constitution would create a system of **federalism**, a form of government in which power is divided between the federal, or national, government and the states. In a series of essays known as *The Federalist* papers, the Federalists explained why the Constitution should be ratified. Federalists believed that the nation would not survive without a strong national government. Those who opposed the Constitution were known as the **Anti-Federalists**. They believed that the Constitution gave the national government too much power. They also believed it took away power from the states. The Anti-Federalists also believed that the Constitution should have included a bill of rights to protect basic freedoms of individuals.

The Federalists promised that if the Constitution was approved, the new government would add a bill of rights. That promise led more states to ratify the Constitution. The Constitution became the law of the land on June 21, 1788, when New Hampshire became the ninth state to ratify it. By 1790, all the states had ratified it. The 13 states became one nation, the United States of America.

7. Why did Anti-Federalists oppose ratification of the Constitution?

Study Guide



Chapter 3, Section 3

For use with textbook pages 82–87

The Structure of the Constitution



KEY TERMS

- Preamble** the opening section of the Constitution (*page 83*)
- amendment** a change in the Constitution (*page 85*)
- Bill of Rights** the first 10 amendments to the Constitution (*page 85*)
- income tax** a tax on people's earnings (*page 85*)

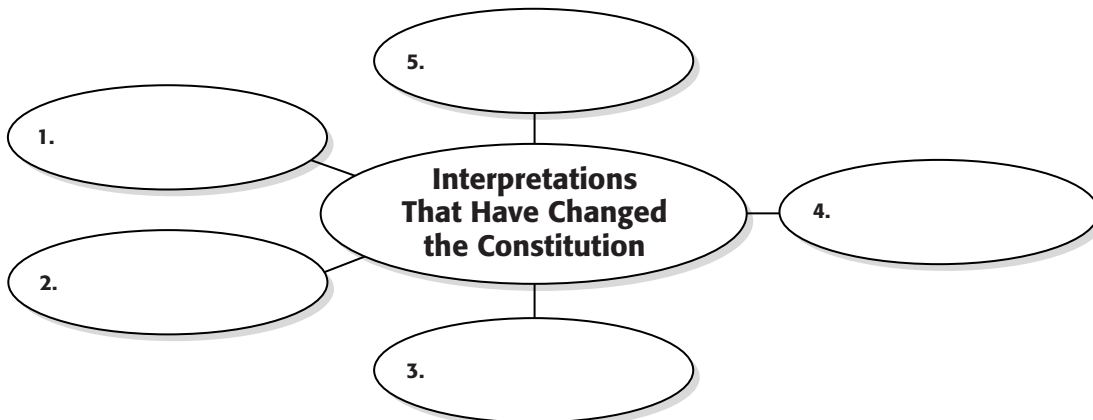
DRAWING FROM EXPERIENCE

The Constitution has been the supreme law of the United States for more than 200 years. Why do you think the Constitution has lasted so long?

The last section described the compromises made to reach an agreement on a new Constitution. This section describes how the Constitution is organized and how amendments can be added to it.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. The Constitution has been changed through amendments. The Constitution has also been changed through interpretation. In the diagram, list the kinds of interpretations that have led to changes in the interpretation of the Constitution.



Study Guide**Chapter 3, Section 3 (continued)****READ TO LEARN****• The Constitution and Its Parts** *(page 82)*

The Constitution provides the framework for the nation's government. It is the basic law of the land. The powers of the three branches of government come from the Constitution. It represents our system of government and our basic beliefs.

The Constitution has three main parts. The first part is the **Preamble**. This part tells why the Constitution was written. The Preamble states that the power of government comes from the people. It also states the six purposes of government.

Seven articles make up the second part of the Constitution. The first three articles describe the powers and responsibilities of each branch of government. Article I states that the legislative branch of the government is made up of a Congress of two houses—the Senate and the House of Representatives. The article explains how members of each house will be chosen and the rules they must follow in making laws. Article I lists the powers that Congress has and powers that they do not have.

Article II states that the executive branch of government is headed by a president and vice president. The article explains how the leaders are elected and how they can be removed from office. It also describes the president's power and duties.

Article III states that the judicial branch is the part of the government that interprets the law. It provides for a Supreme Court and lower courts that Congress would set up. Article III lists the powers of the federal courts and describes the kinds of cases they can hear.

Article IV of the Constitution deals with the states. It says that all states must respect each other's laws, court decisions, and records. The article also sets up the process for creating new states. Article V explains how **amendments**, or changes in the Constitution, are to be made. Article VI states that the Constitution is the supreme law of the land. It also states that if state laws or court decisions conflict with federal law, then the federal law prevails. Article VII states that the Constitution would take effect when nine states had ratified it.

Study Guide



Chapter 3, Section 3 (continued)

6. What do the first three articles of the Constitution deal with?

• **Amending the Constitution** (page 85)

Since the Constitution was ratified, 27 amendments have been added to it. The first 10 amendments are known as the **Bill of Rights**. They were added in 1791. The Bill of Rights protects individual rights and freedoms. Other amendments deal with other matters. The Sixteenth Amendment, for example, gives Congress the power to collect an **income tax**, or a tax on people’s earnings.

Although thousands of changes have been suggested to the Constitution in more than 200 years, only 27 amendments have become law. The Framers of the Constitution made it difficult to change the Constitution. They made sure that the Constitution could not be changed unless it had the support of the people.

Article V outlines the process that is necessary for amendments to be added to the Constitution. The process involves two steps. In the first step, an amendment is proposed. It can be proposed in one of two ways. Congress can propose an amendment. A vote of two-thirds of the members of both houses of Congress is necessary for an amendment to be proposed. This is the method that has been used for all the amendments so far. The other method is by a national convention called for by two-thirds of the state legislatures.

Once an amendment is proposed, three-fourths of the states must ratify it. The states can do this through a vote of either the state legislature or a special state convention. All but one amendment has been ratified by the vote of the state legislatures.

7. Why have the Framers made it difficult to amend the Constitution?

Study Guide



Chapter 3, Section 3 (continued)

• Interpreting the Constitution (page 86)

The Constitution has been changed in other ways than through amendments. It has been changed through interpretation. Article I gives Congress the power to make laws that it considers necessary to carry out its duties. It allows Congress to exercise powers that are not specifically listed in the Constitution. Some people believe that Congress should be allowed to make any laws that the Constitution does not forbid. These people believe in a loose interpretation of the Constitution. Other people believe that Congress should only make the kinds of laws that the Constitution mentions. These people believe in a strict interpretation of the Constitution.

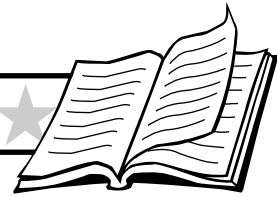
The Supreme Court has the power to interpret the Constitution. Over the years, the Supreme Court has sometimes interpreted it loosely and sometimes strictly. The government changes with each new interpretation.

The actions of the president and Congress have also caused new interpretations of the Constitution. For example, presidents have made agreements with other countries without the approval of Congress. Presidents also have requested legislation from Congress. The Constitution does not direct the president to take these actions.

The interpretation of the Constitution has also changed through customs that have developed. For example, the Constitution does not mention political parties. However, they have become an important part of today's political system.

- 8.** In what ways has the Supreme Court interpreted the Constitution over the years?

Study Guide



Chapter 3, Section 4

For use with textbook pages 89–93

Principles Underlying the Constitution



KEY TERMS

popular sovereignty the principle that the power of government lies with the people (*page 89*)

rule of law the principle that the law applies to everyone (*page 90*)

separation of powers the split of the authority of government among the legislative, executive, and judicial branches of government (*page 91*)

checks and balances the system in which each branch of government is able to check the power of the other branches (*page 91*)

expressed powers the powers specifically granted to the national government (*page 92*)

reserved powers the powers that the Constitution does not give to the national government and are kept by the states (*page 92*)

concurrent powers the powers that both the national government and the state governments can exercise (*page 93*)

DRAWING FROM EXPERIENCE

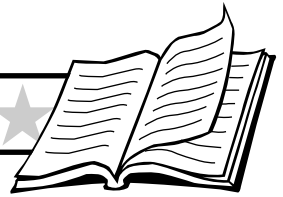
What do you think is meant by the words “government of the people?” In what way do the words apply to the United States government?

The last section described the structure of the Constitution. This section explains the principles that the Framers of the Constitution applied in setting up the new government.

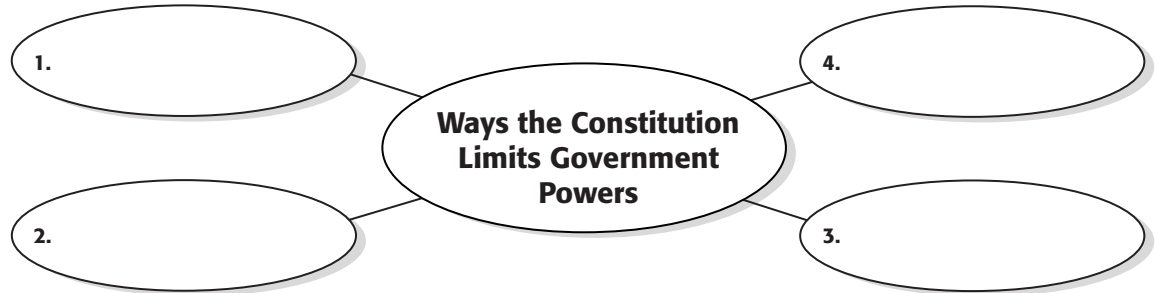
ORGANIZING YOUR THOUGHTS

Use the diagram on the next page to help you take notes. The Constitution gives the government the powers it needs to run efficiently, but it also limits the powers. In the diagram, list the ways that the Constitution limits the powers of the government.

Study Guide



Chapter 3, Section 4 (continued)



READ TO LEARN

• Popular Sovereignty (page 89)

The Framers of the Constitution applied five principles in creating this government. The government established by the Constitution is a republic. Today a republic is any representative government that is headed by a leader such as a president rather than a king or queen. The Framers of the Constitution considered a republic to be a representative democracy. In a republic, power belongs to the people. The people express their will through elected representatives. The idea that power lies with the people is called **popular sovereignty**. This principle is expressed in the Declaration of Independence and in the Preamble of the Constitution.

The Constitution includes provisions that ensure popular sovereignty. It gives citizens the right to vote. People exercise power when they vote for their representatives. Elected officials are always accountable to the people. The Constitution provides for regularly scheduled elections. People can reject and replace representatives who do not serve them well.

5. How does the Constitution provide for popular sovereignty?

Study Guide



Chapter 3, Section 4 (continued)

- **Rule of Law** (page 90)

The Constitution limits the power of both the federal government and the state governments. It indicates what they can and cannot do. The Constitution also states that the government is limited by the **rule of law**. This means that the law applies to everyone, even government leaders.

6. What does the principle of “rule of law” mean?

- **Separation of Powers** (page 91)

The Constitution helps reduce the threat of the government abusing its power by dividing the government into branches. Each branch has its own purpose. The separation of government into the legislative, executive, and judicial branches is called the **separation of powers**.

7. What is separation of powers?

- **Checks and Balances** (page 91)

The Constitution makes sure that no branch of government becomes too powerful by including a system of **checks and balances**. Each branch of government can check on the other branch. For example, the

Study Guide



Chapter 3, Section 4 (continued)

president can veto laws passed by Congress. Congress can block presidential appointments and treaties. The Supreme Court can check the other two branches by overturning laws and executive policies that it rules are against the Constitution.

8. Why does the Constitution include a system of checks and balances?

• **Federalism** (page 92)

Under federalism, the national government and state governments share power. Americans must obey both federal and state laws. The Constitution gives the national government certain exclusive powers. For example, only the national government has the power to coin money. The powers that are specifically given to the national government are called **expressed powers**. Those powers that the Constitution does not give specifically to the national government are kept by the states. These powers are called **reserved powers**. These powers include establishing schools and making rules for marriage. Some powers are exercised by both the national and state governments. These powers are called **concurrent powers**. The power to collect taxes is an example of concurrent powers.

Sometimes the laws of the nation and those of a state may conflict. For this reason, the Framers of the Constitution included the supremacy clause in Article VI. This clause declares that the Constitution is the supreme law of the land. The national government is not supposed to act against it. Also, states may not do anything that goes against the federal laws or the Constitution. By including the principles of popular sovereignty, the rule of law, separation of powers, checks and balances, and federalism, the Framers made sure that the Constitution gave government leaders enough power to run the country and protect people's rights. At the same time, the Constitution set limits on the government.

Study Guide



Chapter 3, Section 4 (continued)

9. How is power divided under federalism?

Study Guide



Chapter 4, Section 1

For use with textbook pages 98–101

The First Amendment



KEY TERMS

civil liberties the freedoms people have to think and act without government interference or fear of unfair treatment (page 98)

censorship the practice of banning printed materials or films because they contain alarming or offensive ideas (page 99)

petition a formal request (page 100)

slander the use of speech to spread lies that harm a person's reputation (page 101)

libel the use of printed material to spread lies that harm a person's reputation (page 101)

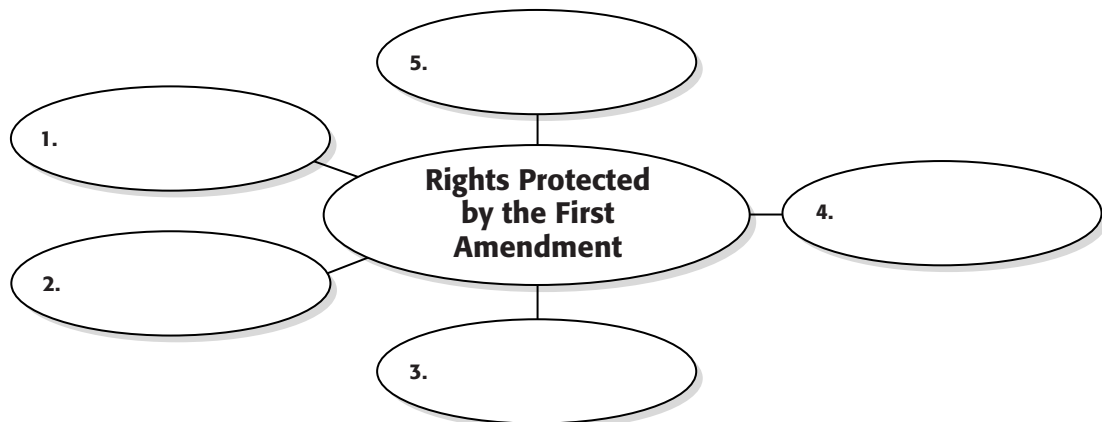
DRAWING FROM EXPERIENCE

What are some freedoms that American citizens have? Which freedoms do you consider most important? Why?

In this section, you will learn about the rights protected by the First Amendment to the United States Constitution. You will also learn about the limits to these rights.

ORGANIZING YOUR THOUGHTS

Use the web diagram below to help you take notes. The First Amendment protects five basic rights. List these rights in the diagram.



Study Guide**Chapter 4, Section 1 (continued)****READ TO LEARN****• First Amendment Freedoms** (*page 98*)

The Bill of Rights protects people's **civil liberties**, or the freedoms people have to think and act without government interference or fear of unfair treatment. The First Amendment protects five freedoms: freedom of religion, freedom of speech, freedom of the press, freedom of assembly, and freedom to petition the government.

The First Amendment forbids Congress from setting up an official religion in the United States. It gives Americans the freedom to practice their faith as they wish. The government may not favor one religion over another.

The First Amendment guarantees that people can say what they want in public or in private without fearing punishment from the government. Telephone conversations, face-to-face discussions, radio and TV broadcasts, Internet communication, art, and music are all covered by the guarantee of free speech.

The First Amendment allows people to express themselves in print as well as in speech. At first, "the press" referred to printed materials such as books, newspapers, and magazines. Today it refers to radio, television, and computer networks. Freedom of the press allows people to be exposed to many viewpoints. The government cannot practice **censorship**. It cannot ban printed materials or films just because the materials contain offensive ideas. The government also cannot censor material before it is published or broadcast.

The First Amendment protects people's right to gather in groups, if the gatherings are peaceful. Americans have the right to attend meetings, political rallies, and public celebrations. The amendment also protects people's right to form and join clubs, political organizations, or political parties.

The fifth right protected by the First Amendment is the right to petition the government. A **petition** is a formal request. The word is often used to mean a specific kind of document. However, even a letter or e-mail can be a petition. The right to petition means the right of an individual to express his or her ideas to the government. Often, when enough people express their views to the government, the government takes action.

Study Guide



Chapter 4, Section 1 (continued)

6. What types of “speech” are protected by the First Amendment?

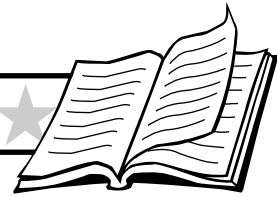
• Limits to First Amendment Freedoms *(page 101)*

The Supreme Court has decided that sometimes the safety of other people may limit the First Amendment rights. For example, freedom of speech does not give people the right to start a riot or write in a way that leads to criminal activities. People also do not have the right to interfere with the rights of others. For example, although people have the right to speak to their neighbors, they do not have the right to block traffic in the street to do so. People have the right to criticize government leaders, but they do not have the right to spread lies that harm a person’s reputation. To do so through speech is a crime called **slander**. To spread lies through print is called **libel**.

The First Amendment does not allow Americans to do anything they please. The rights of individuals must be balanced against the rights of others. When a conflict between the two arises, the rights of the community often come first.

7. Whose rights come first when there is a conflict between an individual’s rights and the rights of the community?

Study Guide



Chapter 4, Section 2

For use with textbook pages 103–107

Other Guarantees in the Bill of Rights



KEY TERMS

search warrant a court order allowing law enforcement officers to search a suspect's home or business and take specific items as evidence (*page 103*)

indictment a formal charge by a group of citizens who review the evidence against the accused (*page 104*)

grand jury a group of citizens who review the evidence against the accused (*page 104*)

double jeopardy the idea that people who are accused of a crime and judged not guilty may not be put on trial again for the same crime (*page 104*)

due process following established legal procedures (*page 104*)

eminent domain the right of the government to take private property for public use (*page 105*)

bail a sum of money used as a security deposit (*page 105*)

DRAWING FROM EXPERIENCE

Have you watched television shows about crime and law? According to the television shows, what rights do people accused of a crime have? Why do you think they have these rights?

The last section described the rights protected by the First Amendment. This section discusses other rights guaranteed by the Bill of Rights.

ORGANIZING YOUR THOUGHTS

Use the chart on the next page to help you take notes. Describe the rights guaranteed by the Second, Third, Seventh, Ninth, and Tenth Amendments to the United States Constitution.

Study Guide



Chapter 4, Section 2 (continued)

Amendment	Rights Protected
Second	1.
Third	2.
Seventh	3.
Ninth	4.
Tenth	5.

READ TO LEARN

- **Protecting the Rights of the Accused** (*page 103*)

The Fourth, Fifth, Sixth, and Eighth Amendments have to do with the rights of people accused of crimes. The Fourth Amendment protects people against unreasonable searches and seizures. No government official or law enforcement official can search a person’s home or take his or her property without good reason. If a law enforcement official believes that a crime has been committed, he or she can ask a judge for a **search warrant**. This is a court order allowing law enforcement officers to search a suspect’s home or business and take items as evidence. Search warrants are not given easily. Judges grant search warrants only if they are convinced that a search will turn up evidence that a crime was committed.

The Fifth Amendment protects the rights of people accused of a crime. It says that no one can be put on trial for a crime without an **indictment**. This is a formal charge by a group of citizens called a **grand jury**. The grand jury reviews the evidence against the accused person. An indictment does not mean that the person is guilty of a crime. It means that the grand jury believes that there is enough evidence that a person may have committed the crime. The Fifth Amendment also protects people from **double jeopardy**. This means that people who are accused of a crime and found not guilty may not be put on trial again for the same crime. The Fifth Amendment guarantees that people cannot be forced to testify against themselves, which is called protection against self-incrimination. The amendment says that no one may be denied life, liberty, or property “without due process of law.” **Due process** means following set legal procedures. The Fifth Amendment

Study Guide



Chapter 4, Section 2 (continued)

also protects people’s property rights by limiting the government’s power of **eminent domain**. This is the right of the government to take private property for public use. For example, if a person’s house lies in the path of a proposed highway, the government can legally take away the house. However, under the Fifth Amendment, the government has to pay the individual a fair price for the house.

The Sixth Amendment also deals with the rights of the accused. It says that people accused of a crime have to be told the nature of the charges against them. It guarantees them a trial, either by a jury or only a judge. If the person wants a jury trial, it has to be speedy and public. Accused people have the right to hear and question witnesses against them. They have the right to call witnesses in their own defense. They also have the right to a lawyer.

Between the time people are accused of a crime and the time they go to trial, they have two choices. They may stay in jail or remain free by paying **bail**, which is a sum of money used as a security deposit. When the accused person arrives in court for the trial, the bail is returned. If he or she does not show up, the bail is lost. The judge decides on how much money to set for bail. That depends on the type of crime committed, the record of the accused person, and the likelihood that the person will appear for trial. The Eighth Amendment, however, prohibits bail that is much too high. The Eighth Amendment also forbids “cruel and unusual punishment.” There is controversy among Americans regarding what kinds of punishments are cruel and punishment.

6. What does the Eighth Amendment deal with?

• **Protecting Other Rights** (page 106)

Other amendments of the Bill of Rights protect other kinds of rights. The Second Amendment is a source of debate among Americans. Some Americans believe that it calls for each state to keep a militia by allow-

Study Guide



Chapter 4, Section 2 (continued)

ing the members of the militias to carry arms. When this amendment was written, a militia was a local army made up of volunteer soldiers. Other Americans believe that the Second Amendment guarantees the right of all citizens to keep arms without government interference. The courts have generally ruled that the government can control the possession of weapons but it cannot prevent it. The right to bear arms continues to be a source of controversy.

The Third Amendment says that in peacetime soldiers may not move into private homes without the consent of the owners. In wartime, Congress has to authorize the practice.

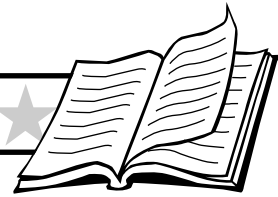
The Seventh Amendment deals with civil cases. Such cases involve disagreements between people rather than crimes. It permits a jury trial in civil cases if the amount of money involved is more than \$20. The amendment does not require a jury trial. A judge may settle the dispute.

Because the Framers of the Constitution knew that the Bill of Rights could not spell out every right of Americans, they included the Ninth Amendment. This amendment states that citizens have other rights that go beyond the ones listed in the Constitution.

The Tenth Amendment says that any powers that the Constitution does not specifically give to the national government are reserved to the people or to the states. This amendment was designed to prevent the national government from becoming too strong.

- 7.** What does the Seventh Amendment provide for?

Study Guide



Chapter 4, Section 3

For use with textbook pages 109–112

Extending the Bill of Rights



KEY TERMS

suffrage the right to vote (*page 111*)

poll tax a tax paid to cast a ballot (*page 112*)

DRAWING FROM EXPERIENCE

At what age are Americans allowed to vote? Should people be allowed to vote at a younger age? Why or why not?

The last section described the rights guaranteed by the Second to the Tenth Amendments. This section discusses the amendments to the Constitution that extended the rights of Americans.

ORGANIZING YOUR THOUGHTS

Use the chart below to help you take notes. Several amendments to the Constitution have extended voting rights or have made government more democratic. List the ways each of the amendments listed in the chart have done so.

Amendment	How It Extended Rights
Seventeenth Amendment	1.
Nineteenth Amendment	2.
Twenty-third Amendment	3.
Twenty-fourth Amendment	4.
Twenty-sixth Amendment	5.

Study Guide**Chapter 4, Section 3 (continued)****READ TO LEARN****• Protecting All Americans** *(page 109)*

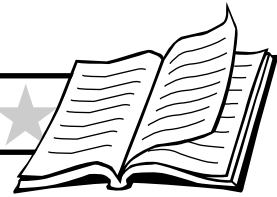
The Bill of Rights did not originally apply to all Americans. At first these rights protected only adult white males. Women could not vote, and African Americans had almost no rights at all. The Bill of Rights was designed to limit the national government. Many state and local governments used their reserved powers to limit civil rights. Over the years, additional amendments to the Constitution have helped the Bill of Rights to protect all Americans.

Many states were opposed to extending civil rights to African Americans. Three Amendments were passed after the Civil War that extended these rights. The Thirteenth, Fourteenth, and Fifteenth Amendments are known as the Civil War amendments. The Thirteenth Amendment officially outlawed slavery in the United States. Although it ensured freedom to African Americans, it did not guarantee them full rights.

After the Civil War, many Southern states passed “black codes” that restricted African Americans in many ways. To change this situation, the Fourteenth Amendment was passed in 1868. It said that a United States citizen was anyone who was born or naturalized in the United States, which included most African Americans. It also said that every state had to give its citizens “equal protection of the laws.” This amendment has been used in recent years to benefit many groups, including women, people with disabilities, and other groups whose rights have not always been recognized. The Fourteenth Amendment also makes the Bill of Rights binding for state governments as well as the federal government. Several Supreme Court cases made most protections in the Bill of Rights applicable at the state level by the 1960s.

The Fifteenth Amendment said that no state had the right to take away **suffrage**, or the right to vote, from anyone on the basis of race, color, or previous enslavement. This amendment was designed to guarantee suffrage to African Americans. However, many states found ways to keep African Americans from voting. The Fifteenth Amendment protected only men. Women could not vote in most federal or state elections.

Study Guide



Chapter 4, Section 3 (continued)

Between 1913 and 1971, Congress passed five amendments to make suffrage more widespread and to make elections more democratic. In 1913, the Seventeenth Amendment allowed voters to elect their senators, giving them more say in their government. Before this time senators were elected by state legislatures.

Before 1920, states made their own laws regarding giving women the right to vote. In 1920, the Nineteenth Amendment guaranteed women the right to vote in all national and state elections.

Before 1961, people who lived in Washington, D.C., could not vote in national elections. This was because the District of Columbia is not a state. The Twenty-third Amendment guaranteed voters in the District of Columbia the right to vote for president and vice president.

Even after the Fifteenth Amendment guaranteed African Americans the right to vote, many had trouble doing so. Several Southern states had **poll taxes**. These poll taxes required voters to pay a sum of money before they could vote. Because many African Americans, as well as poor whites, could not afford the poll tax, they could not vote. The Twenty-fourth Amendment made poll taxes illegal in national elections.

Throughout history, many American teens fought in wars. However, they were not allowed to vote. Most states had set the minimum age for voting at 21. Then in 1921, the Twenty-sixth Amendment guaranteed the right to vote to people 18 and older for national and state elections. As a result, millions more Americans could now vote.

6. Which amendment gave 18-year-olds the right to vote?

Study Guide



Chapter 4, Section 4

For use with textbook pages 113–115

The Civil Rights Struggle



KEY TERMS

discrimination unfair treatment based on prejudice against a certain group (page 113)

segregation the social separation of the races (page 113)

civil rights the rights of full citizenship and equality under the law (page 113)

affirmative action programs that encouraged the hiring and promoting of minorities and women in fields that were traditionally closed to them (page 115)

racial profiling the practice by law enforcement officers of singling out a person or group based on the way he or she looks (page 115)

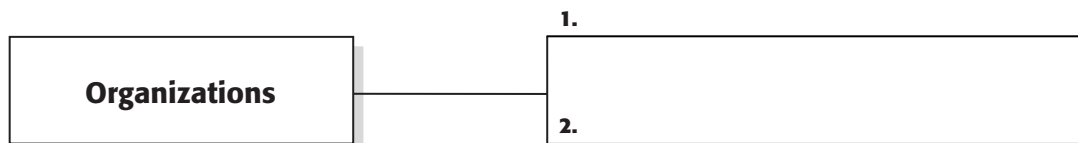
DRAWING FROM EXPERIENCE

Who was Dr. Martin Luther King, Jr.? What was the message in his “I Have a Dream” speech?

The last section discussed the amendments to the United States Constitution that extended the rights of Americans. This section discusses the ways the civil rights movement helped gain equality for African Americans.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. In the early 1900s, two organizations were formed by citizens to help African Americans gain equal rights and opportunities. List the organizations and their purposes in the diagram.



Study Guide**Chapter 4, Section 4 (continued)****READ TO LEARN****• Background of the Struggle** (*page 113*)

Even after the advances made after the Civil War, African Americans faced **discrimination**, or unfair treatment based on prejudice against a certain group. Southern states passed so-called “Jim Crow” laws that kept African Americans from going to the same schools as white students. African Americans had to ride in the backs of buses and stay in separate parts of restaurants and theaters. The social separation of the races was known as **segregation**. Even though segregation was less noticeable in the North, African Americans still faced prejudice there. It would take them more than 100 years to secure their **civil rights**, or the rights of full citizenship and equality under the law.

A group of African Americans and whites founded the National Association for the Advancement of Colored People (NAACP) in 1909. The purpose of the organization was to challenge laws that denied African Americans their constitutional rights. The National Urban League helped African Americans in cities find jobs and improve their opportunities to get ahead. These organizations gave rise to the civil rights movement. African Americans made an important gain in 1948, when President Harry S Truman ordered an end to segregation in the armed forces. Another gain came with the 1954 Supreme Court ruling in *Brown v. Board of Education of Topeka, Kansas*. The Court ruled that segregation was against the Fourteenth Amendment’s principle of equal protection under the law.

Dr. Martin Luther King, Jr., was one of the main leaders of the civil rights movement. He believed in nonviolent resistance, which is the peaceful protest of unfair laws. King organized marches and demonstrations that showed people the need for change. African American students started “sit-ins” at lunch counters that served only whites. “Freedom Riders” traveled on buses to protest segregation. As the civil rights movement became stronger, many whites opposed it through violence.

In 1964, Congress passed the Civil Rights Act of 1964. This law banned discrimination in public places, employment, education, and voter registration. It banned discrimination based on race and color as well as gender, religion, and national origin. The Twenty-fourth Amendment prohibited the poll tax. The Voting Rights Act of 1965 protected the free access of minorities to the polls.

Study Guide



Chapter 4, Section 4 (continued)

3. What laws in the mid-1960s helped to ban discrimination?

• **Ongoing Challenges** (page 115)

Although the civil rights laws opened more doors for minorities, whites still tended to have more opportunities. In the 1970s, the federal government started **affirmative action** programs to try to make up for past discrimination. The programs pushed for the hiring and promoting of minorities and women in areas that were traditionally not open to them. Colleges also used affirmative action to help minorities gain admission.

Not everyone agreed with affirmative action. Some believed that it discriminated against men and whites. Court decisions have recently restricted affirmative action programs.

Each year the federal government gets more than 75,000 complaints of workplace discrimination. Some Americans are subject to **racial profiling** by law enforcement officers. This is a practice in which officers treat people differently based on the way they look. Some Americans become the victims of hate crimes. These are acts of violence based on such things as a person's race, color, nationality, or gender.

4. Why did the federal government set up affirmative action programs?

Study Guide



Chapter 5, Section 1

For use with textbook pages 120–124

The Duties and Responsibilities of Citizenship



KEY TERMS

responsibility things people should do; obligations that are fulfilled voluntarily (page 120)

duty things people are required to do (page 120)

draft to call up for military service (page 121)

tolerance respecting and accepting others, regardless of their beliefs, practices, or differences (page 123)

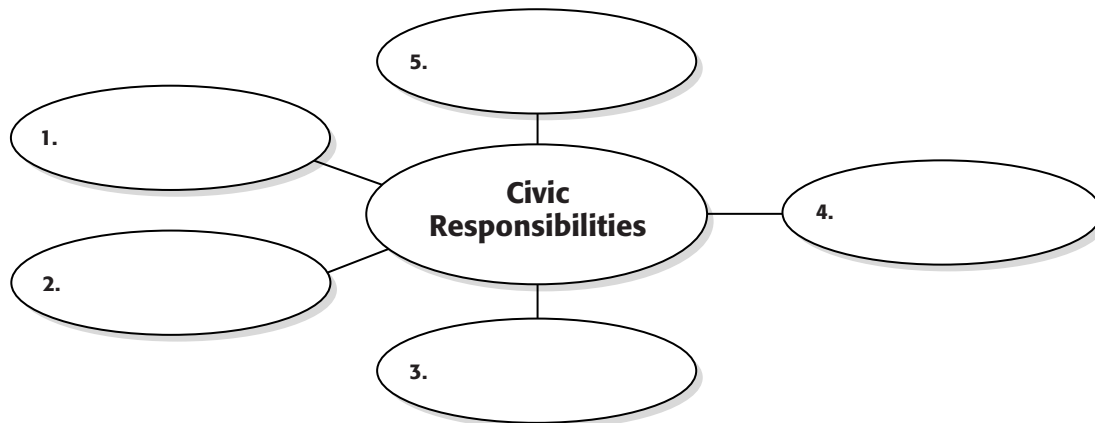
DRAWING FROM EXPERIENCE

What responsibilities do you have at home? What responsibilities do you have at school? What duties do you have? Is there a difference between your responsibilities and your duties?

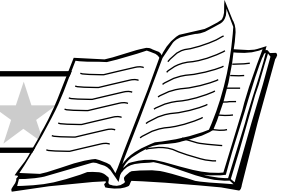
In this section, you will learn about the duties of American citizens. You will also learn about the responsibilities of being a citizen.

ORGANIZING YOUR THOUGHTS

Use the web diagram below to help you take notes. As citizens, people have certain responsibilities. List these responsibilities in the diagram.



Study Guide



Chapter 5, Section 1 (continued)

READ TO LEARN

- **A Citizen's Legal Duties** (*page 120*)

All people belong to several communities. People belong to a school or workplace, a state, a country, and the world. As members of communities we have certain **responsibilities** that we have to fulfill. Responsibilities are things we should do voluntarily, and not because we are asked to. As citizens, we also have **duties**, things we are required to do. Governments require citizens to carry out certain duties that are set up by laws. Citizens who do not carry out their duties face legal penalties, such as fines or imprisonment. When citizens accept and perform their responsibilities and duties, they make their communities stronger.

A citizen's most important duty is to obey the law. If people do not obey the law, then governments cannot maintain order or protect people's health and safety.

National and local governments use taxes to pay for their activities. People pay taxes in several ways. They pay income taxes, which are a percentage of what people earn. Many states and cities collect sales taxes. Most local governments collect property taxes.

In the United States, all men aged 18 through 25 are required to register with the government in case the country needs to **draft**, or call up, men for military service. The United States has not had a draft since the Vietnam War. Today, the nation's military is made up of volunteers.

The United States Constitution guarantees people who are involved in a criminal case or in a civil case the right to a jury. To ensure this right, adult citizens must be prepared to serve on a jury. Citizens also have a duty to serve as witnesses at a trial if called to do so.

Citizens in most states are required to go to school until age 16. People need to be educated to be able to make wise decisions. Citizens in a democracy need to be informed in order for the government to run well.

6. What is the most important duty of a citizen?

Study Guide**Chapter 5, Section 1 (continued)****• Civic Responsibilities** *(page 122)*

Citizens also have responsibilities that are not legal duties. There is no punishment for not fulfilling these responsibilities. However, when citizens fulfill them, they help to strengthen democracy.

Government leaders make decisions that affect people's lives. As a citizen, you have a responsibility to know what the government is doing. Then you can state your opinions about matters that you feel strongly about. People can find out about issues by reading books, newspapers, and magazines. They can listen to the news on radio and television. To be informed also involves knowing your rights.

All governmental power in the United States comes from the people. The purpose of government is to serve the people. For this reason, people should make their concerns known to government officials. People can do so by writing letters, sending e-mails, or calling their elected representatives. People can also join a group working for a particular cause.

Voting is one of the most important responsibilities of citizens. By voting, citizens give their consent to be governed. Voters should learn about the candidates and the issues in the election before casting their votes. Citizens should also keep track of what elected officials are doing. If elected officials are not fulfilling their duties, then it is up to the voters to elect someone else in the next election.

People must respect other people's rights. By doing so, they can enjoy their rights to the fullest. People should also show respect for public property and for the property of others. Many laws have been set up to encourage people to respect other people's rights. For example, laws against littering help to protect public and private property.

In a democracy, it is also important to respect others' civil rights. People have a right to their beliefs even if others disagree with them. Respecting and accepting others, regardless of their beliefs, practices, or differences, is called **tolerance**. Treating others respectfully is a responsibility of a good citizen. The United States is a diverse society. As citizens, people have a responsibility to respect the traditions of others even if they differ from their own.

Responsible citizens care about others and themselves. They are willing to contribute their time, money, and effort to help others and to improve life in the community.

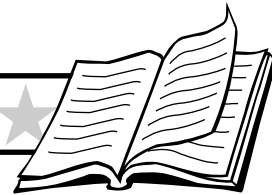
Study Guide



Chapter 5, Section 1 (continued)

7. Why is it important for citizens to be informed?

Study Guide



Chapter 5, Section 2

For use with textbook pages 125–130

Volunteering in Your Community



KEY TERMS

community a group of people who share the same interests and concerns (*page 125*)

bureaucracy a complex system with many departments, many rules, and many people in the chain of command (*page 126*)

welfare health, prosperity, and happiness (*page 126*)

volunteerism the practice of offering time and services to others without payment (*page 126*)

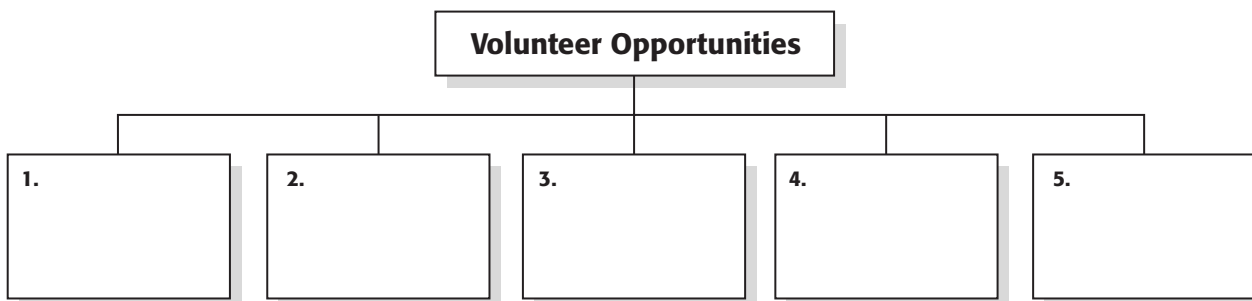
DRAWING FROM EXPERIENCE

What social problems in your community do you think need to be addressed? In what ways could you help to solve one of these problems?

The last section described the duties and responsibilities of being an American citizen. This section discusses the importance of volunteering in one's community.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. Many volunteer opportunities are available for interested citizens. List five programs in the diagram.



Study Guide



Chapter 5, Section 2 (continued)

READ TO LEARN

• The Need for Citizens' Involvement *(page 125)*

Many Americans do volunteer work in their communities. A **community** is a group of people who share the same interests and concerns. About 14 million volunteers are students in grades 6 through 12. Without the work of volunteers many needs of the community would not be met.

Although government provides for many community needs, its resources are limited. Also, governments are **bureaucracies**—complex systems with many departments, many rules, and many people in the chain of command. As a result, government cannot respond quickly to social problems. In many instances the solution to these problems comes from citizens. Good citizens are concerned about the **welfare**—or the health, prosperity, and happiness—of everyone in the community.

People can help their communities by working independently or as a part of volunteer groups. Some people are members of the PTA (Parent Teacher Association). Some people spend time cleaning up vacant lots in the community. Some young people visit nursing home patients or volunteer in animal shelters. Contributing time to work on community projects is the main part of **volunteerism**—the practice of offering time and services to others without payment. People can also support causes by contributing money. Many companies also contribute to the community. They may sponsor a sports team or donate prizes for a charity's fund-raiser. Some companies invest in young people by doing such things as offering college scholarships or giving employees time off to volunteer.

6. How can citizens support causes in their community?

Study Guide**Chapter 5, Section 2 (continued)****• Volunteers in Action** *(page 127)*

People are more willing to volunteer when they feel a personal connection to a cause or when they know other people involved. There are more than 1 million charities in the United States. Some are small and locally based. These charities often work on one or two projects, such as helping victims of domestic abuse. Other charities are large organizations, such as the United Way or Boys and Girls Clubs of America. They are national organizations that serve millions of people in a variety of ways. Both large and small charities depend on people who volunteer their time. Most have a paid staff that helps oversee operations of the organization.

Many schools across the United States arrange for community service for grades 6 through 12. Some school districts require students to perform a certain number of hours of community service in order to get a diploma.

The federal government has set up national programs to encourage volunteerism. The Peace Corps was started in 1961 to help people in the poor areas of the world. Peace Corps volunteers have been sent to 135 countries. They help farmers, teach children, help start small businesses, and fight the spread of AIDS.

In the United States, volunteers participate in AmeriCorps and the Senior Corps to help meet community needs. These volunteers help victims of disasters, help clean up polluted rivers, or help people with disabilities. AmeriCorps volunteers receive an allowance to live on and money to help pay for college. The Senior Corps provides volunteer opportunities for Americans aged 55 or older. These people volunteer in three main programs. As Foster Grandparents they work with children with special needs. As Senior Companions they help other seniors meet their daily needs while living independently. The Retired and Senior Volunteer Program (RSVP) link volunteers with opportunities in their community, such as delivering hot lunches with Meals on Wheels.

In his annual State of the Union Address, President George W. Bush described a new program called USA Freedom Corps. The program brought together the Peace Corps, AmeriCorps, and Senior Corps. It will also add another part called "Citizen Corps." Freedom Corps focuses on three areas. It focuses on responding in case of crisis at home, rebuilding communities, and extending American compassion throughout the world.

Study Guide



Chapter 5, Section 2 (continued)

Volunteering has a variety of benefits. It makes communities better places to live. It provides new opportunities to learn, make friends, and improve leadership and problem-solving skills. It also gives people satisfaction in knowing that people can make a difference in other people's lives.

- 7. What is the purpose of the USA Freedom Corps?

Study Guide



Chapter 6, Section 1

For use with textbook pages 138–144

How Congress Is Organized



KEY TERMS

bicameral two-part (page 139)

census population count taken by the Census Bureau (page 139)

constituents people represented by members of Congress (page 139)

gerrymander an oddly shaped district designed to increase the voting strength of a particular group (page 139)

majority party the political party to which more than half of the members of both the House and the Senate belong (page 140)

minority party the political party to which less than half of the members of both the House and the Senate belong (page 140)

standing committee a permanent committee in Congress that continues its work from session to session (page 143)

seniority years of service (page 144)

DRAWING FROM EXPERIENCE

Who are the senators of your state? What congressional district do you live in? Who is your district's representative to Congress?

In this section, you will learn how Congress is organized. You will also learn how committees help to get the work of Congress done.

ORGANIZING YOUR THOUGHTS

Use the web diagram on the next page to help you take notes. Four types of committees help the members of Congress make laws and address various issues. List these committees and their functions in the diagram.

Study Guide



Chapter 6, Section 1 (continued)



READ TO LEARN

• **Terms of Congress** (page 138)

Every January 535 members of Congress gather in the U.S. Capitol in Washington, D.C., to make new laws. Congress—the legislative branch of government—is described in the first part of the Constitution. Each term of Congress usually starts on January 3 of odd-numbered years and lasts two years. It is given a number to identify its two-year term. For example, the 107th Congress began meeting in 2001.

Each term of Congress has two sessions, or meetings. The session generally lasts from January until November or December. Congress may also meet in special sessions during times of crisis. A joint session happens when the House and the Senate meet together, which they do to hear the president’s State of the Union Address.

5. How many sessions make up each term of Congress?

• **A Bicameral Legislature** (page 139)

Congress is a **bicameral**, or two-part, body, made up of the House of Representatives and the Senate. The House of Representatives has 435 members. The number of representatives from each state is based on the

Study Guide



Chapter 6, Section 1 (continued)

state's population. Each state is entitled to at least one member, no matter how small the population. The number of representatives given to each state is adjusted after each 10-year **census**. A census is a population count taken by the Census Bureau. Each state is divided into districts. One representative is elected from each district. Most state legislatures must draw the boundaries of the districts to include roughly the same number of **constituents**, or people represented. States can abuse this by gerrymandering. A **gerrymander** is an oddly shaped district that is set up to increase the voting strength of a particular group. Representatives are elected for two-year terms. They generally focus on the issues of their districts.

The Senate includes 100 members, two from each state. Senators represent their entire state rather than a particular district. Senators are elected for six-year terms. However, senators are not all elected at the same time. Only one-third of the senators are up for reelection at the same time. This helps ensure continuity in the government.

6. What is representation in the House of Representatives based on?

• **Congressional Leaders** (page 140)

The political party to which more than half the members of Congress belong is known as the **majority party**. The other party is called the **minority party**. Party members in each house choose leaders at the beginning of each term to direct their activities. The majority party of the House chooses the Speaker at a closed meeting. The entire House then approves the choice of Speaker of the House. He or she is the most powerful leader in the House. The Speaker steers laws through the House and influences most other House business. The Speaker is in line to be president if anything happens to the president and vice president. Speakers often listens to favors from House members. In return, the Speaker expects the representatives' support on important issues.

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Chapter 6, Section 1 (continued)

The Senate does not have a leader with the same kind of power as the Speaker. The presiding officer of the Senate is the vice president of the United States, called the president of the Senate. However, the vice president rarely takes part in Senate debates. He or she votes only in case of a tie. The person who is actually the chairperson of the Senate is the president pro tempore, or pro tem. Someone from the majority party usually fills this position.

The most powerful players in the House of Representatives, besides the Speaker, are the majority and minority floor leaders. They try to make sure that the laws that are passed are best for the interests of their own political parties. Party “whips” help the floor leaders. They keep track of where party members stand on proposed laws. They also round up members for key votes.

7. What do party whips do?

• **Committees: Little Legislatures** (page 142)

Most of the work of both the House and the Senate is done in committee. Some committees are ongoing committees. Other committees are short-term and set up for a specific purpose.

The permanent committees are called **standing committees**. There are 17 in the Senate and 19 in the House. These committees cover areas such as education, veterans’ affairs, and commerce. Most standing committees are divided into smaller subcommittees, which deal with more specific concerns.

Both houses of Congress also have select committees. These committees do a special job for a limited time. The House and Senate also have joint committees. These include members from both houses. Conference committees are temporary committees that help both houses agree on the details of a proposed law.

Study Guide



Chapter 6, Section 1 (continued)

Senators and representatives who first come to Congress try to get on committees that affect the people who elected them. Leaders of the political parties assign members to the committees. **Seniority**, or years of service, plays an important part in determining positions on committees. The person who is the longest-serving committee member from the majority party generally becomes the chairperson of the committee. Chairpersons of the standing committees are the most powerful members of Congress. Some people question the role that seniority plays in determining committee leadership.

8. Who are the most powerful members of Congress?

Study Guide



Chapter 6, Section 2

For use with textbook pages 146–150

The Powers of Congress



KEY TERMS

- expressed powers** powers of Congress specified in the Constitution (*page 146*)
- implied powers** powers of Congress not specifically stated in the Constitution (*page 146*)
- elastic clause** Clause 18 of Article I, Section 8, which has allowed Congress to stretch its powers to meet new needs (*page 146*)
- impeach** to accuse officials of misconduct in office (*page 148*)
- writ of habeas corpus** a court order that requires police to bring a prisoner to court to explain why they are holding the person (*page 150*)
- bill of attainder** law that punishes a person without a jury trial (*page 150*)
- ex post facto law** a law that makes an act a crime after the act has been committed (*page 150*)

DRAWING FROM EXPERIENCE

What does Congress do? What powers does Congress have?

The last section described how Congress was organized. This section discusses the powers of Congress.

ORGANIZING YOUR THOUGHTS

Use the chart below to help you take notes. Although Congress has certain powers, its powers are limited through various ways. List the ways that congressional powers are limited in the chart below.

Limits on Congressional Powers
1.
2.
3.
4.

Study Guide



Chapter 6, Section 2 (continued)

READ TO LEARN

• **Legislative Powers** (page 146)

The Founders gave Congress broad powers. The Constitution lists the major powers of Congress in Article I, Section 8. The first 17 clauses list the **expressed powers**, or specific powers, of Congress. The last clause of Section 8, Clause 18, gives Congress the power to do whatever is necessary to carry out the expressed powers. These are called **implied powers** because they are not specifically stated in the Constitution. Clause 18 is also known as the **elastic clause** because it has allowed Congress to stretch its powers to meet new needs. Most of the powers of Congress have to do with making laws.

Congress has the power to collect taxes. All bills that have to do with taxes or raising money have to start in the House of Representatives. These bills have to be approved by the Senate. Bills to spend money also have to start in the House. This is a two-step process. Authorization bills create projects and set up the amount of money to be spent on them. Appropriations bills provide the money for each program. To spend money, government agencies have to get approval from Congress.

Article I, Section 8, Clause 3 gives Congress the power to regulate foreign and interstate commerce. Interstate commerce includes trade and other economic activities among the states. This commerce clause is the basis for many of the most important powers of Congress. Laws dealing with air traffic, trucking, television, and air pollution are all based on this clause.

Congress has important powers regarding foreign policy and national defense. Only Congress has the power to declare war and to create and maintain an army. The Senate must approve any treaties that the president makes with other nations.

5. Why is Clause 18, the elastic clause, important?

Study Guide



Chapter 6, Section 2 (continued)

- **Nonlegislative Powers** (page 148)

Congress has powers that do not have to do with making laws. For example, Congress can propose constitutional amendments. The House chooses the president if no candidate receives a majority of the electoral votes.

One of the most important nonlegislative powers of Congress is its power to check the other branches of government. The Senate has the power to approve or reject the president's nominees for positions such as Supreme Court justices and ambassadors. Congress has the power to remove from office any federal official who has committed serious wrongdoing. The House has the power to **impeach**, or to accuse officials of misconduct in office. A majority of the House members has to vote to impeach. The Senate then acts as a jury. A two-thirds vote of the Senate is needed to convict and remove a person from office.

Congress has also taken on the role of a watchdog. For example, standing committees review how well the executive branch carries out the laws that Congress has passed. Congress also conducts special investigations, such as the 1986 Iran-Contra affair and the Watergate scandal.

6. What are nonlegislative powers of Congress?

- **Limits on Power** (page 150)

The Constitution also states what Congress may not do. The Bill of Rights sets up some limits. For example, the Bill of Rights says that Congress may not pass laws that ban freedom of speech.

Article I also sets limits. Under Article I, Congress may not favor one state over another. It cannot tax interstate commerce or exports. Congress cannot suspend the **writ of habeas corpus**. This is a court order that requires police to bring a prisoner to court to explain why they are holding the person. Congress may not pass **bills of attainder**.

Study Guide



Chapter 6, Section 2 (continued)

These are laws that punish a person without a jury trial. Congress may not pass **ex post facto laws**. These are laws that make an act a crime after the act has been committed.

The Constitution reserves many powers for the states. Congress may not interfere with these powers. The powers of Congress are also limited under the system of checks and balances. For example, the Supreme Court can declare laws that Congress passes as unconstitutional.

- 7.** How do the powers reserved for the states limit the powers of Congress?

Study Guide



Chapter 6, Section 3

For use with textbook pages 151–155

Representing the People



KEY TERMS

franking privilege the right of members of Congress to send work-related mail without paying postage (page 152)

lobbyist person hired by private groups to influence government decision-makers (page 152)

casework the help in dealing with the federal government that members of Congress provide to people from their home district or state who request it (page 154)

pork-barrel project a government project or grant that primarily benefits a particular home district or state (page 155)

DRAWING FROM EXPERIENCE

What kind of help do you think members of Congress might need to do their work? Do you think working in Congress would be interesting? Why do you think so?

The last section discussed the powers of Congress. This section describes the staff that Congress employs to help with its work.

ORGANIZING YOUR THOUGHTS

Use the chart below to help you take notes. Staffs and agencies help Congress do its work. Describe the functions of the staff and agencies listed in the chart.

Staff/Agency	Function
Personal Staffs	1.
Committee Staffs	2.
Library of Congress	3.
Congressional Research Service	4.
General Accounting Office	5.
Congressional Budget Office	6.

Study Guide



Chapter 6, Section 3 (continued)

READ TO LEARN

- **Requirements and Benefits of Congress** *(page 151)*

The Constitution lists the qualifications needed to be a member of Congress. Senators must be at least 30 years old, live in the state they represent, and have been a U.S. citizen for at least 9 years before being elected. Members of the House of Representatives must be at least 25 years old, live in the state they represent, and have been a U.S. citizen for at least seven years. Almost half of the members of Congress are lawyers and most have college degrees. Most are active in community organizations. Most have held offices at the state or local level.

Senators and representatives receive an annual salary of \$150,000. They receive free office space and trips to their home. They can send job-related mail without paying postage. This is called the **franking privilege**. Members of Congress also have immunity in certain situations. This lets them say and do what they believe is right without the fear of interference from outsiders. Immunity, however, does not mean that they can break the law.

7. What are some benefits that members of Congress receive?

- **Congressional Staff: Behind-the-Scenes Helpers**

(page 152)

Members of Congress hire full-time workers to help them with their workload. Members of Congress hire a personal staff, which runs an office in Washington, D.C., and offices in the congressional member's home district. The workers collect information about new bills to be discussed in Congress. They write speeches, handle requests from voters, and deal with reporters and **lobbyists**. These are people hired by private groups to influence government decision makers. Staff workers also work for the reelection of the congressional member.

Study Guide



Chapter 6, Section 3 (continued)

In addition to a personal staff, members of Congress hire students from their home to work as interns and pages. Interns generally help with research. Pages deliver messages and run errands.

Congressional committees also hire a staff. These workers are generally experts on special topics such as health care or taxes. Committee staff members do much of the lawmaking work of Congress. They draft bills, gather information, set up committee hearings, and work with lobbyists.

Several agencies also help Congress do its work. The Library of Congress is an important source of information for Congress and its staff. The Library of Congress has a copy of every book published in the United States. The Congressional Research Service (CRS) is part of the Library of Congress. It researches facts and clarifies arguments for and against proposed bills. The CRS also keeps track of every bill before Congress. The General Accounting Office (GAO) reviews the spending activities of Congress. It studies federal programs and suggests way of improving the government's financial performance. The GAO staffers prepare reports and testify before committees to make sure taxes are spent wisely. The Congressional Budget Office (CBO) gives Congress information for making budget decisions. The CBO estimates the costs and economic effects of programs. It helps Congress set up and stick to a budget plan.

8. What does the CBO do?

• **Members of Congress at Work** (page 153)

Congress does its work in sessions that start January 3 and continue most of the year. Members of Congress perform three basic jobs. The best-known job is making laws. Members write and introduce bills, work in committees, listen to arguments for and against a bill, and vote on the floor of the House or Senate.

Study Guide



Chapter 6, Section 3 (continued)

Members of Congress act as troubleshooters for people from their home state or district who ask for help in dealing with the federal government. This help is called **casework**. Congress receives thousands of requests through letters or e-mails. The senator's or representative's office staff handles most requests for help. Staff workers contact the appropriate federal agency to get information and ask for action.

Members of Congress protect the interests of their state or district. They also work to give their state or district a share in the money the federal government spends each year. Government projects and grants that primarily benefit the home district or state are known as **pork-barrel projects**.

9. What are three jobs that members of Congress perform?

Study Guide



Chapter 6, Section 4

For use with textbook pages 157–161

How a Bill Becomes a Law



KEY TERMS

joint resolution a resolution passed by both houses of Congress dealing with unusual or temporary matters, such as correcting an error in an earlier law (*page 157*)

special-interest groups organizations of people with some common interest who try to influence government decisions (*page 158*)

riders an unrelated amendment that is tacked on to a bill (*page 159*)

filibuster to talk a bill to death (*page 159*)

cloture a procedure used in the Senate to limit debate on a bill (*page 159*)

voice vote a vote in which those in favor say “Yea” and those against say “No” (*page 161*)

roll-call vote a vote in which members vote in turn as an official record (*page 161*)

veto to refuse to sign a bill (*page 161*)

pocket veto the president’s power to kill a bill, if Congress is not in session, by not signing it for 10 days (*page 161*)

DRAWING FROM EXPERIENCE

What is an issue that you think Congress should consider making a law? How would you go about suggesting a law be passed by Congress?

The last section described the staffs and agencies that help Congress with its work. This section discusses the steps involved in a bill becoming a law.

ORGANIZING YOUR THOUGHTS

Use the diagram on the next page to help you take notes. The president can take several actions after Congress passes a bill. List these actions in the diagram.

Study Guide



Chapter 6, Section 4 (continued)

**Actions President Can
Take After Congress
Passes a Bill**

1. _____
2. _____
3. _____
4. _____

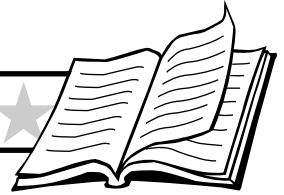
READ TO LEARN

• **Types of Bills** (page 157)

Although thousands of bills are introduced to Congress each term, only a few hundred actually become laws. Bills fall into two categories. Private bills usually deal with individual claims against the government. Public bills apply to the entire nation, involving general matters like taxation or civil rights.

In addition to bills, Congress also considers resolutions, or formal statements that express lawmakers' opinions or decisions. Some resolutions do not have the force of law, such as those permitting a ceremony in the Capitol. **Joint resolutions**, however, do become law if the president signs them. These resolutions are passed by both houses of Congress and are used to propose amendments, to set up money for a special purpose, and to correct errors in bills already passed.

5. What two categories do bills fall under?

Study Guide**Chapter 6, Section 4 (continued)****• From Bill to Law** (*page 158*)

Ideas for bills come from several sources. Some come from members of Congress or private citizens. Some ideas begin in the White House. Some are suggested by **special-interest groups**, or organizations of people with some common interest who try to influence government decisions.

Only senators and representatives can introduce bills in Congress. Bills that involve money must start in the House. A bill is given a title and a number when it is submitted. The bill is then sent to a subcommittee that seems most qualified to deal with it.

Committees receive more bills than they can handle. The chairperson of the committee decides which bills get ignored and which ones get looked at. Those that are considered are often researched and reported on by a subcommittee. Often, public hearings are held and citizens voice their opinions for or against the bill.

Standing committees have power over the bills. They can pass the bill without any changes, change parts of the bill and suggest that it be passed, replace the bill with an alternative one, ignore the bill and let it die (this is called “pigeonholing”), or kill the bill by a majority vote. Although the House and Senate can overrule the decisions of the committees, that rarely happens. If a committee opposes a bill, it almost never becomes a law.

Once a committee approves a bill, it is ready to be considered by the House or Senate. The bills are put on a calendar in the order in which they come out of committees. In the Senate, the bills are considered in the order listed. In the House, however, the powerful Rules Committee controls the schedule. This committee can give priority to bills it considers important and kill other bills by not letting them get to the floor.

When a bill reaches the floor of the House or Senate, the members argue the pros and cons of the bill. They consider amendments to the bill as well. The House only considers amendments that are relevant to the bill. The Senate, however, allows **riders**, or completely unrelated amendments, to be added to the bill. Senators consider riders to a bill that they believe are going to pass. These riders usually benefit their constituents.

The House sets time limits on debates about bills. Senators can speak as long as they wish, though. Sometimes they take advantage of this to **filibuster**, or talk a bill to death. A senator can hold the floor for hours,

Study Guide



Chapter 6, Section 4 (continued)

delaying a vote until the person who sponsored the bill withdraws it. A filibuster can be ended when three-fifths of the members vote for **cloture**. Under this procedure, no one may speak for more than one hour.

Members of Congress vote for a bill in several ways. In a **voice vote**, those in favor say “Yea” and those against say “No.” In a standing vote, those in favor of a bill stand to be counted and then those against it stand to be counted. Today the House uses a computerized voting system to record the votes. Senators voice their votes in turn as an official records them in a **roll-call vote**.

A simple majority is needed to pass a bill. If a bill passes in one house, it is sent to the other. If either house makes changes in a bill it receives from the other house, a conference committee is formed with members from both houses. This committee works out the differences between the two versions of the bill. Once the bill is revised, the House and Senate must either accept it or completely reject it.

After both houses approve a bill, it goes to the president. The president can sign it and it becomes law. The president may **veto**, or refuse to sign, it. The president may do nothing for 10 days. If Congress is in session, the bill becomes law without the president’s signature. If Congress is not in session, the bill dies. Killing a bill in this way is called a **pocket veto**. If the president vetoes a bill, Congress can save it by overriding the veto with a two-thirds vote of each house.

6. What happens if either house makes changes in a bill after receiving it from the other house?

Study Guide



Chapter 7, Section 1

For use with textbook pages 166–169

The President and Vice President



KEY TERMS

Electoral College a group of people who elect the president and the vice president (*page 167*)

elector a member of the Electoral College, who is appointed by his or her state to vote for one of the major candidates (*page 167*)

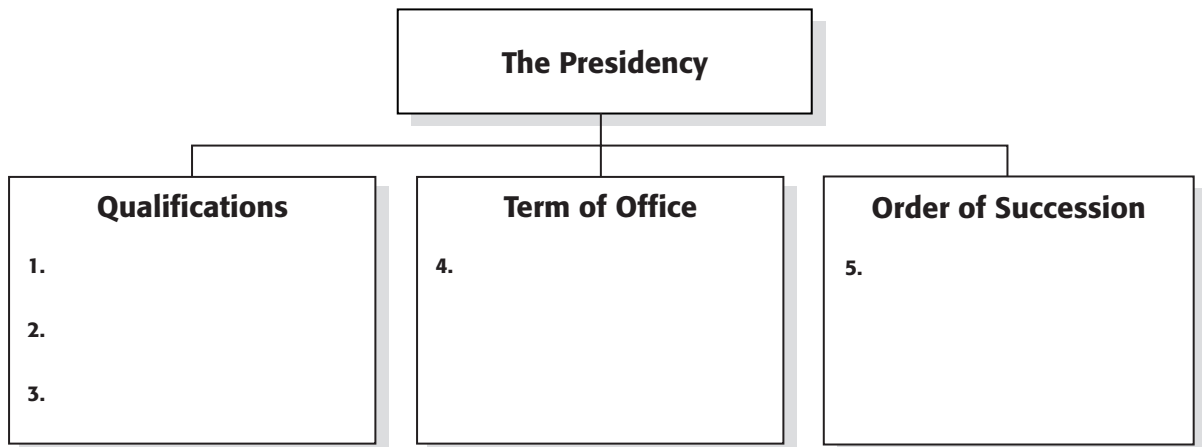
DRAWING FROM EXPERIENCE

Do you think you would like to be the president of the United States? Why or why not?

In this section, you will learn about the qualifications needed to be president. You will also learn the rules of presidential succession.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. The United States Constitution lists the qualifications for president, the term of office, and the order of succession. List this information in the diagram.



Study Guide



Chapter 7, Section 1 (continued)

READ TO LEARN

• **Qualifications for President** *(page 166)*

The president is the head of the executive branch. To be president, an individual has to meet three requirements. A person must be at least 35 years old, a native-born American citizen, and a resident of the United States for at least 14 years.

So far, every American president has been a white male. All but one have been Protestant Christians. Most have had a college education. Many have been lawyers. In the past few decades, the presidency became possible for a wider group of Americans. John F. Kennedy became the first Catholic president in 1960. In 1984 Geraldine Ferraro became the first female vice-presidential candidate. In 1988 Jesse Jackson, an African American ran a close race to become the Democratic candidate for president. In 2000 the Democratic Party nominated senator Joseph Lieberman as the first Jewish candidate for vice president.

6. What are the qualifications to be president of the United States?

• **Electing a President** *(page 167)*

Presidential elections take place every four years, in years that can be evenly divided by four. The Constitution calls for an indirect method of electing the president called the **Electoral College**. Each state appoints **electors**. The electors vote for one of the major candidates. When people vote for a candidate, they are actually voting for a list of presidential electors who are pledged to that candidate. Each state has as many electoral votes as the total of its U.S. senators and representatives. The Electoral College has 538 electors. Washington, D.C., has three electors. The states with large populations have more electoral votes than states with smaller populations. For this reason, candidates pay more attention to the most populous states during election campaigns. A candidate must win 270 of the 538 electoral votes to be elected president.

Study Guide



Chapter 7, Section 1 (continued)

7. How many electoral votes does each state have?

• **Terms of Office** (page 167)

Presidents serve four-year terms. At first, the Constitution did not limit how many terms a president could serve. However, the Twenty-second Amendment limits each president to two elected terms in office, or a maximum of 10 years if the presidency began during another president's term.

The president's salary is \$400,000 a year. He or she also receives money for expenses and travel. The president lives in the White House. A domestic staff of more than 80 people tends to the needs of the president's family.

8. How does the Twenty-second Amendment affect the presidency?

• **The Vice President** (page 168)

The vice president is elected with the president through the Electoral College system. The qualifications for this office are the same as those for the presidency. Article I of the Constitution says that the vice president shall preside over the Senate and vote there in case of a tie. The vice president becomes president if the president dies or is unable to perform the presidential duties. Nine vice presidents have become president due to the death or resignation of a president.

Study Guide



Chapter 7, Section 1 (continued)

9. What are the qualifications to be vice president?

• **Presidential Succession** (page 168)

The Constitution states that if the president dies or leaves office during his term, the vice president takes on the powers and duties of the president. In 1947 Congress passed the Presidential Succession Act. According to this law, if both the president and vice president die or leave office, the Speaker of the House becomes president. The president pro tempore of the Senate is next in line, then the secretary of state and other members of the cabinet.

In 1967, Congress passed the Twenty-fifth Amendment. It says that if the president dies or leaves office, the vice president becomes president. The new president then chooses the vice president, who has to be approved by both houses of Congress. If a president is unable to do the job for a period of time, the vice president acts as president until the president is able to go back to work. This amendment has been used only three times.

10. According to the Twenty-fifth Amendment, what happens if a president leaves office?

Study Guide



Chapter 7, Section 2

For use with textbook pages 171–174

The President's Job



KEY TERMS

executive order a rule or command issued by the president that has the force of law (page 172)

pardon a declaration of forgiveness and freedom from punishment (page 172)

reprieve an order to delay a person's punishment until a higher court can hear the case (page 172)

amnesty a pardon toward a group of people (page 172)

DRAWING FROM EXPERIENCE

What do you think is the most attractive part of a president's job? What do you think is the worst part? Why do you think so?

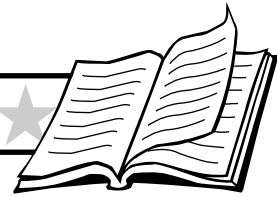
The last section described the qualifications necessary for being a president. This section discusses the roles that the president fulfills.

ORGANIZING YOUR THOUGHTS

Use the chart below to help you take notes. The president has duties to fulfill in each of the roles he or she plays. Write the duties a president has in each of the roles listed on the chart.

Role	Duty
Chief Executive	1.
Chief Diplomat	2.
Commander in Chief	3.
Legislative Leader	4.
Economic Leader	5.
Party Leader	6.
Head of State	7.

Study Guide



Chapter 7, Section 2 (continued)

READ TO LEARN

• **Constitutional Powers** (page 171)

The president is the most powerful official in the United States. Article II of the Constitution lists the president's powers. The main job is to execute, or carry out, the laws. The Constitution calls for the president to give Congress information about the state of the union. The president does so in the annual State of the Union address. In this speech, the president discusses the most important issues facing the nation and describes new programs for Congress to consider.

8. What is the president's main job?

• **Roles of the President** (page 172)

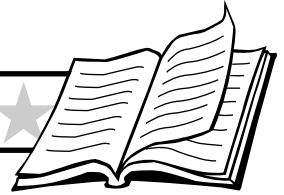
The president plays a number of roles. Some roles are set by the Constitution. Other roles have developed over the years. The most important role is that of Chief Executive. In this role the president carries out the laws set by Congress. To do this, the president is in charge of 14 cabinet departments and more than about 3 million people who work for the federal government. The president appoints the heads of cabinet departments and of other government agencies, with the Senate's approval.

An important presidential tool used to carry out the laws is the **executive order**, which is a rule or command that has the force of law. Many executive orders deal with administrative problems. Some have a greater impact.

The president appoints judges to the Supreme Court and other federal courts. This is an important power. The Supreme Court's power to interpret laws greatly influences the United States. Most presidents appoint Supreme Court justices who have similar views to their own.

The Constitution gives the president the power to grant a **pardon**, which is a declaration of forgiveness and freedom from punishment. The president may grant a **reprieve**, an order to delay a person's punishment until a higher court can hear the case. The president may also grant **amnesty**, a pardon toward a group of people.

Study Guide



Chapter 7, Section 2 (continued)

As chief diplomat, the president directs foreign policy. The president makes key decisions about how the United States acts toward other countries.

The Constitution makes the president the commander in chief of the nation's armed forces. The president is in charge of the army, navy, air force, marines, and coast guard. The Constitution gives Congress the power to declare war. However, only the president can order American soldiers into battle. In the nation's history, Congress has declared war only five times. However, presidents have sent troops into action overseas more than 150 times since 1789. In 1973, after the Vietnam War, Congress passed the War Powers Act. This law requires the president to notify Congress immediately when troops are sent into battle. The troops have to be brought home after 60 days unless Congress gives its approval for them to remain longer or unless it declares war.

Although Congress has the power to make laws, it expects the executive branch to propose laws it wants passed. The president acts as a legislative leader and proposes a legislative program to Congress. The president makes speeches and tries to persuade key members of Congress to support the proposed laws. The president may appoint staff members to work with members of Congress on new laws. The president may also go directly to the American people.

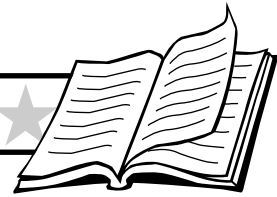
As head of state, the president is the living symbol of the nation. In this role, the president greets visiting foreign leaders. The president also performs ceremonial functions such as lighting the national Christmas tree.

The president tries to help the nation's economy prosper. The president is expected to deal with such problems as unemployment or high taxes. As economic leader, the president's key task is to plan the federal government's budget.

The president is regarded as the leader of his or her political party. Members of the president's party work to elect the president. In turn, the president gives speeches to help fellow party members who are running for elected office.

- 9.** What is the president's main task as the nation's economic leader?

Study Guide



Chapter 7, Section 3

For use with textbook pages 175–178

Making Foreign Policy



KEY TERMS

foreign policy a nation's overall plan for dealing with other nations (*page 175*)

national security the ability to keep the country safe from attack or harm (*page 175*)

treaty a formal agreement between the governments of two or more countries (*page 177*)

executive agreement an agreement between the president and the leader of another country (*page 177*)

ambassador an official representative of a country's government (*page 177*)

trade sanction effort to punish another nation by imposing trade barriers (*page 177*)

embargo an agreement among a group of nations that prohibits them all from trading with a target nation (*page 177*)

DRAWING FROM EXPERIENCE

In what ways is the United States involved with other countries? Which nations is it friendly with? Which nations is it in conflict with? Why?

The last section discussed the roles that the president fulfills. This section describes the roles that the president and Congress play in forming the nation's foreign policy.

ORGANIZING YOUR THOUGHTS

Use the diagram on the next page to help you take notes. The United States has several goals in carrying out its foreign policy. List these goals in the diagram.

Study Guide ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ 

Chapter 7, Section 3 (continued)

Goals of American Foreign Policy

1. _____
2. _____
3. _____
4. _____

READ TO LEARN

• **The President and Foreign Policy** (page 175)

A nation’s **foreign policy** is its overall plan for dealing with other nations. The basic goal of American foreign policy is **national security**, or the ability to keep the country safe from attack or harm. Another goal is international trade. Trade with other nations helps the nation prosper. Trade creates markets for American products and jobs for American workers. A third goal of American foreign policy is promoting world peace. A fourth goal is to promote democracy around the world. Promoting world peace and democracy helps protect our nation’s own national security.

The president and various White House assistants work with a foreign-policy bureaucracy in the executive branch. The bureaucracy includes the State Department, the Defense Department, the Central Intelligence Agency, and the National Security Council. These agencies give the president information and can carry out presidential decisions around the world. However, presidents often have to choose among conflicting advice from these agencies.

The power to conduct foreign policy is divided between the president and Congress. The president is the commander in chief and chief diplomat. Congress, however, has the power to declare war and to spend or withhold money for defense. The executive branch and the legislative branch tend to compete for control of foreign policy.

The president and Congress use several tools to carry out foreign policy. They create **treaties**, or formal agreements between the governments of two or more countries. One of the most important treaties for the United States is the North Atlantic Treaty Organization (NATO). This

Study Guide



Chapter 7, Section 3 (continued)

is a mutual defense treaty between the United States, Canada, and European nations. The Senate must approve a treaty. The president, however, can bypass the Senate by making an **executive agreement**. This is an agreement between the president and the leader of another country. These agreements usually deal with routine matters.

An **ambassador** is an official representative of a country's government. The president appoints ambassadors, who must be approved by the Senate. The president sends ambassadors only to countries where the United States recognizes the government. The president does not send an ambassador to a country where the government is holding power illegally.

The United States sends foreign aid, which is money, food, military assistance, or other supplies to help other countries. The president also makes agreements with other nations about what products to trade and about the rules for trading. Sometimes **trade sanctions**, or efforts to punish another nation by imposing trade barriers, are used. At other times nations agree to an **embargo**, which is an agreement among a group of nations that prohibits them all from trading with a target nation. Congress also regulates tariffs and membership in international trade groups, such as the North American Free Trade Agreement (NAFTA).

Sometimes the president, as commander in chief, uses the military to carry out foreign-policy decisions. For example, in 2001 President George W. Bush used the armed forces for a struggle against terrorism.

5. What two branches carry out the nation's foreign policy?

Study Guide



Chapter 7, Section 4

For use with textbook pages 179–185

Presidential Advisers and Executive Agencies



KEY TERMS

cabinet a group of advisers that includes the heads of the 14 top-level executive departments
(page 181)

federal bureaucracy the agencies and employees of the executive branch (page 183)

independent agency an agency of the executive branch that is not part of the cabinet (page 184)

government corporation an independent agency that is like a private business but is owned and operated by the government (page 183)

political appointees people whom the president has chosen because they have proven executive ability or were important supporters of the president's election campaign (page 185)

civil service worker a government employee (page 185)

civil service system the practice of hiring government workers on the basis of open, competitive examinations and merit (page 185)

spoils system the practice of giving government jobs as a reward for political support (page 185)

merit system the practice of giving government jobs based on set standards and test performance (page 185)

DRAWING FROM EXPERIENCE

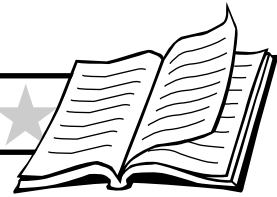
What do you think of when you hear the word “bureaucracy?” What reasons do you have for your thinking?

The last section described the tools that the executive and legislative branches have to carry the nation's foreign policy. This section identifies the advisers and the executive agencies that help carry out the work of the executive branch.

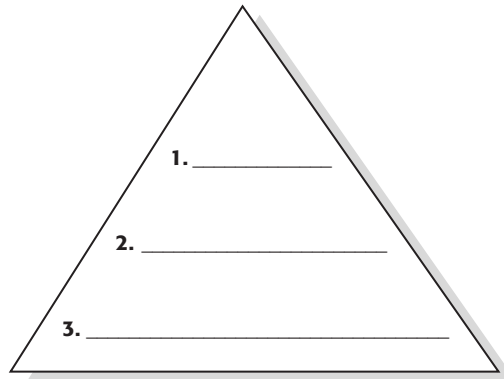
ORGANIZING YOUR THOUGHTS

Use the pyramid diagram on the next page to help you take notes. The executive branch is organized like a pyramid. Show the order of organization in the diagram.

Study Guide



Chapter 7, Section 4 (continued)



READ TO LEARN

• **Executive Office of the President** (*page 179*)

About 2,000 people work in the Executive Office of the President (EOP). They are often referred to as the president's administration. The major parts of the EOP are the White House Office, the Office of Management and Budget, the National Security Council, and the Council of Economic Advisers.

About 500 people work in the White House Office. About 10 to 12 people are the president's closest advisers. The most powerful in this group is the chief of staff. Other advisers include the counsel (lawyer) to the president and the press secretary. Such advisers make up the White House staff. The White House staff decides who and what information gets to the president, so this group has a lot of political power.

The Office of Management and Budget (OMB) prepares the federal budget and watches the spending in the government agencies. The National Security Council (NSC) helps the president develop the United States military and foreign policy. Its members include the vice president, the secretaries of state and defense, and the chairman of the Joint Chiefs of Staff. This group is made up of the top commander from each of the armed services. The NSC also supervises the Central Intelligence Agency (CIA), which gathers information about the governments of other countries.

In response to the September 11, 2001, terrorist attacks, President George W. Bush set up the Department of Homeland Security. This group includes cabinet members and representatives of agencies concerned with antiterrorist activities. The Council of Economic Advisers

Study Guide



Chapter 7, Section 4 (continued)

(CEA) gives the president advice about economic matters such as employment and foreign trade.

4. Why does the White House staff have a lot of political power?

• **Cabinet** (page 181)

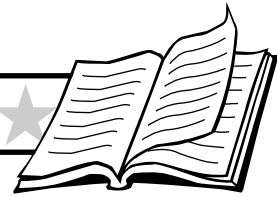
The **cabinet** is a group of advisers that includes the heads of the 15 top-level executive departments. The head of the Department of Justice is called the attorney general. The other department heads are called secretaries. The Senate must approve department heads, who are appointed by the president. The cabinet members advise the president on issues that relate to their departments. The Constitution does not mention a cabinet. This group has developed over time. Some presidents rely heavily on their cabinet. Others have felt free to ignore their cabinet's advice.

5. What is the role of the president's cabinet members?

• **The Vice President and the First Lady** (page 182)

In the past, many presidents have given their vice presidents very little responsibility. Recently, however, presidents have appointed their vice presidents to serve as members of special presidential advisory groups. Presidents often send vice presidents on visits to foreign nations to represent the administration.

Study Guide



Chapter 7, Section 4 (continued)

Although the Constitution does not mention the spouse of a president, many First Ladies have served their country in useful ways. First Ladies today have an office in the White House. They also have a staff.

6. In what activities have recent vice presidents been involved?

• **The Federal Bureaucracy** (page 182)

The president is the head of the executive branch. Below the president are the cabinet departments. Below that are the hundreds of agencies. About 3 million people work in these departments and agencies. Taken together, they are often called the **federal bureaucracy**. The people who work for these departments and agencies are called bureaucrats or civil servants.

Executive departments carry out the laws passed by Congress by doing three basic jobs. First, they decide how to apply the laws to daily life. Second, departments and agencies perform the day-to-day operations of the federal government. Third, they regulate various activities. For example, they regulate banks, airlines, and nuclear power plants. In performing these jobs, the agencies help shape government policy.

The executive branch includes hundreds of **independent agencies**. These agencies are not part of the cabinet, but they are not independent of the president. The president appoints the directors, with Senate approval. The independent agencies are divided into three types. Executive agencies, such as the National Aeronautics and Space Administration (NASA), deal with certain specialized areas of government. **Government corporations** are like businesses, except that the government owns and operates them. They charge fees for their services, but they are not supposed to make a profit. The United States Postal Service is a government corporation. Regulatory boards and commissions are different from other independent agencies. The president appoints the members but cannot fire them. Only Congress can remove them, through impeachment. Regulatory commissions protect the public. They make

Study Guide



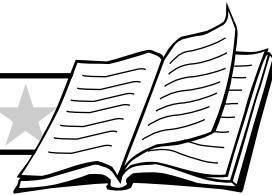
Chapter 7, Section 4 (continued)

and enforce rules for certain industries. For example, the Federal Communications Commission (FCC) makes broadcasting rules for the nation's television and radio stations.

Every cabinet department has many employees. The top jobs generally go to **political appointees**. These are people chosen by the president. They either have management experience or they were important supporters of the president's election campaign. They usually lose their jobs when the president leaves office. Most national government workers are **civil service workers**. These workers have permanent employment. Civil service workers range from clerks to doctors and lawyers. They are employed through the **civil service system**. This is the practice of hiring government workers on the basis of open, competitive examinations and merit. Before 1883, many federal jobs came under the **spoils system**. This is the practice of giving government jobs to people as a reward for their political support. Each president would get rid of old federal workers and replace them with his own political supporters. People resented the abuses of the spoils system. In 1881 a man who was refused a job under the system assassinated President James Garfield. This led Congress to pass the Pendleton Act. The law, known as the Civil Service Reform Act of 1883, created the civil service system. The Office of Personnel Management (OPM) directs the civil service system today. It sets standards for federal jobs. The civil service system is a **merit system**. Government officials hire new workers from lists of people who have passed the tests or have otherwise met civil service standards.

7. How are political appointees different from civil service workers?

Study Guide



Chapter 8, Section 1

For use with textbook pages 192–195

The Federal Court System



KEY TERMS

jurisdiction a court's authority to hear and decide cases (page 194)

exclusive jurisdiction the authority of certain courts to hear and decide cases (page 195)

concurrent jurisdiction shared authority of courts to hear and decide a case (page 195)

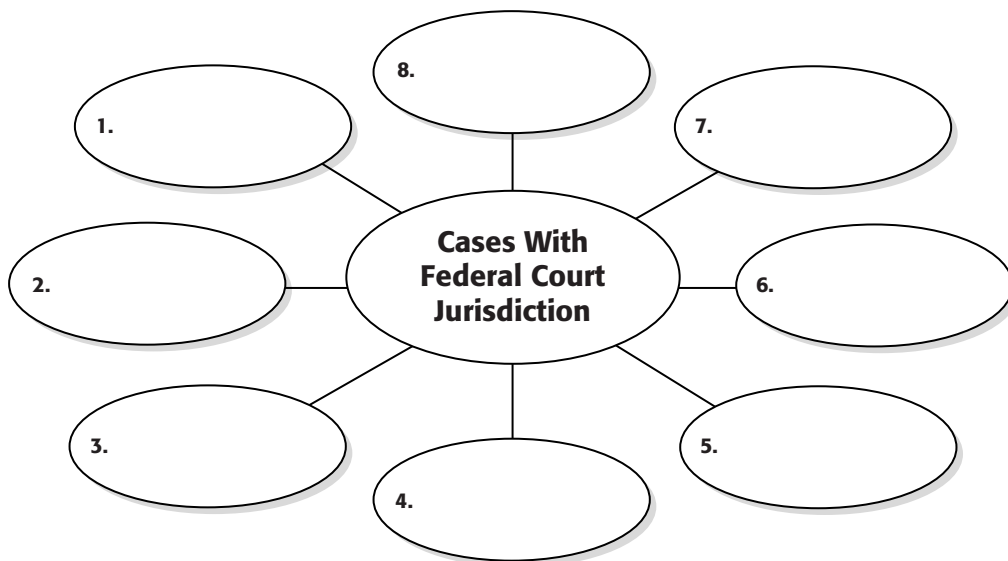
DRAWING FROM EXPERIENCE

What does equal justice under the law mean? Do you think people in the United States get it? Why do you think so?

In this section, you will learn how the federal court system is organized. You will also find out what kinds of cases the federal courts handle.

ORGANIZING YOUR THOUGHTS

Use the web diagram below to help you take notes. The federal court system has jurisdiction over several cases. List these cases in the diagram.



Study Guide



Chapter 8, Section 1 (continued)

READ TO LEARN

- **Equal Justice for All** (page 192)

Federal courts make up the third branch of the federal government. Courts use the law to settle civil disputes and to decide on the guilt or innocence of people accused of crimes. A civil dispute can be between two private parties, between a private party and the government, or between the United States government and a state or local government. In any case, both sides come before a court. Each side presents its position. The court applies the law to the case and decides in favor of one of the parties. In a criminal case, evidence is presented and a jury or judge decides a verdict.

The Supreme Court is at the top of the federal court system. The legal system of the United States is based on the idea of “equal justice under law.” The goal of the system is to treat every person the same. This goal is often difficult to achieve. Juries and judges are not free from prejudices. Poor people do not have the money to spend on the best legal help. However, American courts still try to uphold the idea of equal justice.

9. What is at the top of the federal court system?

- **The Federal Court System** (page 193)

Article III of the Constitution created the federal court system. It set up a national Supreme Court. It also gave Congress the power to set up lower federal courts. Below the Supreme Court are appeals courts and below them are district courts. In addition to the federal court system are 50 state court systems.

A court’s authority to hear and decide cases is its **jurisdiction**. The Constitution gives the federal courts jurisdiction over eight kinds of cases. They can hear cases involving the Constitution. For example, if a person believes that a constitutional right such as freedom of speech was violated, that person has a right to be heard in federal court.

Study Guide



Chapter 8, Section 1 (continued)

A federal court has jurisdiction over cases in which an individual is charged with a federal crime, such as kidnapping. Federal courts hear cases that involve issues over which the Constitution gives the federal government control, such as bankruptcy. Federal courts decide disagreements between state governments. Lawsuits between individuals from different states also come under the federal courts.

Lawsuits by the federal government and lawsuits by private individuals against the federal government are heard in federal courts. Federal courts decide any cases involving disputes between a foreign government and the U.S. government or an American private party. The federal courts have jurisdiction over cases that involve accidents or crimes on the high seas. Finally, federal courts hear cases that involve American diplomats accused of breaking an American law.

For most of the above situations, the federal courts have **exclusive jurisdiction**. This means that only these courts may hear such cases. State courts have jurisdiction over all other cases. Most court cases involve state laws and are tried in state courts. There are a few cases that can be heard in either a state or federal court. In these cases, the state and federal courts have **concurrent jurisdiction**. Either court can try a crime that violates both state and federal law. Concurrent jurisdiction also applies to cases in which citizens of different states are involved in a dispute concerning at least \$50,000.

- 10.** In what kinds of cases do state and federal courts have concurrent jurisdiction?

Study Guide



Chapter 8, Section 2

For use with textbook pages 196–199

How Federal Courts Are Organized



KEY TERMS

- district courts** the federal courts where trials are held and lawsuits are begun (page 196)
- original jurisdiction** the authority to hear cases for the first time (page 196)
- appeals court** a court that reviews decisions made in lower district courts (page 197)
- appellate jurisdiction** the authority of a court to hear a case appealed from a lower court (page 197)
- circuit** a particular geographic area covered by a United States court of appeals (page 197)
- remand** to send a case back to a lower court (page 197)
- opinion** a detailed explanation of the legal thinking behind a court's decision (page 197)
- precedent** a model upon which judges base their own decisions in similar cases (page 198)

DRAWING FROM EXPERIENCE

Have you ever seen a court trial? What kind of case was being tried? What were some of the court procedures?

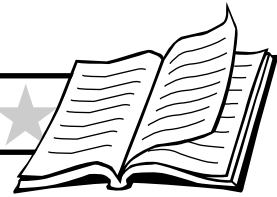
The last section discussed the kinds of cases over which federal courts have jurisdiction. This section describes the three levels of federal courts.

ORGANIZING YOUR THOUGHTS

Use the chart below to help you take notes. District and appeals courts are two kinds of federal courts. Fill in information about each kind of court in the chart below.

Kind of Court	Type of Jurisdiction	Kinds of Cases Heard
District Court	1.	2.
Appeals Court	3.	4.

Study Guide



Chapter 8, Section 2 (continued)

READ TO LEARN

- **U.S. District Courts** (page 196)

Most federal cases are heard in **district courts**. These are the federal courts where trials are held and lawsuits are begun. Every state has at least one district court. All federal cases must begin in district courts because these courts have **original jurisdiction**. This is the authority to hear cases for the first time. District courts are trial courts for both criminal and civil federal cases. They are the only federal courts in which juries hear cases and reach verdicts.

5. What kind of jurisdiction do district courts have?

- **U.S. Courts of Appeals** (page 197)

People who lose their cases in district courts often appeal to the next highest level of courts—the **appeals courts**. These courts review decisions made in lower district courts. Appeals courts have **appellate jurisdiction**. This is the authority of a court to hear a case appealed from a lower court. Cases are appealed if lawyers think the judge in their case applied the law incorrectly or used the wrong procedures. There are 12 United States courts of appeals. Each appeals court covers a **circuit**—a particular geographic area. The Court of Appeals for the Federal Circuit is the thirteenth appeals court. It has nationwide jurisdiction to hear special cases, such as those involving international trade.

Appeals courts do not hold trials. They decide an appeal in one of three ways. They can uphold decisions of the lower courts. They can reverse lower court decisions. They can **remand**, or send the case back to the lower court to be tried again. The judges in appeals courts do not decide if a defendant in a criminal case is guilty or innocent. They do not decide which side should win in a civil lawsuit. They rule only on whether the defendant's rights were protected and on whether he or she received a fair trial. In most cases, the decisions of the appeals court are final. In some cases, the decisions are appealed to the U.S. Supreme Court.

Study Guide



Chapter 8, Section 2 (continued)

One judge in an appeals court writes an **opinion**, or a detailed explanation of the legal thinking behind the court's decision. The opinion sets a **precedent** for all courts and agencies within the district. A precedent gives other judges a model upon which to base their own decisions on similar cases. Most judges and courts follow precedents.

6. Why is a precedent important?

• **Federal Judges** (page 198)

Federal judges are the chief decision makers in the judicial branch. Each district has at least two judges. Each appeals court has from 6 to 27 judges. The Supreme Court has 9 justices. The Constitution gives the president the power to appoint judges, with the approval of the Senate. Presidents generally appoint judges who share their ideas about politics and justice. Judges are appointed for life, so presidents view their appointments as a way to affect the country after they have left the White House.

Presidents generally submit the names of candidates for judges to the senators from the candidate's state before submitting them to the entire Senate. If either senator objects to the candidate, the president generally withdraws the candidate. This senatorial courtesy applies only to district courts and not to courts of appeals or the Supreme Court. Federal judges are appointed for life. A judge can only be removed from office through impeachment. The Constitution gives judges a job for life. This allows them to be able to decide cases free from political pressures.

Judges receive help from clerks, secretaries, court reporters, and other workers. Each district court has magistrate judges, who take care of much of a judge's routine work, such as issuing search warrants. They hear some evidence in a case to determine whether the case should be brought to trial. Magistrate judges may also hear minor cases. Every federal judicial district has a United States attorney and one or more

Study Guide



Chapter 8, Section 2 (continued)

deputies. The U.S. attorneys prosecute people accused of breaking federal laws. They also represent the United States in civil cases in which the government is involved. U.S. attorneys are appointed to four-year terms by the president, with Senate approval. They report to the attorney general of the United States. Each federal judicial district court also has a United States marshal. Marshals and their staffs arrest people, collect fines, and take convicted people to prison. They keep order in federal courts and serve legal papers such as subpoenas. Marshals are appointed by the president, with Senate approval.

7. What is the job of U.S. attorneys?

Study Guide



Chapter 8, Section 3

For use with textbook pages 200–204

The United States Supreme Court



KEY TERMS

constitutional in accordance with the Constitution (*page 202*)

judicial review the power of the Supreme Court to review federal and state laws and decide whether they are in accordance with the Constitution (*page 202*)

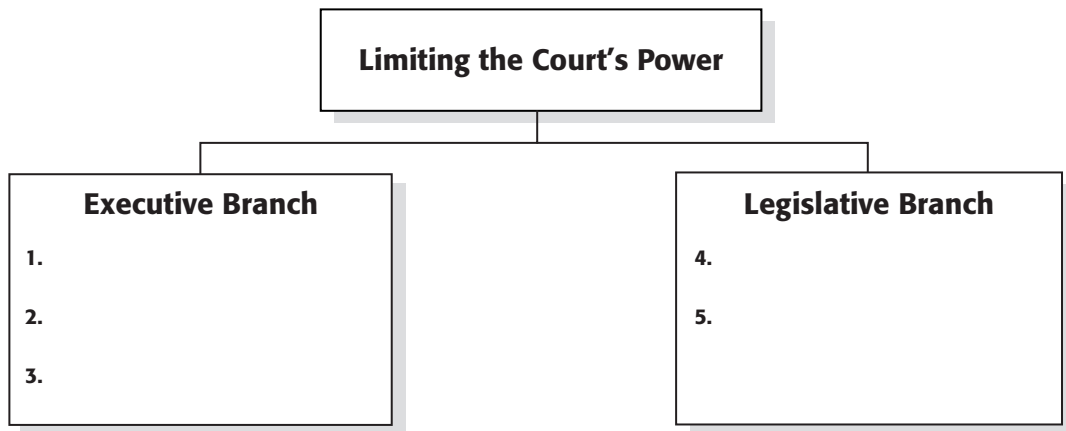
DRAWING FROM EXPERIENCE

Did you ever hear the expression that something was “unconstitutional”? What does that mean?

The last section discussed the organization of the district and appeals courts. This section describes the powers of the Supreme Court.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. The executive and legislative branches of the United States government can limit the power of the Supreme Court. Describe how in the diagram.



Study Guide



Chapter 8, Section 3 (continued)

READ TO LEARN

- **The Supreme Court Justices** *(page 200)*

The Supreme Court has original jurisdiction in only two areas. It can hear cases that involve diplomats from foreign countries. It can hear cases in which a state is involved. In all other instances the Supreme Court hears cases on appeal. The Supreme Court has final authority in cases involving the Constitution, acts of Congress, and treaties with other nations. Lower courts have to abide by decisions of the Supreme Court. If the Supreme Court refuses to review a case, then the decision of the lower court stays unchanged.

The Supreme Court is made up of eight associate justices and a chief justice. Justices hear and rule on cases. First they choose which cases to hear from the thousands that are appealed to the Supreme Court. Then they decide the case and issue an opinion.

The president appoints justices to the Supreme Court, with the approval of the Senate. Such sources as the attorney general, the American Bar Association, interest groups, and other Supreme Court justices may influence the president's choices.

Supreme Court justices are always lawyers. They have had careers in practicing or teaching law or holding public positions. Presidents generally appoint justices who agree with their ideas. Once justices are appointed, however, they can make rulings that the president does not like. Thurgood Marshall was the first African American justice. Sandra Day O'Connor was the first female justice.

6. Who appoints Supreme Court justices?

Study Guide



Chapter 8, Section 3 (continued)

• Powers of the Court (page 202)

The main job of the Supreme Court is to decide whether laws or actions by government officials are **constitutional**, or allowed by the Constitution. The Court does this through a process called **judicial review**. Through this power, the Supreme Court says whether any federal, state, or local law or government action goes against the Constitution. If the Court decides a law is unconstitutional, it can cancel that law.

The Supreme Court claimed the power to judicial review in 1803, in the decision of *Marbury v. Madison*. In the opinion in this case, Chief Justice John Marshall said that the Constitution is the supreme law of the land. If there is a conflict between the Constitution and other laws, the Constitution rules. He also said that the judicial branch has a duty to uphold the Constitution. *Marbury v. Madison* helped to make the judicial branch equal to the other two branches of government. The power of judicial review helps the Supreme Court check the power of both the executive and legislative branches. Judicial review helps to keep these two branches from going too far away from the Constitution when they make and carry out laws.

The Court also has the power to interpret laws. The laws passed by Congress often use very general language. The Court often has to interpret the meaning of words used in these laws.

7. What two powers does the Supreme Court have?

• Limits on the Courts' Power (page 203)

There are limits on the power of the judicial branch, just like on that of the other two branches. Although the executive branch generally follows Supreme Court rulings, there have been occasions that it has not.

Study Guide



Chapter 8, Section 3 (continued)

Congress can get around a Court ruling by passing a new law, changing a law that was ruled unconstitutional, or adopting a new amendment that would change the Constitution. The system of checks and balances includes the president's power to appoint justices. It also includes Congress's power to approve or reject appointments and to impeach and remove justices.

Another limit on the Court is that it can hear only the cases that come to it. It only rules on cases that have been challenged on appeal.

8. How can Congress check the power of the Supreme Court?

Study Guide



Chapter 8, Section 4

For use with textbook pages 206–210

Deciding Cases at the Supreme Court



KEY TERMS

docket the Court’s calendar (page 206)

brief a written document that explains one side’s position on the case (page 208)

majority opinion an explanation of the views of the majority of the justices on a case (page 208)

dissenting opinion an explanation of the views of the justices who disagree with the majority’s decision (page 208)

concurring opinion an explanation of a justice who votes with the majority but for different reasons (page 208)

stare decisis the practice of using earlier judicial rulings as a basis for deciding cases (page 209)

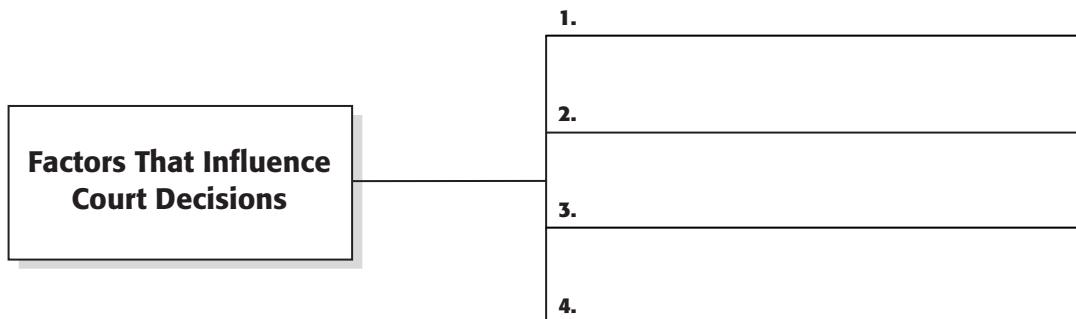
DRAWING FROM EXPERIENCE

What rulings has the Supreme Court made recently? What were the effects of these rulings?

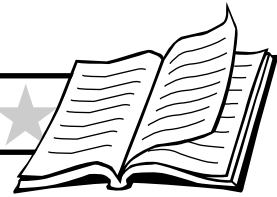
The last section described the powers of the Supreme Court. This section discusses the steps the Supreme Court takes to reach decisions and the factors that influence these decisions.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. Justices of the Supreme Court are influenced by several factors when making decisions about cases. List the factors in the diagram.



Study Guide



Chapter 8, Section 4 (continued)

READ TO LEARN

• How Cases Reach the Court *(page 206)*

The Supreme Court sessions run from October until the following June or July. During this time, the justices spend two weeks listening to arguments on a case and then two weeks in recess. During recess the justices write opinions and study new cases. Most cases are appeals from a lower federal court or a state court.

Many cases are submitted to the Supreme Court each session. The justices list the cases that they want to discuss more carefully. Then once a week they choose from this list the cases that the Court will actually review. The Court will hear a case if four of the nine justices agree to do so. The cases that are accepted go on a **docket**, or calendar. Of the more than 7,000 cases that are submitted each session, fewer than 200 are selected to be heard. The cases that are chosen usually have to do with constitutional issues, such as the protection of rights. Cases also generally involve legal issues and issues that affect the entire country.

5. What types of cases does the Supreme Court generally select to hear?

• Steps in Decision Making *(page 207)*

Every case that the Court agrees to hear goes through several steps. The first step is written arguments. The lawyers for each case prepare a **brief**. This is a written document that explains one side's position on the case. The justices then study the briefs. Then the lawyers present oral arguments. They have 30 minutes to summarize their case. Then the justices ask them questions. On Fridays, the justices meet to decide on the cases. The meetings are secret, with no audience present. A majority, at least five votes, decides a case. At least six justices have to be present to decide a case.

Study Guide



Chapter 8, Section 4 (continued)

After the Court has reached a decision, one justice writes the **majority opinion**. It presents the views of the majority of the justices on a case. The written opinions set a precedent for lower courts to follow in future cases. Opinions also tell the public the Court's view. The Court can issue various types of opinions. In a unanimous opinion, all the justices voted the same way. A justice who disagrees with the majority opinion can write a **dissenting opinion**. A justice who votes with the majority but for different reasons can write a **concurrent opinion**. Once the opinion writing is finished, the Court announces its decision. The opinions are sent to news reporters and are placed on the Court's Web site.

6. What is the first step that a case heard by the Supreme Court goes through?

• **Reasons for Court Decisions** (page 208)

Many factors influence Supreme Court decisions. The most important influence should be the law. Justices look to the Constitution when deciding a case. By doing so, they rely on precedents. This is because our legal system places importance on deciding cases consistently. Judges use the principle called **stare decisis**. This is a Latin term that means "let the decision stand." Although being consistent is important, the law sometimes needs to change to meet changing times. The Supreme Court can overrule precedents that are outdated.

The nation's social situation also influences Supreme Court decisions. When social conditions change, the Supreme Court can make new interpretations of the law that go along better with what people around the country are thinking. Court decisions about racial segregation are an example of how changing social conditions influence the Court. In the 1890s many public places such as schools, restaurants, and trains were segregated. There were separate areas marked for whites and African Americans. Homer Plessy, an African American, challenged a Louisiana

Study Guide



Chapter 8, Section 4 (continued)

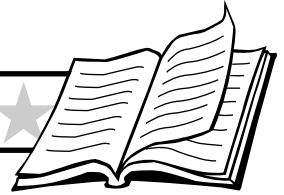
segregation law. When he appealed his case to the Supreme Court, the Court upheld the Louisiana law as constitutional in *Plessy v. Ferguson*. This ruling permitted governments across the nation to justify racial segregation. By the 1950s, society's view on segregation began to change. In the 1954 case of *Brown v. Board of Education of Topeka, Kansas*, the Court overturned the ruling in *Plessy v. Ferguson*. The Court ruled that segregated schools are unequal because they are separate.

Justices have different views of the law and the role of the courts. Some believe that the Court should hear many different kinds of cases. Others believe that the Court should be reluctant to use the power of judicial review to promote new ideas or policies.

Justices are also influenced by their own life experiences. Their personal views and relationships with the other justices influence their decisions.

7. What should be the most important influence on the decisions of the Supreme Court?

Study Guide



Chapter 9, Section 1

For use with textbook pages 218–222

Development of American Political Parties



KEY TERMS

- political party** an association of voters with broad common interests who want to influence or control decision making in government by electing the party's candidates to office (page 218)
- two-party system** a system in which there are two major political parties (page 218)
- third party** a party that challenges the two major political parties (page 219)
- platform** a series of statements expressing a political party's principles (page 222)
- plank** the individual part of a platform (page 222)

DRAWING FROM EXPERIENCE

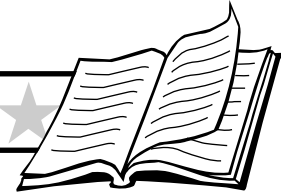
What political parties ran candidates in the last election? What political party do you generally support? Why?

In this section, you will learn how political parties have formed in the United States. You will also learn about the nation's two major political parties.

ORGANIZING YOUR THOUGHTS

Use the chart below to help you take notes. Several political party systems are found throughout the world. Describe the characteristics of the systems listed in the chart.

Type of Party Systems	Characteristics of System
Two-party system	1.
Multiparty system	2.
One-party system	3.

Study Guide**Chapter 9, Section 1 (continued)****READ TO LEARN****• The Two-Party System** *(page 218)*

Political parties are association of voters with common interests who want to influence or control decision making in government by electing the party's candidates to public office. Party members usually have the same beliefs about government. They choose candidates who have the same beliefs. They try to persuade people to vote for these candidates. In the United States, anyone can join a political party. People do not have to pay dues, take a test, or even vote.

The United States has a **two-party system**. That means that there are two major political parties. Although other parties have run in elections, they have rarely won. The two major political parties are the Republican and Democratic Parties. These two parties have held most seats in Congress. One or the other has always held the presidency.

The U.S. Constitution does not provide for political parties. However, shortly after George Washington became president, two political parties began to form. Secretary of State Thomas Jefferson became the leader of one group, and Secretary of the Treasury Alexander Hamilton became the leader of the other. The two leaders disagreed about how the government should be run. Both Hamilton and Jefferson supported individual rights. Hamilton, however, believed that these rights would be at risk if the government were too weak. As a result, he favored a strong national government. Jefferson wanted to limit the power of the national government. He wanted the state governments to have more power.

Jefferson's group was known as the Democratic-Republican Party. In 1828, under the leadership of Andrew Jackson, the party split and Jackson allied with the Democratic Party. The party led by Hamilton—the Federalist Party—faded away. Then in 1830 a new party, the Whigs, started. The Whigs and Democrats were the two major parties until the 1850s. In 1854 a group who opposed slavery broke away from the Democrats and the Whigs and formed the Republican Party. It soon replaced the Whig Party. In 1860 Abraham Lincoln became the first Republican to be elected president. From then on, the Republicans and the Democrats have been the two major political parties.

Study Guide



Chapter 9, Section 1 (continued)

4. What political party replaced the Whig Party?

• **Third Parties** (page 219)

Throughout American history other parties have tried to influence politics. These parties almost always challenge the two major parties, so they are called **third parties**. No third party has ever won a presidential election. Third parties can influence the outcome of elections and government policy. Although third parties are different from one another, they all believe that the two major parties are not meeting certain needs.

The Populists and the Progressives were third parties that did influence American politics. The Populist Party of the 1890s called for the direct election of senators and an eight-hour workday. Although the Populists never won the presidency, the two major parties took on many of their ideas. The Progressive Party split from the Populist Party in 1912. That year, Theodore Roosevelt ran for president as a candidate of the Progressive Party. Although he did not win the election, he took so many votes away from the Republican candidate, William Howard Taft, that Woodrow Wilson, the Democratic candidate, won the election.

Some third parties are formed to promote an issue. For example, the Prohibitionist Party formed in 1872 to ban the sale of alcohol. Such single-issue parties usually do not last long. Such a party may fade away when the issue is no longer important or if a major party takes it on. Some third parties form to try to change society in a major way. For example, the Green Party is against the power of corporations and wants decision making to occur at the grassroots level.

Sometimes third parties support well-known people who cannot get support from one of the two major parties. For example, in 1996, H. Ross Perot, a wealthy business leader, ran for president under the Reform Party.

Study Guide



Chapter 9, Section 1 (continued)

Third parties rarely win major elections partly because the names of the Republican and Democratic candidates are automatically placed on the ballot in many states. Third-party candidates have to get a large number of voter signatures to get on the ballot. Third parties also often have trouble raising enough money to campaign against major-party candidates.

5. Why do single-issue third parties rarely last?

• Other Party Systems (page 221)

Other nations also have political parties. Most democracies have multiparty systems. In these systems, three or more parties compete for control of the government. The parties have different ideas about government. In multiparty systems, one party usually does not win enough support to control the government, so several parties have to cooperate and work together. This sometimes leads to unstable situations because so many parties have many different interests that they are competing for.

In a one-party system, the party and the government are almost the same thing. The Communist Party is the only party in the People's Republic of China. Only party members are allowed to run for office, and only they hold government positions. As a result, people have no real choices when they vote. Not all one-party systems are found in Communist countries. In Iran, for example, the government is dominated by the Islamic Republican Party, which is controlled by Muslim leaders. There are no opposition parties.

Study Guide



Chapter 9, Section 1 (continued)

6. Why are multiparty systems sometimes unstable?

• Today's Major Parties (page 222)

Having competing political parties is necessary in a democracy. The basic difference between Democrats and Republicans is the idea of how much the government should be involved in people's lives. For example, Democrats believe that the government should regulate the economy and provide housing and jobs for the poor. Republicans, on the other hand, believe in less regulation of the economy. They believe that helping the economy grow will give poor people a better chance of getting jobs.

Sometimes the differences between the two parties are hard to tell. Both try to appeal to as many people as possible to win elections. So they usually avoid extreme positions on issues. To find out the differences between the parties, people can read the **platforms** of each of the parties every four years at the presidential nominating conventions. A platform is a series of statements that express the party's principles, beliefs, and positions on election issues. Each part of the platform is called a **plank**. The platform tells people what each party will do if its candidate is elected as president.

7. How can voters know each political party's position on issues?

Study Guide



Chapter 9, Section 2

For use with textbook pages 223–226

Organization of American Political Parties



KEY TERMS

national committee a committee of each political party, made up of representatives from every state (page 223)

national party chairperson the head of the national committee (page 223)

delegates party representatives from all states who nominate candidates for president and vice president at the party's national convention (page 224)

caucus a meeting (page 224)

precinct a geographic area that contains a specific number of voters (page 225)

ward an election unit made up of precincts (page 225)

county chairperson the head of a party's county committee (page 225)

political machine a strong party organization (page 226)

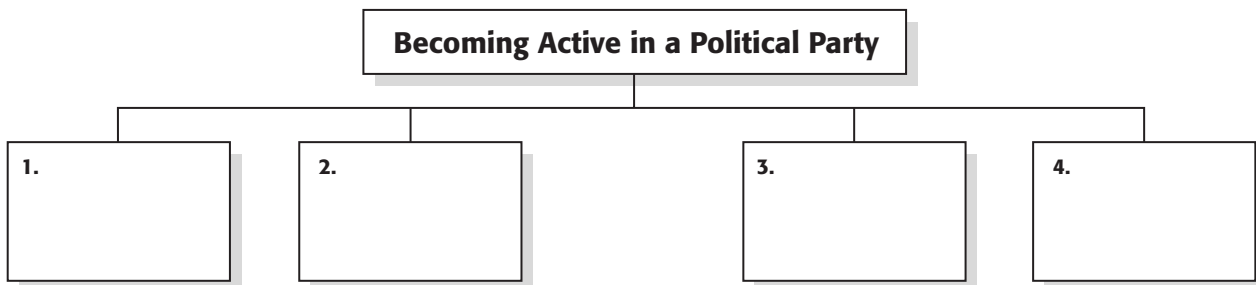
DRAWING FROM EXPERIENCE

Have you ever taken part in an election campaign? What was your experience like? How can people participate in election campaigns?

The last section discussed the various party systems found throughout the world. This section discusses the organization of political parties in the United States on the national, state, and local levels.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. Anyone can become active in a political party. List the ways to do so in the diagram.



Study Guide



Chapter 9, Section 2 (continued)

READ TO LEARN

- **National Party Organization** (page 223)

Both the Democratic and the Republican Parties are organized at the national, state, and local levels. The goal of all the levels is to help the party win as many political offices as possible. Each political party has a **national committee**. It is made up of representatives from every state. This committee raises money for presidential elections and organizes the party's national convention. A **national party chairperson** heads the national committee. National committees have their own Web sites that include information about the party's candidates and positions on issues. They also create television and radio advertisements.

One of the main jobs of the national committee is to hold the national convention every four years. At the convention, party **delegates**, or representatives, from all states nominate candidates for president and vice president. The delegates are chosen through presidential primary elections and **caucuses**, or meetings, of state and local party organizations. The first job of the delegates is to write the party's platform. After it is approved, the delegates nominate the party's presidential candidate. Both political parties also have House and Senate campaign committees made up of members of Congress. These committees work to elect party members to both houses of Congress.

5. What do delegates to national conventions do?

- **State and Local Organization** (page 224)

Each party has 50 state committees. Some states have large, organized committees. Other states have weaker organizations. State committees work to elect their party candidates to state offices. They also work to elect their party's candidates for national offices. Local party organizations are made up of many city, town, and county committees across the country.

Study Guide



Chapter 9, Section 2 (continued)

Each city or county is divided into election districts or **precincts**. A precinct is a geographic area that contains a specific number of voters. It may be made up of an entire small town, or in a large city, it may include a group of neighborhoods. Voters in a precinct cast their ballots at the same place. Each precinct has a volunteer precinct captain. This person organizes other party volunteers during campaigns and encourages voters on Election Day. The volunteers distribute materials to convince voters to support the party's candidates. Several precincts make up a larger election unit called a **ward**. Party members of each ward elect a volunteer to represent the ward at the county committee—the next local level of party organization.

Both parties have county committees. A **county chairperson** heads the county committee. This person often holds a great deal of political power in the county. Local party people are very important. They help to build the party at the neighborhood level. They have to know what issues are important to neighborhood people, and they must deliver the vote for party candidates.

At times local party organizations became so powerful that their candidates swept every election. This strong party organization is called a **political machine**. One of the most famous of these machines was Tammany Hall in New York City in the late 1800s and early 1900s. Its leader and his friends grew rich by taking bribes and kickbacks given by building contractors who wanted to do business with the city. Political machines also served a useful purpose. During that time there were no agencies to help poor people. Political machines often provided needy people with food, jobs, and help with medical care. In return they received the people's votes. Today most people believe political machines are harmful. When one party does not have to worry about being reelected, they are often less responsive to the needs of the people.

No one in the United States is required to join a political party. However, political parties give people a good opportunity to become involved in politics. Party members can decide how much they want to be involved. They can give money, do volunteer work, or work during election campaigns.

6. What does a political party's state committee do?

Study Guide



Chapter 9, Section 3

For use with textbook pages 227–230

Role of Political Parties Today



KEY TERMS

nomination the process of selecting candidates (*page 227*)

direct primary an election in which voters choose candidates to represent each party in a general election (*page 227*)

closed primary an election in which only the declared members of a party are allowed to vote for that party's nominees (*page 228*)

open primary an election in which voters need not declare their party preference to vote for the party's nominees (*page 228*)

plurality the most votes among all the candidates running for office (*page 228*)

runoff primary an election held when no candidate receives a majority of the votes (*page 228*)

petition a way of getting a candidate on the ballot in which enough qualified voters sign a paper declaring support for a candidate (*page 229*)

DRAWING FROM EXPERIENCE

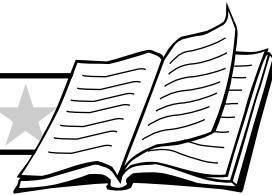
What are some differences between the two political parties today? Do you think these differences help a democracy? Why do you think so?

The last section discussed the organization of political parties in the United States on the national, state, and local levels. This section discusses the roles performed by political parties.

ORGANIZING YOUR THOUGHTS

Use the diagram on the next page to help you take notes. Political parties perform several functions. List these functions in the diagram.

Study Guide



Chapter 9, Section 3 (continued)

**Things Political
Parties Do**

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____

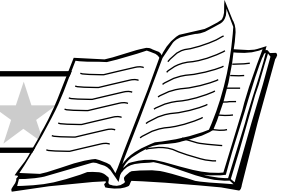
READ TO LEARN

- **Nominating Candidates** (page 227)

In the United States, political parties select candidates for public office. They do this through the **nomination** process. The major parties in all states nominate candidates at all levels of government through **direct primaries**. These are elections in which voters choose candidates to represent each party in a general election. In most cases, the winners are nominated by their party. There are two kinds of direct primaries. Most states have a **closed primary**. This is an election in which only the declared members of a party are allowed to vote for that party's nominees. In some states people declare their party when they register. In others, they do not actually declare their party until they vote.

A few states hold an **open primary**. This is an election in which voters need not declare their party preference to vote for the party's nominees. In open primaries, people choose a party while in the voting booth. Some people support the closed primary. They believe that it helps keep the members of one party from crossing over into the other party's primary to try to vote for candidates who will be easy to defeat. Some people are against the closed primary. They believe it does not allow for a truly secret ballot because voters must declare a party preference.

Study Guide



Chapter 9, Section 3 (continued)

When a political office has more than one opening, each party can nominate more than one candidate. Most offices, however, only have one winner. In these cases, most states give the party nomination to the candidate who gets a **plurality**, or the most votes among all those running. In a few states, the winner must have a majority, which is a number greater than half. If no candidate gets a majority, then the party holds a **runoff primary** between the two top vote-getters. The winner then becomes the candidate.

Candidates who are not part of the two major parties can get on the ballot in a general election in most states by **petition**. If enough qualified voters sign a paper saying they support the candidate, then he or she is placed on the ballot for the general election.

7. What is the purpose of direct primaries?

• **Other Party Roles** (page 229)

Political parties have other roles in addition to nominating candidates. They campaign for their candidates in the general election. They help raise money and they help get across the candidates' ideas on public issues.

During a campaign parties help to inform citizens about public issues through pamphlets; speeches; and TV, radio, and newspaper advertisements.

After elections are over, political parties then work to hand out government jobs. Although most government jobs are civil service jobs, there are some jobs that the president, governors, and mayors give to their supporters. These supporters will usually be party members.

Study Guide



Chapter 9, Section 3 (continued)

Party ties are important in helping different levels and branches of government work together. For example, when the governor of a state and a mayor of one of the state's cities are from the same party, they are more likely to have the same ideas and goals. It is easier for them to work on mutual problems. Also, when the majority of lawmakers are from the same party as the head of the executive branch, cooperation between the two is more likely.

Finally, political parties act as a "watchdog" after an election. The party that is out of power watches the actions of the party in power. It watches for mistakes and criticizes the party in power. It also offers its own solutions to political problems. This helps to force the party in power to pay attention to what people want.

- 8.** What do political parties do during an election campaign?

Study Guide



Chapter 10, Section 1

For use with textbook pages 236–240

Who Can Vote?



KEY TERMS

- polling place** the location where voting is carried out (page 237)
- precinct** a voting district (page 237)
- ballot** the paper people use to cast their vote (page 237)
- absentee ballot** a ballot used by citizens who cannot get to the polls (page 238)
- returns** the results of elections (page 238)
- exit poll** a survey of a sample of voters leaving selected polling places to find out how they voted (page 239)
- electorate** all the people who are eligible to vote (page 240)
- apathy** a lack of interest (page 240)

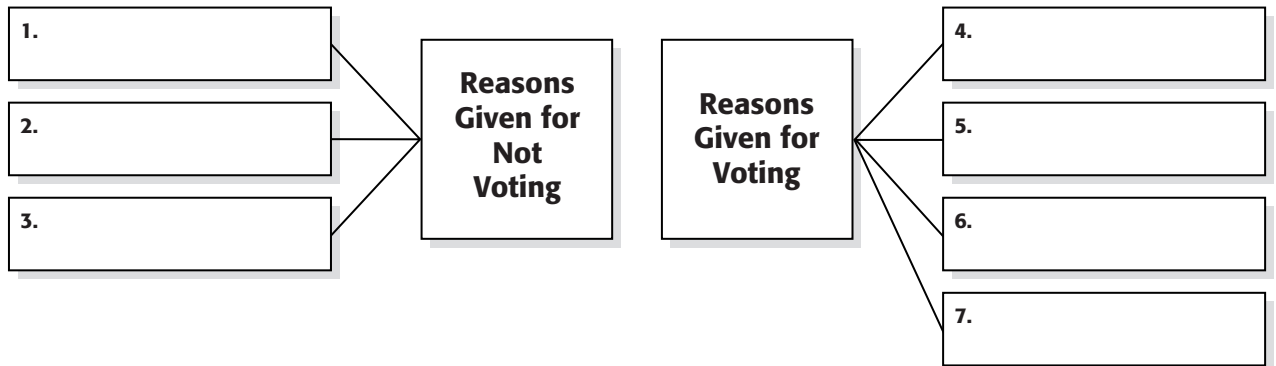
DRAWING FROM EXPERIENCE

Are you looking forward to voting? Do you think it is important for people to vote? Why?

In this section, you will learn how the right to vote has been expanded. You will also learn the steps in the voting process.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. Write the reasons that people do not vote and the reasons for voting in the diagram.



Study Guide



Chapter 10, Section 1 (continued)

READ TO LEARN

• **Qualifying to Vote** (page 236)

Voting is both a right and a responsibility of American citizens. At the beginning of U.S. history, the people who were allowed to vote were white adult males who owned property. White adult males who did not own property, women, African American males, and Native American males could not vote. Today owning property is no longer a qualification for voting. The Constitution also says that citizens cannot be denied the right to vote because of race, color, gender, or age—if the person is at least 18 years old. People who have been convicted of serious crimes are not allowed to vote until they have served their prison sentences.

To vote, people must be at least 18, a resident of the state for a certain amount of time, and a citizen of the United States. In most states, you must register to vote. Most states require that people be registered to vote at least 25 days before an election. In some states people have to register to vote in person at a county office. In other states people can register by mail or in person. In 1995, the National Voter Registration Act, also known as the Motor Voter Act, required states to allow people to register to vote when they renew their drivers' licenses.

People register to vote by filling out a form. The form asks for the person's name, address, age, and often the party preference. Those who register to vote have to show proof of citizenship, address, and age by showing a driver's license or birth certificate. After people register, they are assigned to an election district. Officials use a list of registered voters in the district to make sure that the people who vote are eligible and that they only vote once in an election.

8. Who is not allowed to vote?

• **Steps in Voting** (page 237)

People vote at the polling place in their precinct. A **polling place** is the location where voting is carried out. A **precinct** is a voting district.

Study Guide**Chapter 10, Section 1 (continued)**

Polling places are located in schools, town halls, and other public buildings. Polling places are generally open from early morning until 7 or 8 in the evening. When you arrive at a polling place you can examine a sample **ballot**, which is the paper you use to cast your vote. The sample ballot is usually located on the wall at the entrance. When you get inside, you go to the clerk's table and write your name and address on an application form and then sign it. The clerk passes the form to a challenger's table. The challenger looks up your registration form and compares the signature on it with the one on the application form. If the signatures do not seem to match, the challenger may ask for more identification. Once the challenger is convinced that you are eligible to vote, he or she initials the application form and returns it to you.

Then you go to the voting booth. You cast your ballot by using a voting machine. It might be a punch-card machine or a lever machine. Both machines allow voters to cast a secret ballot. If you vote for all the candidates in one political party, you are voting a straight ticket. If you choose some candidates from one party and some from another, you are voting a split ticket. You may also cast a write-in vote by writing in the name of someone who is not on the ballot.

People who cannot get to the polls on Election Day can get an **absentee ballot**. Voters may request an absentee ballot from the election board before Election Day. They then mark the ballot and return it by mail. Election officials open and count the absentee ballots on Election Day or shortly after.

After the polls close, election workers count the votes at the polling place and take the ballots and results, which are called **returns**, to the election board. There the votes are counted for the entire city or county. The board then sends the returns to the state canvassing authority, which certifies the results.

In a major election, the media tries to predict the results as soon as possible. One way they do this is through an **exit poll**. In this method, they ask a sample of voters leaving selected polling places how they voted. Through exit polls, specialists can often predict the winners before all the votes have been counted. Television networks use computerized predictions to call the winners of Senate, House, and governors' seats as well as the electoral vote in the presidential election. Sometimes the networks call the election with as little as 10 percent of the votes counted. The predictions usually come when millions of people on the West Coast have yet to vote. Some people believe that the early

Study Guide



Chapter 10, Section 1 (continued)

predictions may persuade many Westerners not to bother to vote. This may affect the results of local, state, and congressional elections.

9. When may people ask for an absentee ballot?

• Why Your Vote Matters (page 239)

The best way to prepare to vote is to be informed about the candidates and the issues. Newspapers, TV, and the Internet provide useful information. Information is also available through literature distributed by each political party and through interest groups.

All the people who are eligible to vote are called the **electorate**. Although all Americans have a chance to vote, not everyone who is eligible does. Some do not meet voting requirements. Some do not think that any of the candidates represent their interests. In some cases the reason for not voting is **apathy**, or lack of interest.

People who do vote generally have positive attitudes toward government and being a citizen. Generally the more educated a citizen is, the more likely it is that he or she will vote. The group of people who are middle-aged have the highest voting turnout rate of all age groups. The higher a person's income, the more likely he or she is to vote.

It is important to exercise the right to vote because voting gives citizens a chance to choose government leaders. It gives an opportunity to voice opinions on the performance of public officials. If voters are dissatisfied, they can elect new leaders. Voting also gives an opportunity for people to express their opinions on public issues.

10. What is the best way to prepare to vote?

Study Guide



Chapter 10, Section 2

For use with textbook pages 241–244

Election Campaigns



KEY TERMS

initiative procedure by which citizens can propose laws through the use of a petition (page 242)

proposition a petition asking for a new law (page 242)

referendum an election in which voters can approve or reject a local or state law (page 242)

recall an election in which voters can remove a public official from office (page 242)

Electoral College a group of people who elect the president and the vice president (page 243)

elector a member of the Electoral College (page 243)

winner-take-all system a system in which the candidate who wins the popular vote usually receives all of the state's electoral votes (page 243)

DRAWING FROM EXPERIENCE

What do you remember from the last presidential campaign? How is the winner of the presidential election determined?

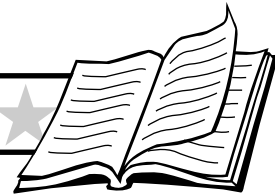
The last section described the steps involved in the voting process. This section discusses the steps in the presidential election process.

ORGANIZING YOUR THOUGHTS

Use the chart below to help you take notes. There are three types of elections. Identify the three and explain what each type is used for.

Type of Election	What It Does
1.	2.
3.	4.
5.	6.

Study Guide



Chapter 10, Section 2 (continued)

READ TO LEARN

• **Types of Elections** (page 241)

There are three types of elections in the United States. One is the general election. After the major political parties nominate their candidates, voters choose candidates for various offices in the general elections. They take place on the first Tuesday after the first Monday in November. At this time voters choose all the members of the House of Representatives and about one-third of the senators. Every four years, voters choose the president. At this time voters may also choose candidates for various state and local offices. Except for the presidential candidate, the candidates in other races are elected if they have a majority of votes. Sometimes, if the election is very close, a candidate may demand a recount of the votes. If a recount does not resolve the conflict, then another election may be held. If there is a conflict in a national election, Congress may be called on to settle the dispute. If a candidate for president does not win the majority of the electoral votes, then the House of Representatives elects the president.

In some state and local elections, voters decide on issues as well as the candidates. Through a process known as the **initiative**, citizens can propose new laws. Those who want a new law get the signatures of qualified voters on a petition. If there are enough signatures, the proposed law, or **proposition**, is placed on the ballot for the next general election. Through the **referendum**, citizens approve or reject state or local laws. Sometimes state and local governments hold special elections. Runoff elections are held when none of the candidates for a certain office wins a majority of the vote in the general election. The **recall** is an election in which citizens can vote to have a government official removed from office. The recall has to be started with a petition.

7. When do general elections take place?

Study Guide



Chapter 10, Section 2 (continued)

• **Presidential Elections** (page 242)

Elections for president involve three steps. The first step is the nomination process. In the past, both parties held national conventions to choose their candidates. In recent years, much of the campaigning goes on during the primary elections. By convention time, one candidate usually has the nomination wrapped up.

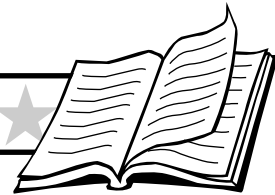
The second step in the presidential election is campaigning. Candidates travel across the country giving speeches and appearing on TV. They also meet with state and local political leaders who are working for them.

The third step is the vote. Presidents are not chosen by direct popular vote. They are chosen by a body known as the **Electoral College**. In every state, a group of **electors** is promised to each candidate. The popular vote in each state chooses one of the group of electors. The candidate who wins the popular vote usually wins all of the state’s electoral votes. This is known as the **winner-take-all system**. In December, the winning electors meet in their state capitals to cast the state’s electoral votes for president and vice president. The electors then send their votes to Congress to be counted. The total number of votes in the Electoral College is 538. The candidate who receives a majority of these votes, 270 or more, wins the election.

At first, state legislators chose the presidential electors. Today, the voters in each state choose the electors. People who oppose the Electoral College believe that it gives large states, which have more electors than small states, too much influence in deciding the presidential elections. People also point out that under the winner-take-all system, a candidate who loses the popular vote can still win the electoral vote and the presidency. This has happened four times in the nation’s history. Also, a third-party candidate could win enough electoral votes to prevent either one of the major political party candidates from getting a majority. The third-party candidate could then bargain to release his or her votes to one of the major-party candidates.

8. What does a presidential candidate have to win to be elected?

Study Guide



Chapter 10, Section 3

For use with textbook pages 246–250

Paying for Election Campaigns



KEY TERMS

propaganda an attempt to promote a particular person or idea (page 247)

soft money donations given to political parties and not designated for a particular candidate's campaign (page 249)

political action committee (PAC) a political organization established by corporations, labor unions, and other special-interest groups designed to support political candidates by contributing money (page 250)

incumbent a politician who has already been elected to office (page 250)

DRAWING FROM EXPERIENCE

How do you decide what type of products to buy? What do you think most influences your decision?

The last section described the steps involved in the presidential election process. This section discusses the ways campaigns are financed.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. Many people are against the ways that campaigns are financed; some argue for it. List the arguments for and against the current ways of campaign financing in the diagram.

1. Arguments For:

2. Arguments Against:

Study Guide



Chapter 10, Section 3 (continued)

READ TO LEARN

- **Running for Office** (page 246)

Once candidates are nominated, they spend a lot of time campaigning. They campaign to convince the public to vote for them. Each candidate has a campaign organization to help run the campaign. Campaign workers use several methods to help convince voters to like and trust the candidate.

Campaign workers use canvassing when they ask for votes or take public opinion polls. Campaign workers on the local level generally go door-to-door to ask for votes and hand out campaign literature. On the national level, campaign workers run frequent polls to find out how their candidates are doing.

Campaign workers also use endorsements. They often ask a famous and popular person to support their candidate. The idea is that if someone whom people like makes the endorsement, then the people may decide to vote for the candidate. Endorsements are a type of **propaganda**. This is an attempt to promote a particular person or idea.

Much of the money that is raised for a candidate's campaign is used for advertising. The advertisements help to create the right image for a candidate. Political advertisements allow a party to present its candidate's position or point of view. Candidates for local offices generally use newspaper advertisements or posters. Candidates for national offices generally advertise on television. These commercials cost thousands of dollars per minute to present. Other campaign costs include transportation, salaries of campaign staff members, and fees for public opinion pollsters. In recent elections, spending for congressional seats has been about \$1.5 million. A presidential race costs hundreds of millions of dollars.

3. What is much of the money raised for campaigns used for?

Study Guide**Chapter 10, Section 3 (continued)****• Financing a Campaign** *(page 248)*

For a long time candidates relied on contributions from business organizations, labor unions, and individuals. This gave wealthy individuals a better chance of winning elections and gaining more political power. Congress tried to place some controls on campaign financing through the Federal Election Campaign Finance Act of 1971. The law said that candidates had to disclose their spending. The law set up federal funding for presidential elections. It tried to limit how much individuals and groups could spend. The law says that an individual may donate no more than \$1,000 to a presidential candidate. It set up the Federal Election Commission (FEC) to carry out all federal election laws and monitor campaign spending.

A large source of campaign money is the Presidential Election Campaign Fund, which the 1971 law set up. Taxpayers may check a box on their income tax return to give \$3 of their taxes to the fund. Major-party presidential candidates can qualify to get some of this money if they have raised \$100,000 on their own. Third-party candidates can also get part of this funding if their party received more than 5 percent of the popular vote in the previous presidential election.

Most campaign funds do not come from public sources. Private sources such as individual citizens and corporations provide campaign funds. In addition, various interest groups also donate to candidates. After candidates get their federal funds and the amounts from groups and individuals, the fund-raising is supposed to be finished. However, candidates have found ways to get around the 1971 law.

One way they get around the campaign-finance law is by using **soft money**. These are donations given to political parties and not designated for a particular candidate's election campaign. This money is supposed to be used for general purposes, such as advertisements about political issues. The parties, however, have found ways to use the money to support their candidates, such as national TV ads. Soft money is a way that wealthy people can spend as much money as they want to support a candidate.

Another way that candidates get around the campaign-finance law is through **political action committees (PACs)**. These are political organizations set up by corporations, labor unions, and other special-interest groups designed to support political candidates by contributing money. A PAC uses the money to support candidates who support its position

Study Guide



Chapter 10, Section 3 (continued)

on issues. Under the 1971 law, corporations and other organizations are not allowed to give directly to campaigns. However, they can set up PACs and give unlimited amounts of soft money to political parties.

Many people are against these ways of providing campaign funds. They argue that when certain individuals and groups can give large amounts of money to candidates, they can later receive special favors that are not available to average citizens. Other people argue that telling people how much they can donate to campaigns limits their free speech. The Supreme Court supported this argument in a 1976 ruling. Recently, Congress has discussed new plans to change campaign finance. A law, introduced in 2002, banned unrestricted amounts of soft money. PACs give most of their money to **incumbents**—politicians who have already been elected to office. Because of this, lawmakers do not seem eager to change financing rules.

4. How have candidates gotten around the Presidential Election Campaign Fund of 1971?

Study Guide



Chapter 11, Section 1

For use with textbook pages 258–262

Public Opinion



KEY TERMS

- public opinion** the ideas and attitudes that most people hold about elected officials, candidates, government, and public issues (page 258)
- mass media** media such as television, magazines, and books that communicate broadly to masses of people (page 259)
- interest group** a group formed by people who share a point of view about an issue (page 259)
- public opinion poll** a survey of people's opinions on an issue (page 261)
- pollster** a specialist who conducts polls (page 261)

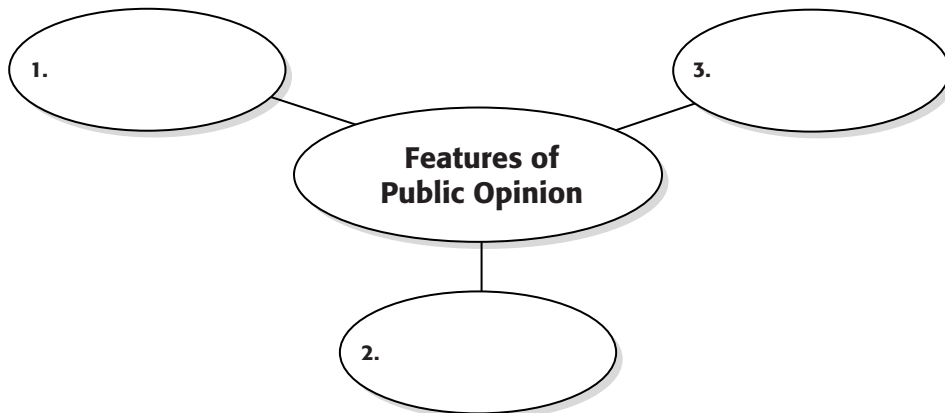
DRAWING FROM EXPERIENCE

What topics do you have a strong opinion about? What do you think helped to influence your opinion on the issue?

In this section, you will learn why public opinion is important to politicians. You will also learn how public opinion is formed.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. Experts describe public opinion by using three features. List the three features in the diagram and explain what each one means.



Study Guide



Chapter 11, Section 1 (continued)

READ TO LEARN

- **Forming Public Opinion** (page 258)

The ideas and attitudes that most people hold about elected officials, government, and political issues are called **public opinion**. Public opinion is very important in a democracy. Public opinion helps presidents make decisions. Presidents know that their programs will have greater support in Congress if their popularity is high with the people.

The public opinion of Americans, however, is not the same. Americans agree on very few issues. Enough people must hold a particular opinion in order for government officials to listen to them.

A variety of sources influence people's opinions. People's backgrounds and life experiences influence their opinions. People's age, gender, religion, and occupation play important parts.

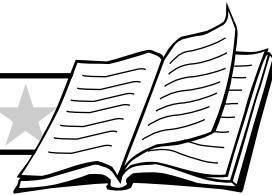
Another source of public opinion is the **mass media**. This includes television, radio, magazines, newspapers, and books. The kinds of issues that mass media cover and the way they cover them can affect public opinion.

Public officials influence public opinion. They give speeches, hold news conferences, and make television appearances. They do so to persuade people to support their positions.

Sometimes people who share the same opinion on an issue unite to promote their beliefs. They form an **interest group**. Interest groups work to persuade people, including public officials, toward their point of view.

4. How does the mass media affect public opinion?

Study Guide



Chapter 11, Section 1 (continued)

• **Components of Public Opinion** (page 260)

Public opinion is described in terms of three features. The first feature is direction—is public opinion on a topic positive or negative? The second feature is intensity. This has to do with the strength of opinion on a given issue. When Americans have strong feelings about an issue, they often act by voting for or against a candidate. Strong opinions may also lead to demonstrations. A third feature is stability. This has to do with how firmly people hold their views on issues. People’s opinions are less likely to change when they have a firm belief about an issue.

5. What does direction tell about public opinion?

• **Measuring Public Opinion** (page 261)

Political leaders learn about the public’s opinion on an issue by looking at election results. If voters elect a certain candidate, it is presumed that they agree with his or her beliefs. However, because people vote for a candidate for a variety of reasons, election results are not an accurate measure of public opinion.

A more accurate way of finding public opinion is by asking people to answer questions in a survey. This is called a **public opinion poll**. Today many organizations conduct public opinion polls. Political leaders use them to keep tabs on public opinion. Most presidents use a **pollster**, a specialist who conducts polls regularly. The pollster finds out about the president’s popularity or the way people feel about something the president wants to do.

Pollsters usually select a group of people at random from all over the United States. This sample is usually about 1,500 people. It includes

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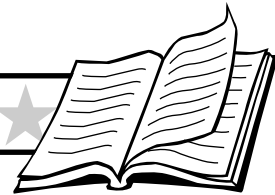
Chapter 11, Section 1 (continued)

both men and women and people of all races, incomes, and ages. The sample should represent the characteristics of the entire population. In this way it can more accurately represent public opinion. To get accurate results, pollsters have to word the questions carefully. Questions need to be fair and unbiased.

People who support public opinion polls say that polls support democracy. They believe that it gives government leaders a way to keep in touch with people's changing ideas about issues. Those who oppose public opinion polls say that they make government leaders more concerned about how people feel than about being political leaders. Critics also say that polls distort elections. The polls focus on who is ahead rather than focusing on the candidates' views on the issues.

6. Why is it important for pollsters to use a sample of people that reflects the characteristics of the population of the entire nation?

Study Guide



Chapter 11, Section 2

For use with textbook pages 264–268

The Mass Media



KEY TERMS

- print media** newspapers, magazines, newsletters, books (*page 264*)
- electronic media** radio, television, and the Internet (*page 264*)
- public agenda** the problems and issues that receive government attention (*page 265*)
- leak** to secretly pass on (*page 266*)
- prior restraint** government censorship of material before it is published (*page 268*)
- libel** publishing false information that will harm someone's reputation (*page 268*)

DRAWING FROM EXPERIENCE

From where do you get most of your information about events in the world? How fairly do you think the information is presented? Why do you think so?

The last section discussed the importance of public opinion. This section discusses the way that mass media influences politics.

ORGANIZING YOUR THOUGHTS

Use the chart below to help you take notes. The media plays a role in government. List the roles in the chart.

Media's Roles
1.
2.
3.
4.

Study Guide



Chapter 11, Section 2 (continued)

READ TO LEARN

- **Types of Media** (page 264)

In the United States, mass media helps to influence public opinion. **Print media** is made up of newspapers, magazines, newsletters, and books. The **electronic media** includes radio, television, and the Internet. Most media outlets are privately run. The most important medium for American politics at every level is television. More than 70 percent of adults read newspapers, which give a deeper coverage of events than does television. The Internet allows people to get news electronically whenever they want.

5. What does electronic media include?

- **The Media's Impact on Politics and Government**

(page 265)

Many problems and issues face the government. Those problems that receive the most time, money, and effort from government leaders make up the **public agenda**. The media influences which problems government considers most important. When the media publicizes an issue, people begin to think of the issue as important. Issues that the media ignores may be thought of as less important.

The media and politicians have a complex relationship because they need each another. Elected officials want the media to show them as effective leaders. They also want the media to explain to the public what the government is doing and the decisions it makes. To do this, officials hold news conferences and give interviews. Sometimes they **leak**, or secretly pass on, information to reporters about government actions. Leaks help officials get public reaction to a proposed action before any

Study Guide



Chapter 11, Section 2 (continued)

decisions are made. If public reaction is positive, then the government often moves forward with its plan. If it is negative, the government may drop the idea. Leaking information is a regular part of political life. Many journalists go along with it because it provides them with “inside” information. When they can break a story first, they become more successful as journalists.

Journalists also act as “watchdogs” over politicians. They expose government corruption and mistakes. They know that such stories will get people’s attention. In the past, journalists focused on reporting only on the official actions of politicians. In recent years, however, they also report on the personal lives of politicians.

Tension exists between the American citizens’ need for information and the government’s need to keep secrets to protect national security. The government can limit media reports by labeling some information as secret. Governments often limit the media’s coverage of military actions. Reporters who cover such events have to rely on official government briefings to get their information.

6. How does the media act as a watchdog over government activities?

• **Protecting the Media** (page 268)

The First Amendment to the Constitution guarantees freedom of the press. Today this freedom extends to both print and electronic media. The Supreme Court has ruled that the key to this right is freedom from **prior restraint**, or government censorship of material before it is published. The government cannot tell the media what can and cannot be published. Freedom of the press is not unlimited. No one is free to publish false information that will harm someone’s reputation. This is called **libel**.

Study Guide



Chapter 11, Section 2 (continued)

The government does have some power to regulate broadcast media. It does this by deciding who gets access to the airwaves that are available for radio and television broadcasting. The government regulates this through the Federal Communications Commission (FCC). Although the FCC cannot censor broadcasts, it can penalize stations that break the rules.

7. What is the purpose of the Federal Communications Commission?

Study Guide



Chapter 11, Section 3

For use with textbook pages 270–275

Interest Groups



KEY TERMS

public interest group a group that supports causes that affect the lives of Americans in general
(page 271)

public policy the course of action the government takes in response to an issue or problem
(page 272)

political action committee (PAC) a group that collects money from its members and uses it to support some candidates and oppose others (page 272)

lobbyist a representative of an interest group who contacts lawmakers or other government officials directly to influence their policymaking (page 272)

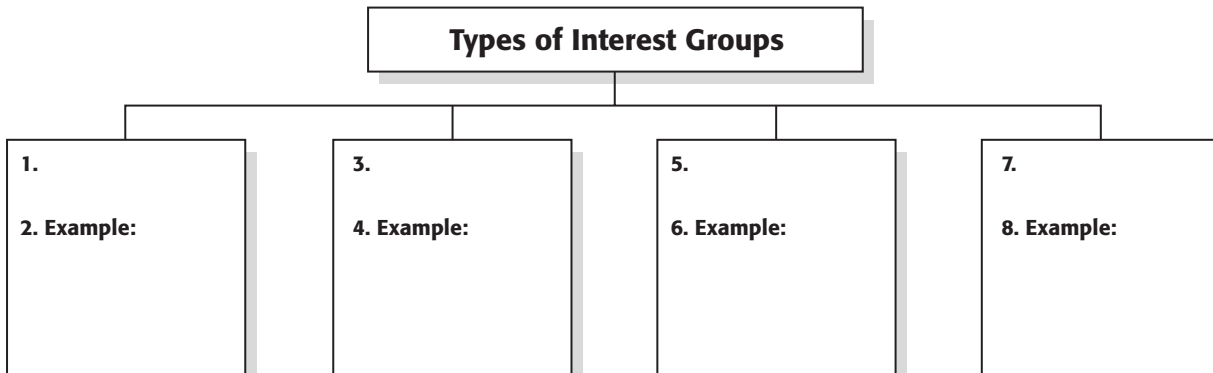
DRAWING FROM EXPERIENCE

What advertisements for products do you see in magazines and on television? How do the ads try to influence people to buy them? Which ones influence you to buy a particular product?

The last section discussed ways that mass media influences politics. This section describes the way that interest groups influence government.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. There are several types of interest groups. List four types and an example of each in the diagram.



Study Guide



Chapter 11, Section 3 (continued)

READ TO LEARN

- **Types of Interest Groups** (page 270)

Citizens join interest groups to increase their chances of influencing decision makers. People can belong to several different interest groups at one time. The First Amendment protects people's rights to belong to interest groups.

Some of the largest interest groups in the United States deal with economic interests. One of the largest of these groups is the U.S. Chamber of Commerce. Other groups represent specific types of businesses. These groups try to influence government decisions on issues such as taxes or safety regulations related to their industry. Interest groups such as labor unions work to promote the interest of workers. People such as doctors and lawyers have their own interest groups.

Some interest groups promote a particular ethnic group, age group, or gender. For example, the American Association of Retired Persons (AARP) promotes the interests of older Americans, and the National Association for the Advancement of Colored People (NAACP) works to improve the lives of African Americans.

Some interest groups work for special causes. The National Wildlife Federation and the Sierra Club both work to protect nature and wildlife. All the interest groups described so far are considered private groups because they promote only the special interests of their own members.

Some interest groups work for causes that affect the lives of Americans in general. These are called **public interest groups**. For example, Common Cause is a public interest group. It works for such things as getting laws passed to control pollution and to protect consumers.

9. What do some of the largest interest groups in the United States deal with?

Study Guide



Chapter 11, Section 3 (continued)

- **Influencing Government** (page 272)

The main goal of interest groups is to influence **public policy**. This is the course of action the government takes in response to an issue or problem. Interest groups influence government in several ways.

Some interest groups use the elections to support candidates who support their views. Some interest groups have formed **political action committees (PACs)**. PACs collect money from their members and use it to support some candidates and to oppose others.

Interest groups influence policy by taking cases to court. For example, when a group thinks that a law is not being properly enforced, the group may sue the party who is breaking the law.

Interest groups use **lobbyists** to help influence government officials. Lobbyists contact lawmakers or other government officials to influence their policymaking. Lobbyists work at all levels of government. Some are volunteers and some are paid employees. Lobbyists have several ways of influencing lawmakers. They know how the government works. They know which department to contact about a particular issue. They know how to make friends and talk persuasively. Effective lobbyists supply lawmakers with up-to-date information about public issues, especially information that helps them with their own cases. Some lobbyists suggest solutions to problems and even prepare drafts of bills for lawmakers to consider. Once a law is passed, lobbyists work to make sure that government officials carry it out.

10. What is the main goal of interest groups?

Study Guide



Chapter 11, Section 3 (continued)

- **Techniques of Interest Groups** (page 273)

Interest groups use various techniques to influence public opinion. They do this to get more members and to convince people of their cause. Interest groups use direct mail to recruit members. They advertise on television and newspapers. They stage protests and put together public events to get coverage in the media.

Interest groups use propaganda techniques to communicate their ideas. To avoid being misled, people should recognize some propaganda techniques. Endorsements use a popular person to support a candidate or issue. The idea is that if this person supports the issue, then others should, too. Card stacking is a technique that presents only one side of an issue. Getting on the bandwagon means convincing people that everyone agrees with the interest group's point of view. A glittering generality is a statement that sounds good but is meaningless. Interest groups use and misuse symbols to appeal to people. Just-plain folks is a technique that shows photographs of candidates for office wearing hard hats or eating pizza to make them look like everyday people. Name-calling turns people against a candidate or an idea by using unpleasant descriptions for the person or idea.

11. What technique is an interest group using when it shows an athlete at a campaign event for a candidate?

- **Regulation of Interest Groups** (page 275)

State and federal governments pass laws that regulate the activities of interest groups. The Federal Election Campaign Act of 1971 limits the amounts of money PACs may give to candidates for national office. The

Study Guide



Chapter 11, Section 3 (continued)

Federal Regulation of Lobbying Act requires lobbyists to register with the Clerk of the House of Representatives and the Secretary of the Senate. Lobbyists are supposed to say who hired them and how much they are paid. However, only people whose main job is lobbying have to register. These people make up only a small part of all lobbyists. In addition, the law is difficult to enforce.

Federal and state laws require former government employees to wait a certain period of time before becoming lobbyists. This requirement attempts to prevent public officials from taking unfair advantage of their inside knowledge on behalf of interest groups. These laws have also proved difficult to enforce.

Critics of interest groups argue that interest groups have too much say in government. Critics also say that interest groups have too much influence over officeholders. Those who support interest groups say that individuals alone have little effect on government. However, as members of an interest group, people can increase their influence.

12. What argument do supporters of interest groups give?

Study Guide



Chapter 12, Section 1

For use with textbook pages 282–286

The Federal System



KEY TERMS

federal system a system of government in which the central government and the governments of the states share power (*page 282*)

reserved powers powers that the Constitution reserves to the states (*page 283*)

concurrent powers powers that the federal and state governments share (*page 284*)

grants-in-aid awards of money (*page 285*)

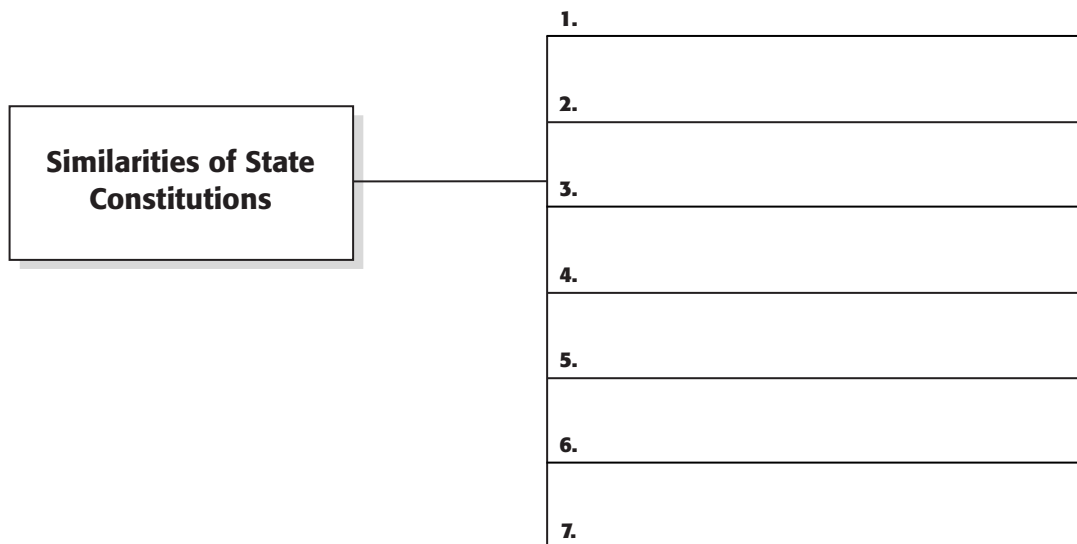
DRAWING FROM EXPERIENCE

What kinds of services do state governments provide? How does your state government affect the activities in your life?

In this section, you will learn about the federal system of government. You will also learn how federal and state governments cooperate with each other.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. State constitutions are similar in several ways. List the similarities in the diagram.



Study Guide**Chapter 12, Section 1 (continued)****READ TO LEARN****• The Constitution and Federalism** *(page 282)*

The Articles of Confederation set up the first national government in the United States. This government, however, was weak. As a result, the national leaders set up a new government under the Constitution. Under this government, the states agreed to give up some of their independence.

The Framers of the Constitution created a **federal system** of government. Under this system the central government and the governments of the states share power. However, if a state law conflicts with the national law, the national law must be followed. The federal system places some limits on national power. At the same time it does not allow the states to be so strong that the central government would be ineffective.

The Constitution protects states in several ways. States cannot be divided or merged with another state without their consent. States have a right to have a militia—a military force called the National Guard. The governor can call out the National Guard in case of local emergencies. The president can put the National Guard under the control of the U.S. armed forces in cases of a national emergency.

The Constitution does not list the powers of the state. It lists what state governments may not do. For example, it forbids states from making treaties with foreign governments and from making their own money. Some amendments prohibit state governments from taking away civil liberties that the federal government grants.

The Tenth Amendment says that state governments have all the powers not given to the federal government or denied to the states. These powers are called **reserved powers**. These powers include such things as making marriage laws and regulating education. Each state is responsible for its citizens' health, safety, and welfare. State governments affect many daily activities of its citizens.

Under the Constitution, both the federal and state governments share some powers. These are **concurrent powers**. For example, both state governments and the federal government may tax and borrow money. If conflicts arise between the states and the federal government over certain kinds of powers, the Supreme Court decides the case. The supremacy clause in Article VI says that the laws that Congress makes are the "supreme law of the land."

Study Guide



Chapter 12, Section 1 (continued)

Throughout the nation's history there have been conflicts over how federalism should work. One view says that because the states created the national government, the powers of the national government should be limited. This view also says that state governments are closer to the people. Therefore, they can address the needs of the people better than the national government can.

Those who believe that the national government should be more powerful argue that the people, not the states, created the national government and the states. They believe that the national government should have all the powers it needs to carry out the wishes of the people. These people believe that the national government should take the lead in solving the nation's economic and social problems.

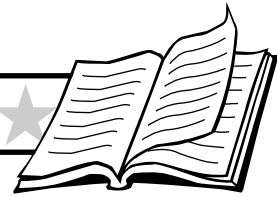
- 8.** What conflicts exist regarding the federal system of government?

• **Governmental Cooperation** (page 285)

Over the years, the federal government and state governments have worked together to run a variety of programs, such as highways, education, and welfare. The federal government gives **grants-in-aid**, or awards of money, to states to help them pay for their programs. In return, states must use some of their own money and follow the rules set by Congress. The federal government gives some grants-in-aid directly to counties and cities. Sometimes the federal government gives money to state governments to pass on to cities.

Article IV of the Constitution encourages cooperation among the states by requiring that states recognize the laws and court decisions of other states. This means, for example, that if people get married in one state, the marriage is legal in other states as well. Article IV also requires that every state have a republican form of government. The federal government will defend the state governments if they are threatened. It will protect them against domestic violence. For example, if a state police force cannot handle violent incidents in its state, the governor may ask

Study Guide



Chapter 12, Section 1 (continued)

for help from federal troops. States provide certain services to the federal government. For example, states hold elections for federal offices. States also play an important part in the process of amending the Constitution.

9. Why does the federal government give grants-in-aids?

• State Constitutions (page 286)

Each state has its own constitution. State constitutions are similar in some ways. Each state constitution provides for separation of powers among three branches of government. The state constitutions list the way the three branches are organized. They list the powers of various offices and the way the officials are elected. State constitutions include a bill of rights, which includes most of the rights in the U.S. Constitution. Often they also include rights that are not part of the U.S. Constitution.

State constitutions set up different types of local governments, such as counties, townships, and special districts. They set up the duties and organization of these local governments. State constitutions regulate the ways state and local governments can raise and spend money. They also set up independent state agencies.

A state's constitution is the highest law in that state. However, provisions in state constitutions cannot go against the U.S. Constitution. The process of amending state constitutions is similar to the process of amending the U.S. Constitution. It is usually a two-step process. First, an amendment is proposed, generally by the state legislature. Then it must be ratified by the voters. Because states' powers have grown and changed, state constitutions have been amended many times.

10. Why have state constitutions been amended many times?

Study Guide



Chapter 12, Section 2

For use with textbook pages 287–290

The State Legislative Branch



KEY TERMS

unicameral one-house (page 287)

apportion to divide into districts based on population (page 289)

DRAWING FROM EXPERIENCE

Who are your state senators and representatives? What issues currently face your state legislature?

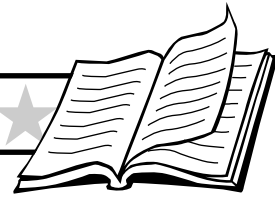
The last section described the federal system of government. This section discusses the way state legislatures work.

ORGANIZING YOUR THOUGHTS

Use the chart below to help you take notes. State constitutions set up the legislative branch of the state. List information about state legislatures in the chart.

Makeup of State Legislatures: 1.
Requirements for Members: 2.
Problems of State Legislatures: 3.

Study Guide



Chapter 12, Section 2 (continued)

READ TO LEARN

- **Makeup of Legislatures** (page 287)

The lawmaking bodies of the states vary in size and name. Some are called the general assembly. Some are simply called the legislature. Most states have a legislature that is made up of an upper house, called the senate, and a lower house, called the house of representatives. Only Nebraska has a **unicameral**, or one-house, legislature. Senators generally serve four-year terms. Representatives generally serve two-year terms. The house generally has more members than the senate.

For most states, members of the state legislature have to be American citizens. Representatives have to be at least 18 years old. The minimum age requirement for senators ranges from 18 to 30. Being a member of the state legislature has become a demanding job. Some legislatures meet year-round.

4. How are most state legislatures organized?

- **How State Legislatures Function** (page 288)

State legislatures work much like the U.S. Congress. A speaker of the house leads the house of representatives. A president, often the lieutenant governor, leads the senate. The majority political party generally chooses the leader in each house. These leaders have a lot of influence over which bills become laws.

Ideas for bills come from many sources. They may come from the executive branch, interest groups, and individuals. State legislatures have many committees that study proposed laws. The committees hold

Study Guide



Chapter 12, Section 2 (continued)

hearings on the bills and revise them if necessary. Many bills simply die in committees. Some are sent to the full house, with a recommendation from the committees to pass or reject them. If two houses pass different versions of the bill then a conference committee works out the differences. Both houses have to approve a bill and the governor has to sign it for it to become a law.

5. How are leaders in both houses of state legislatures selected?

• **Legislative Apportionment** (page 289)

Every 10 years, the Census Bureau takes a national census, or population count. Every 10 years, state legislatures reexamine the congressional districts. Representatives to the U.S. Congress and the state legislatures are elected from districts. Most state legislatures draw the boundary lines for each congressional election district.

States are divided into many election districts. Usually one set of districts is established for senators and another set for representatives. Senate districts were often based on land area. House districts were **apportioned**, or divided among districts, based on population. This system often led to unequal representation in many state legislatures. For example, a city district and a rural district might each have had one senator, even though the city district had 10 times as many people. This happened because powerful rural senators refused to redraw the districts. This situation changed with a 1964 Supreme Court ruling. It said that both houses of state legislatures had to be apportioned on the basis of equal population.

Study Guide



Chapter 12, Section 2 (continued)

6. How did a 1964 Supreme Court ruling change the way that members of the state legislatures are elected?

• **Problems Facing States** (page 289)

Americans expect many services from their states. They expect such services as good transportation, good schools, and protection of the environment. State governments, however, struggle to pay for these services. State lawmakers do not want to raise taxes. They fear that tax increases would harm their reelection chances. In addition, the federal government has dropped many of its grants because of its own budget concerns. As a result, state governments have had to decide whether to raise taxes to pay for programs or to cut programs.

7. Why are state lawmakers reluctant to raise taxes to pay for state government services?

Study Guide



Chapter 12, Section 3

For use with textbook pages 292–295

The State Executive Branch



KEY TERMS

line-item veto a veto on only a specific part of a bill (page 293)

commute to reduce (page 294)

parole an early release from prison (page 294)

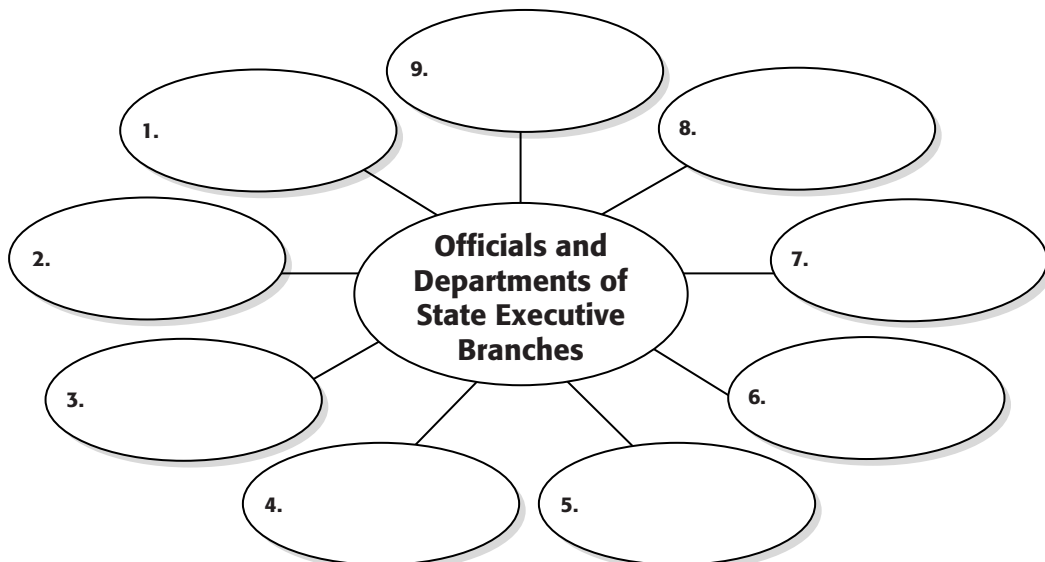
DRAWING FROM EXPERIENCE

Who is the governor of your state? Who are some other officials in your state government?

The last section described the way state legislatures work. This section discusses the powers and duties of state governors and other officials of the executive branch.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. In addition to the governor, most states have other officials and departments to help with the work of carrying out the state’s laws. List the officials and departments in the diagram.



Study Guide



Chapter 12, Section 3 (continued)

READ TO LEARN

• Office of Governor (page 292)

The executive branch of every state government includes the governor and several departments and agencies. In most states a governor has to be an American citizen, at least 30 years old, and a resident of the state for at least 5 years. The governor is elected directly by the people of the state. Most governors are elected for four-year terms. In most states, governors and lieutenant governors run as a team in elections.

Like the president of the United States, a governor heads the executive branch of the state government. As chief executive, the governor's most important role is carrying out the laws of the state. The governor has a large state bureaucracy to help with the job. The governor can appoint some officials, generally with the approval of the state senate. In some states, the governor also prepares the state budget.

Governors have certain legislative powers. The governor is also the state's chief legislator. He or she can suggest new bills and try to persuade the legislature to pass them. All governors have the power to veto bills. Governors in most states can choose to veto only a part of a bill. This is called a **line-item veto**. State legislatures may override a governor's veto with a two-thirds vote.

Governors have certain judicial powers. Governors may grant pardons to convicted criminals. They can **commute**, or reduce, a criminal's sentence. Governors may grant a prisoner **parole**, or an early release from prison.

Governors have other roles. They are commanders in chief of the state National Guard. They are the leaders of their state's political party and ceremonial leaders of their state.

10. What judicial powers does a governor have?

Study Guide



Chapter 12, Section 3 (continued)

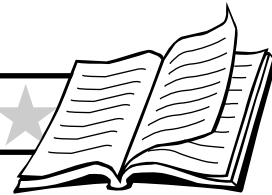
- **Executive Departments** *(page 294)*

Although not every governor has a cabinet, every state has several top officials who are in charge of executive departments. The governor appoints many of these officials. Some are elected by the voters. Most states have a secretary of state who takes care of the state's official records. An attorney general represents the state in lawsuits. A treasurer collects taxes and invests state funds. An auditor makes sure that government agencies use money according to state law.

Every state has several departments and agencies. Some are like their federal counterparts. These include the departments of justice, agriculture, and labor. Others are only found at the state level. A department of health runs programs on how to prevent diseases. A department of public works and highways takes care of maintaining buildings and roads. Many states also have a state welfare board. It helps the unemployed and poor people of the state.

11. What does the secretary of state do?

Study Guide



Chapter 12, Section 4

For use with textbook pages 297–300

The State Judicial Branch



KEY TERMS

justice of the peace the judge in a local court (page 297)

misdemeanor less serious crime (page 297)

magistrate court police court in large towns (page 297)

plaintiff a person filing a lawsuit (page 298)

defendant a person being sued (page 298)

felony more serious crime (page 298)

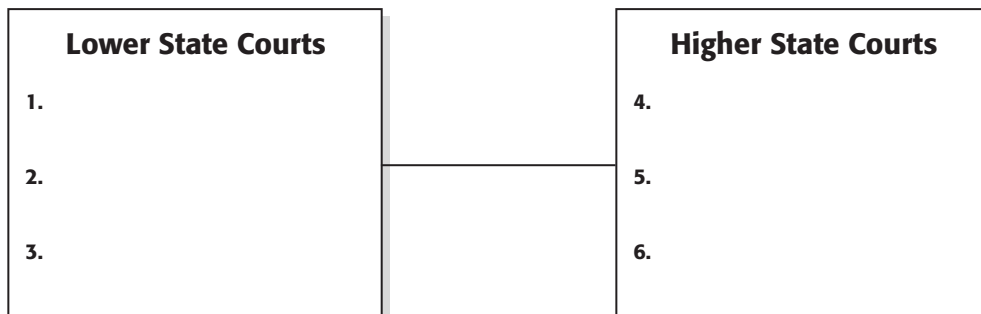
DRAWING FROM EXPERIENCE

Have you ever listened to a case being tried in a courtroom? What kind of case was being heard? How would you describe your experience?

The last section described the executive branch of state governments. This section discusses the judicial branch of state governments.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. State courts include lower state courts and higher state courts. List the kinds of courts that make up each group in the diagram.



Study Guide



Chapter 12, Section 4 (continued)

READ TO LEARN

- **Lower State Courts** (page 297)

Most of a state's legal matters are handled by the state court system. State courts interpret and apply the state and local laws. Most states have three types of courts. One type of court handles minor law violations. Another handles serious crimes. A third type is an appeals court.

In many rural areas, the local court is called a justice court. The judge is called a **justice of the peace**. These courts handle less serious crimes, which are known as **misdemeanors**. Cases in justice courts are heard and decided by the justices of the peace. Voters generally elect these judges.

Large towns have police courts or **magistrate courts**. They handle minor cases and civil cases involving small amounts of money. Large cities have municipal courts. These courts are often divided into specialized areas such as traffic and small claims courts. Small claims courts handle civil cases involving minor amounts of money. **Plaintiffs**, or people filing lawsuits, and **defendants**, or people being sued, speak for themselves. Neither side has a lawyer.

7. Who hears and decides cases in a justice court?

- **Higher State Courts** (page 298)

The next level of courts deals with more serious crimes, called **felonies**. They also deal with civil cases involving large amounts of money. The third level of courts considers appeals of lower-court decisions.

People charged with felonies go on trial in general trial courts. This type of court may be called a district court, county court, common pleas court, circuit court, or superior court. Trials are held before juries. The judge makes sure the trial is handled fairly. In some cases, the judge also decides on the penalty in case of a guilty verdict.

Study Guide



Chapter 12, Section 4 (continued)

In appeals courts, a panel of judges reviews decisions made by trial courts. If the judges feel that the defendant did not have a fair trial, they can overturn the lower court's decision. The state supreme court reviews decisions of appeals courts. It also supervises all courts in the state and interprets the state's constitution. Most decisions of the state supreme court are final.

8. In what kinds of courts are cases involving felonies heard?

• Selection of Judges (page 299)

State judges are selected in different ways. Some are elected by the voters. Some are elected by state legislatures. In some states, the governor appoints judges, with the consent of the state senate. Still other states use the Missouri Plan. Under this plan, the governor appoints a judge from a list presented by a commission. Then voters either choose or reject the appointed judges in the next election.

Some people criticize the election of judges. They feel that this makes judges too concerned about how their decisions will affect the public. They also fear that voters do not know much about the candidates for judges. Those who support the election of judges argue that this ensures a democratic government.

State judges' terms vary from 6 to 12 years. They can be removed from office by impeachment. Because this process can take a long time, most states have set up boards to investigate complaints about judges. If they find that the judge acted improperly, they make a recommendation to the state supreme court. The court can then remove the judge.

9. In what three ways are judges selected?

Study Guide



Chapter 13, Section 1

For use with textbook pages 306–311

City Government



KEY TERMS

incorporated a place with an officially organized government that provides services to residents
(page 306)

city charter a document that grants power to a local government (page 306)

home rule the power granted by state legislatures to cities to manage their own affairs (page 307)

ordinances city laws (page 308)

strong-mayor system a city government in which the mayor has strong executive powers (page 308)

weak-mayor system a city government in which the mayor's authority is limited (page 308)

at-large elections citywide elections in which council members run for office (page 309)

special district a unit of government that deals with a specific function (page 310)

metropolitan area a central city and its surrounding suburbs (page 311)

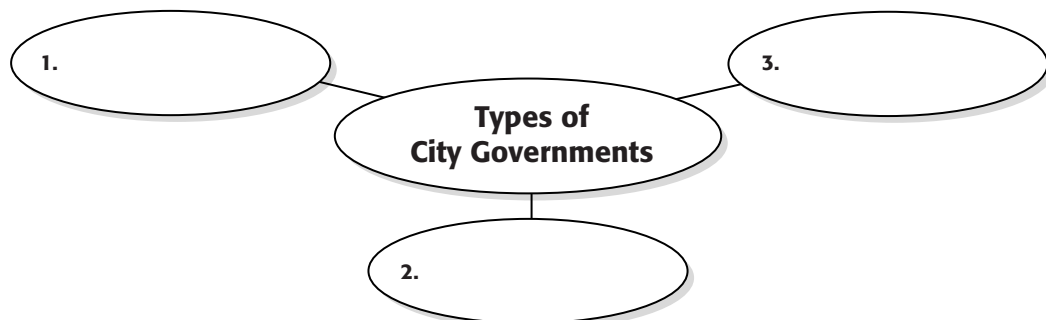
DRAWING FROM EXPERIENCE

Do you live in a large city or small town? What kind of government does your city or town have?

In this section, you will learn what a city is. You will also learn about the various types of city governments.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. There are three types of city governments. List the types and identify who makes up the executive branches and legislative branches in each type.



Study Guide



Chapter 13, Section 1 (continued)

READ TO LEARN

- **Created by the State** (page 306)

Local governments are created by the states. State constitutions usually set up the powers and duties of local governments. Most states say that a municipality is an **incorporated** place—a locality with an officially organized government that provides services to residents. A city is a municipal government. To create a city, people living in urban communities incorporate. They do this by applying to the state legislature for a **city charter**. This is a document that gives power to a local government. A community has to meet certain requirements to get a charter. A city charter is much like a constitution. It describes the type of city government, how it is organized, and its powers. The state legislature still has control. It may change the powers granted to the city government at any time.

Many state legislatures have begun to grant **home rule** to cities. This allows cities to write their own charters, choose their own type of government, and manage their own affairs. The cities still have to follow state laws. An urban community can be called a city, a town, or a village. This depends on what the charter says. Most city governments, regardless of size, provide similar services. They provide such services as law enforcement, fire protection, and water and sewage systems.

4. What sets up the powers and duties of local governments?

- **The Mayor-Council Form** (page 307)

City charters set up one of three forms of city government. One form is the mayor-council form. In this form, power is divided between the legislative and executive branches. The mayor, elected by the voters, is the chief executive of this type of government. The mayor usually appoints the heads of various executive departments. The city council is the city's legislature. It makes city laws, called **ordinances**, and approves

Study Guide



Chapter 13, Section 1 (continued)

the city budget. The residents of a city elect members of the city council. Some cities are divided into voting districts called wards. Each ward elects a representative to the city council. In some cities, council members are known as members-at-large. They are elected by the entire city.

The power of the mayor varies from city to city. Large cities generally have a **strong-mayor system**. In this system, the mayor has strong executive powers, such as the power to veto laws the city council passes and to put together the city budget. Other towns and cities have a **weak-mayor system**. In this system, the mayor's authority is limited. The council appoints department heads and makes most policy decisions. The mayor usually votes only in case of a tie.

5. How is power divided in a mayor-council form of city government?

• **The Council-Manager Form** (page 309)

The council-manager form of government is a popular form of city government today. In this form, the elected council or board and chief elected official have executive powers. A professional manager, who is appointed by the board or city council, runs the daily operations of the city government. The city council is the legislative body in this form of government. The manager proposes a budget and oversees city departments. The manager reports to the city council.

In many smaller cities with managers, council members are elected in **at-large elections**. They run in citywide elections rather than representing one voting district. Some people think that this makes council members focus on the interests of the entire city, rather than a particular district.

This form of government allows professional city managers to run the government. Although the council makes the policy, the city manager must apply the policy. Sometimes managers may change a policy when enforcing it. City councils may hire or fire city managers, though, so managers are careful when applying policies.

Study Guide



Chapter 13, Section 1 (continued)

6. How is the city manager selected?

• **The Commission Form** (page 310)

A few cities use the commission form of government. In this form, five commissioners are selected in citywide elections. Each commissioner heads a major department. The heads of these departments are called commissioners. They perform executive duties for their department. The commissioners also meet together as a commission with legislative powers to pass laws. The commissioners choose one of their members to act as a mayor. As a result, the commission form of government has no separation of powers. The commissioners are both the lawmakers and the executives.

The commission form of city government has several problems. With this form, no one person is in charge. This makes it difficult to know who has overall responsibility. When commissioners disagree, it becomes difficult to make decisions. For these reasons, most cities that had used a commission form of government have switched to a council-manager or mayor-council form of government.

7. How are powers divided in a commission form of city government?

Study Guide



Chapter 13, Section 1 (continued)

- **Special Districts** (*page 310*)

The **special district** is a unit of government that deals with a specific function, such as education or transportation. In some states several kinds of special districts overlap most cities. The local school district is the most common type of special district. A board or commission generally runs a special district. Members of the board may be appointed or elected.

8. What is the most common example of a special district?

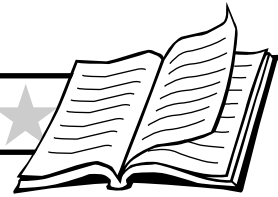
- **Metropolitan Areas** (*page 310*)

A **metropolitan area** is a central city and its surrounding suburbs. The area may also include small towns that lie beyond the suburbs. The U.S. Census Bureau calls a central city and suburbs with a population of 50,000 or more a Metropolitan Statistical Area. If the area includes more than one central city, it is called a Consolidated Metropolitan Statistical Area.

In recent years the suburban population of some metropolitan areas have become greater than that of the central city. The huge increase in population and the increases in businesses in metropolitan areas have caused many problems. These problems include transportation and law enforcement. Land-use management is also a problem. Almost all metropolitan areas have a problem with urban areas spreading out in an uncontrolled way. This often creates major traffic problems. Some large metropolitan areas have set up a council of governments. The central city joins with the suburbs to make decisions about issues concerning growth. The council may also deal with other issues that affect the whole metropolitan area.

9. What is a Metropolitan Statistical Area?

Study Guide



Chapter 13, Section 2

For use with textbook pages 312–314

County Governments



KEY TERMS

county the largest territorial and political subdivision of a state (page 312)

county seat the town where the county courthouse is located (page 312)

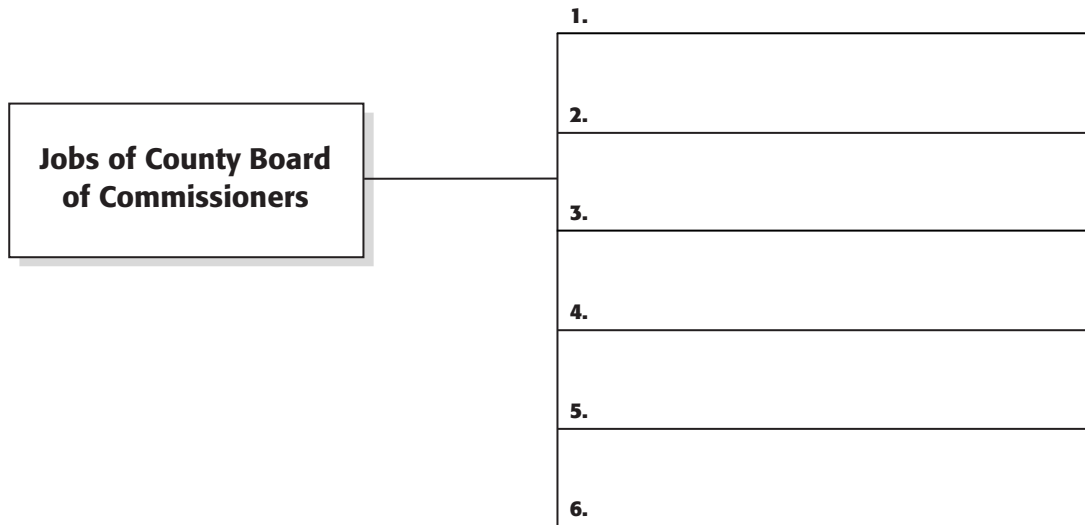
DRAWING FROM EXPERIENCE

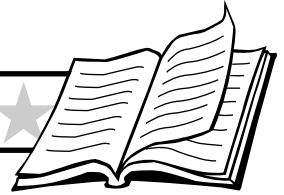
What county do you live in? How is your county government organized?

The last section described city governments. This section discusses the functions of county government.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. The county board of commissioners has several jobs. List these jobs in the diagram.



Study Guide**Chapter 13, Section 2 (continued)****READ TO LEARN****• Counties** (*page 312*)

The **county** is the largest territorial and political subdivision of a state. All but two states are divided in counties. The **county seat** is the town where the county courthouse is located.

County governments can be organized in several different ways, including the commissioners–managers, commissioners–elected executive, and strong commission forms. Generally, a board of three to five commissioners governs counties. The voters elect them. Most board members serve a four-year term. The county board acts as a lawmaking body. It adopts laws, decides on a budget, and levies taxes. It may create plans for the safety and health of the people who live in the county. Sometimes a county board also carries out the laws. Other elected officials run county offices. In some states, county judges are also elected.

The chief law enforcement officer of a county is the sheriff. The sheriff's department includes deputies and jailers. The department carries out court orders and manages the county jail. The district attorney (DA) is the county's prosecutor. He or she investigates crimes and brings charges against suspects. He or she also prosecutes cases in court. Another county official is the coroner. The coroner works with the police department to investigate the causes of suspicious deaths. The county clerk keeps records and often supervises county elections. The assessor estimates the value of taxable property in the county. The treasurer supervises the county's funds and sometimes is the tax collector. The auditor ensures that county monies are handled and accounted for properly. County departments also supply emergency medical services.

With the growth of cities, the nature of county governments has changed. In some areas, cities provide many of the services that counties once did. In other areas, county governments now provide the services that cities once handled. Many counties provide water and sewer services, hospitals, and police departments.

Some counties with large cities have set up a new form of county government. In this form the county board works only as a legislature. A new county official, called the county executive, handles all executive responsibilities. In another form of county government, the board of commissioners appoints a county manager, who has executive responsibilities. Both the county executive and the county manager appoint top officials and manage the bureaucracy. He or she also suggests bills to the legislature.

Study Guide



Chapter 13, Section 2 (continued)

7. What is the job of a sheriff?

Study Guide



Chapter 13, Section 3

For use with textbook pages 315–318

Towns, Townships, and Villages



KEY TERMS

town a political division of a county; a type of local government (page 315)

town meeting a meeting in which people of a town discuss and decide on issues (page 316)

township a political division of a county (page 317)

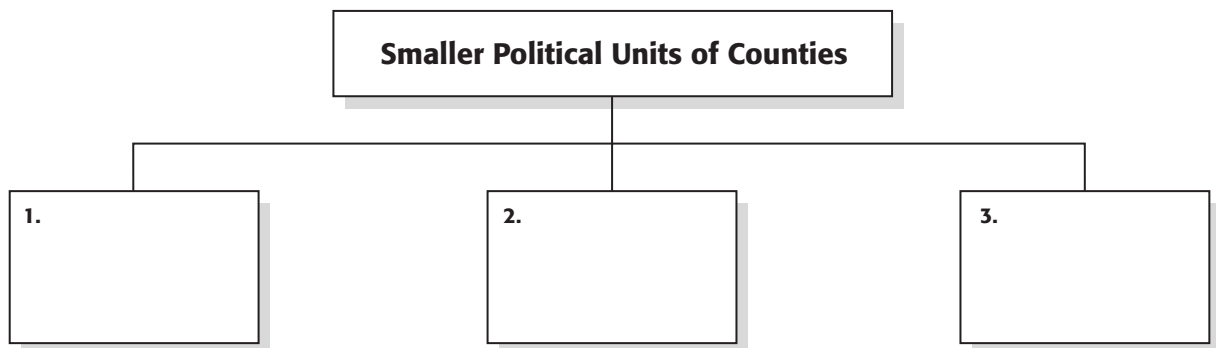
DRAWING FROM EXPERIENCE

What do you think of when you hear the word “town”? What do you think of when you hear the word “village”?

The last section described county governments. This section describes how towns, townships, and villages are organized.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. Counties are divided into smaller political units. Identify these units in the diagram.



Study Guide



Chapter 13, Section 3 (continued)

READ TO LEARN

• **Town Government** *(page 315)*

Counties are often divided into smaller political units. In some states these units are called towns. In other states they are called townships. Smaller areas within towns and townships can be incorporated into villages. Towns, townships, and villages all receive their authority from the state. The relationship between towns and townships and their surrounding counties varies. In some regions of the United States, town governments handle the needs of the communities. In some regions county and township governments share authority. In some regions there may be no townships.

People use the word “town” to mean a small city, or sometimes even a large one. The word, however, also refers to a type of local government. The **town** form of government is found in the New England states. New England town government is one of the oldest forms of government in the United States. It started in the New England Colonies. In these colonies, citizens, rather than elected representatives, made all the important decisions. **Town meetings** are an example of direct democracy. In most of the United States, representative democracy is common. Citizens in New England today still meet to discuss what the town should be doing. They vote on laws, taxes, and the budget. Because town meetings do not occur often, they are used to make general policy. Day-to-day problems are not handled in these meetings. To handle these details, New England towns elect a group of officials called “selectmen” to run the local government. Today, the title applies to women as well as men. Towns also elect other officials to help run the government.

New England towns have grown, making direct democracy difficult. Some towns have replaced the traditional town meetings with representative town meetings. In these meetings, representatives make decisions, rather than all the people in the town. Other New England towns do not have town meetings at all. Instead, they have a town council that runs the government.

4. What do selectmen do?

Study Guide



Chapter 13, Section 3 (continued)

- **Township Governments** (page 317)

In New York, New Jersey, and Pennsylvania, counties are divided into **townships**. These are smaller than towns but have similar governments. Townships in the Midwest started differently than the ones in New England states. In the 1800s, as the United States was expanding westward, it acquired new, unsettled lands. Congress divided the land into square blocks that were six miles wide and six miles long. When settlers moved in, they set up governments called civil townships. The townships kept the borders that Congress had set up. For this reason, many townships today appear perfectly square on a map.

Most townships elect a few officials known as a township committee, board of supervisors, or board of trustees. These officials have legislative responsibilities. They also oversee the administration of services. Townships are not as important as they once were. Cities and counties have taken on many of the township's roles. In many cases, county and township governments work together to provide local services.

The smallest unit of local government is the village. When people in a community find a reason to organize legally, they often want to incorporate a municipality. It can be called a village, city, or town. Sometimes citizens may not be satisfied with the services they are getting from the township or county. They then can ask the state to set up a village government.

Most villages are governed by a small board of trustees, who are elected by the voters. Some villages also elect an executive. This person is known as the chief burgess, president of the board, or mayor. Large villages often hire a professional city manager. The village board collects taxes and spends money on projects that benefit the community.

There are both positive and negative sides to becoming a village. The negative side is that residents often have to pay higher taxes to support the extra layer of government. However, villages often provide better services. Becoming a village also helps to make the community more attractive to visitors and to people and businesses that might be moving in.

5. Who runs the government of a village?

Study Guide



Chapter 14, Section 1

For use with textbook pages 324–327

How a Community Handles Issues



KEY TERMS

- public policy** a general agreement among government leaders about how to deal with issues or problems that affect the entire community (page 324)
- infrastructure** a system of roads, bridges, water, and sewers (page 326)
- priorities** the goals a community considers most important or most urgent (page 326)
- resources** the money, people, and materials available to accomplish a community's goals (page 326)
- master plan** a document that states the goals for a community's future and explains how the government will carry them out (page 327)

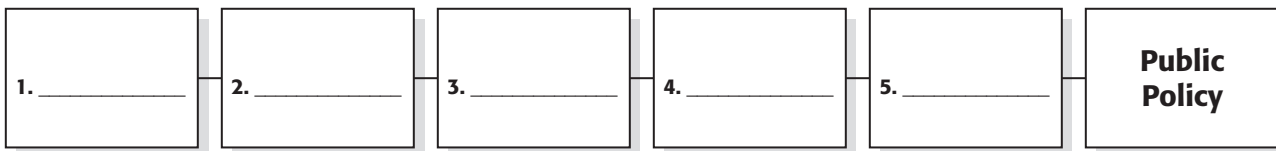
DRAWING FROM EXPERIENCE

What are some needs that your community has today? What needs do you think it will have in 10 and 20 years? How do you think these needs should be met?

In this section, you will learn how community leaders make public policy. You will also learn what factors the leaders have to consider in making public policy.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. A community follows several steps before setting a public policy. List these steps in the diagram.



Study Guide



Chapter 14, Section 1 (continued)

READ TO LEARN

- **Making Public Policy** (page 324)

All organizations and businesses have rules and guidelines that they use to make decisions. For example, schools have policies about registration and student behavior. **Public policy** is a general agreement among government leaders about how to deal with community issues or problems. It is not necessarily a law.

Ideas for public policy come from several places. They may start within the government. Party leaders, interest groups, and the media may suggest them. Private citizens may also be a source of these ideas. Changing a public policy may take a long time. Governments often research the ideas and hold public hearings before making policy decisions. Disagreements over the issues may arise. The policy may end up being a compromise.

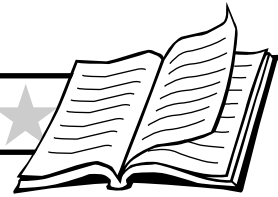
6. Where can the ideas for public policy start?

- **Planning for the Future** (page 325)

When government leaders make public policies they try to foresee problems in the future and prevent them. To do this, many local governments have set up planning commissions, which are advisory groups. They look at what is likely to happen in the future and plan for it now.

Local governments make both short-term and long-term plans. A short-term plan is a policy that is to be carried out over the next few years. For example, granting a builder a permit to build apartments is a short-term plan. A long-term plan is meant to be a guide over the next 10 to even 50 years. To make long-term plans, the planning commission has to identify the future needs of the community.

Study Guide



Chapter 14, Section 1 (continued)

Planning always means answering some difficult questions. For example, when a small-town company suddenly becomes very busy, it builds new buildings. This growing business attracts other businesses to the town. People move in to work in these new businesses. Now the local government of the town has to answer some questions. It will have to decide if the town will need new roads for the increased traffic. It will have to decide if the increased population will put demands on the town's **infrastructure**. This is the system of roads, bridges, water, and sewers. If the infrastructure will have to be expanded, the town will have to decide how to pay for it.

The answer to these kinds of questions usually depends on two things. The first is **priorities**. These are the goals that a community considers most important. To set priorities, the community has to decide what it values most. Then it has to decide its specific goals and rank them in order of importance. Once the priorities have been set, the community looks at its **resources**. These are the money, people, and materials that a community has to meet its goals.

After setting priorities and determining goals, a planning commission makes decisions about the community's future. The commission spells this out in a document called a **master plan**. The plan states a set of goals and explains how the government will carry them out to meet the community's needs over time. The commission then gives its plan to the government. If the government accepts the plan, it becomes public policy and the government is responsible for carrying it out.

7. What happens after a local government accepts a master plan?

Study Guide



Chapter 14, Section 2

For use with textbook pages 329–333

Education and Social Issues



KEY TERMS

charter schools schools that receive state funding, but are excused from meeting many public school regulations (*page 330*)

tuition voucher a kind of government money order that parents could use to pay for their children to attend private schools (*page 331*)

DRAWING FROM EXPERIENCE

How does your community help fight crime? What do you think is the most effective way to fight crime in a community? Why?

The last section described how a community makes public policy. This section discusses the ways that local governments address educational and social issues in their communities.

ORGANIZING YOUR THOUGHTS

Use the chart below to help you take notes. State governments provide welfare programs for people who are sick, in poverty, or disabled. List the arguments for and against welfare programs in the chart.

Arguments for Welfare Programs	Arguments Against Welfare Programs
1.	2.
	3.

Study Guide**Chapter 14, Section 2 (continued)****READ TO LEARN****• Public Education** (*page 329*)

The Constitution gives the states the power over education. Today in the United States about 55 million children attend public schools. About 7 million attend private schools. In most states, elementary and high school education is a local responsibility, under state guidelines. The main administrative unit for public schools is the local school district. The federal government plays a role in education. It gives funds to local schools. It also sets certain rules for local schools to follow. The federal government prohibits discrimination based on gender. It also spells out how schools must meet the needs of disabled students.

The biggest issue facing state governments is how to provide quality schooling equally to all students. Spending differences exist between wealthy and poor school districts. This happens because many school districts depend on property taxes to fund the schools. Property values vary from school district to school district. As a result, a suburb with many expensive homes has more to spend per student than a city with run-down, inexpensive houses.

In addition to problems with money, schools face other problems. These include low test scores, high dropout rates, and violence on school property. Schools do not create many of the reasons for these problems. The problems are rooted in poverty, broken families, drug abuse, and crime.

To deal with poor academic performance, many states now permit **charter schools**. These are schools that receive state funding, but are excused from meeting many public school regulations. Some people believe that this will encourage charter schools to be more innovative than regular public schools. Charter schools can be started and run by public school teachers and community groups. Those who oppose charter schools say that they will take money away from public schools. They think that the better students will enroll in charter schools and the problem students will stay behind in the public schools. Recent studies indicate that charter schools are not more innovative and do not attract the best students away from public schools.

Another school choice for parents is using a **tuition voucher**. This is a kind of government money order that parents can use to pay for their children to attend private schools. Opponents of tuition vouchers say that the vouchers take funds away from public schools. Some say that

Study Guide



Chapter 14, Section 2 (continued)

vouchers are against the First Amendment because they can be used to pay tuition at religious schools. The Supreme Court has ruled that vouchers can be used at religious schools.

Another alternative to public schools is for private companies to contract with local districts to run the schools. The companies promise to improve the schools and to do it more cheaply than the current school administration. The companies would try to make a profit. Those who oppose privatization say that companies will cut corners on education in order to make greater profits.

A 2001 federal education bill required that states test all students in several subjects in grades three through eight. Some states require that students pass competency tests in order to be allowed to go to the next grade or to get a diploma. Those who support competency testing say that it holds teachers and students responsible for learning what students need to. Those who oppose the testing say that it forces teachers to spend classroom time teaching students how to pass the tests instead of how to understand the subjects they are supposed to learn.

4. What are the arguments for and against charter schools?

• **Crime** (page 332)

The crime rate in the United States increased from 1960 to 1980. It began to decline in the 1980s and 1990s. Federal and state prisons have more than 1 million inmates. Crime rates are generally highest in large cities, often in poverty-stricken areas. Many people in these areas face the problem of dead-end, minimum-wage jobs or have no jobs. They spend much of their time on the streets. Police in large cities are the main crime-fighting force in the United States. Large cities have more police officers than all the nations' states, counties, and small towns combined. In rural areas the county sheriffs and their deputies are the main law enforcement bodies.

Study Guide



Chapter 14, Section 2 (continued)

The main job of the police is to carry out the law. However, police officers spend much of their time keeping the peace. They handle neighborhood conflicts and provide services such as directing traffic. Many communities use community policing. In this program, police walk or ride bicycles in a community and get to know the people who live there. The people who live there also take part in fighting crime through neighborhood watch efforts.

5. What jobs do the police do?

• Social Programs (page 333)

The government tries to help people who are suffering from poor health, poverty, or disabilities. It does this through welfare programs. Some people oppose welfare programs because they believe they take away people's self-respect. They also believe that welfare makes people dependent on the programs. Those who support welfare programs say that they are the only way to prevent poorly educated, unemployed female heads of households and their children from becoming homeless and hungry.

In 1996 Congress passed a law called Temporary Assistance for Needy Families (TANF). Under TANF, the federal government gives money to the states to give as welfare payments to poor people. Each state decides who is eligible for welfare and how much money they get. However, the federal government has added rules to the law. People can receive welfare for no more than five years in their lifetime. States have to set up job-training programs for the poor so that they will get off welfare and support themselves. The number of people on welfare dropped following passage of TANF. Some critics of the law say that it has been

Study Guide



Chapter 14, Section 2 (continued)

successful because the economy was good in the 1990s, and made it easy for people on welfare to find work. They fear that when there is a slump in the economy, as there was in 2001, the people being forced off welfare will not be able to find jobs. Then, without welfare, they will have a difficult time getting food and housing.

6. Why do governments set up welfare programs?

Study Guide



Chapter 14, Section 3

For use with textbook pages 334–337

Environmental Issues



KEY TERMS

solid waste garbage (page 334)

recycling reusing old materials to make new ones (page 335)

conservation the careful preservation and protection of natural resources (page 335)

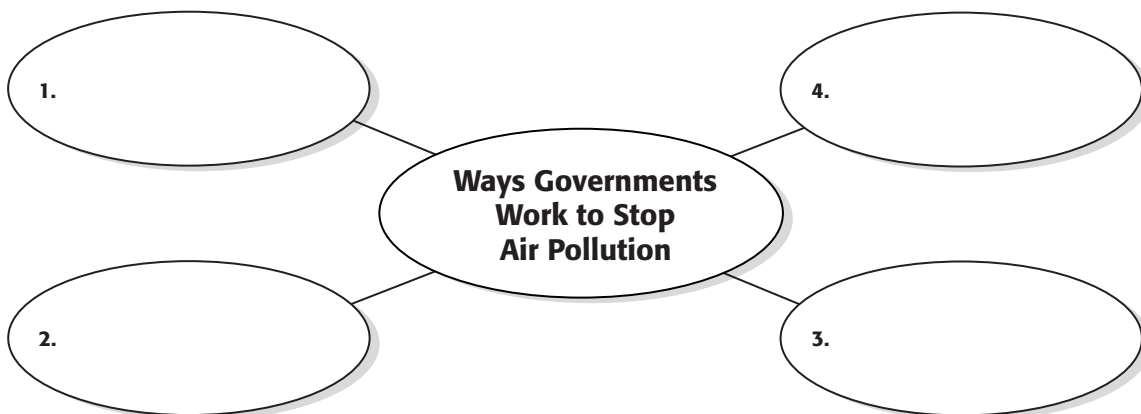
DRAWING FROM EXPERIENCE

How would you describe the condition of your environment? What kinds of actions do you take to help protect the environment?

The last section described the educational and social issues that communities face. This section discusses how the government addresses environmental problems.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. The federal and local governments have worked to stop air pollution. List the ways they have done so in the diagram.



Study Guide



Chapter 14, Section 3 (continued)

READ TO LEARN

- **The Emergence of Environmentalism** (page 334)

Industrialization in the United States has harmed the environment. Environmentalism, or protecting the environment, is a worldwide concern. It is usually up to local communities to handle environmental problems.

In 1970, Congress passed the Clean Air Act and set up the Environmental Protection Agency (EPA). This agency sets standards for programs, while the states and their environmental protection departments carry out the programs. The departments monitor the quality of air and water. They also inspect factories.

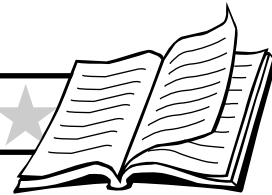
Cities have a problem with what to do with **solid waste**, or garbage. Most landfills, or places where solid waste can be dumped, are filling up fast. Finding places for new landfills is difficult. People do not want to have a garbage dump where they live. Another way to get rid of solid waste is to burn it in incinerators. This causes problems, also. Incinerators give off toxic, or poisonous, substances, causing serious air pollution.

Another alternative to landfills is **recycling**, which means reusing old materials to make new ones. Most communities have recycling programs. They recycle things such as newspapers, metal cans, and plastic and glass bottles. However, all waste is not recyclable. Also, many people do not participate in recycling programs.

Many communities urge people to practice **conservation**. This is the careful preservation and protection of natural resources. For example, buying peanut butter in recyclable glass jars instead of throwaway plastic jars is a way of practicing conservation. Businesses are often required to get rid of unnecessary packaging of products.

5. What are two ways that citizens can help to preserve natural resources?

Study Guide



Chapter 14, Section 3 (continued)

• **Threat of Hazardous Waste** (page 336)

A major environmental danger is hazardous waste. Much of hazardous waste comes from industrial production. Some of this waste is toxic. It can cause cancer. The most serious hazardous waste is radioactive waste. This comes from nuclear plants. Hazardous waste includes runoff from pesticides that farmers and gardeners use on plants. It can also include motor oil and batteries that are thrown away.

Until 1970, hazardous wastes were placed in metal containers and dumped into the ocean. Then they were placed on land sites. Most of these places are now full. The bad part is that there is no completely safe way of disposing of hazardous waste. In some cases, toxic waste has caused serious health problems for the people living nearby.

6. What is the source of radioactive waste?

• **Protecting the Air and Water** (page 336)

Another nationwide problem is air and water pollution. Cars and trucks produce harmful fumes that cause air pollution. It is also caused by factory smokestacks sending toxic gases into the air. Air pollution can cause serious health problems. The chemical wastes that factories produce cause most water pollution. Some factories dump the waste into rivers and streams. Some of the chemical waste has seeped into underground water supplies. Polluted water kills fish. Eating contaminated fish from polluted waters can make people sick.

The federal government, through the EPA, has helped to stop air and water pollution caused by factories. Laws limit the amounts and kinds of waste that factories may discharge into the air. However, many factories do not follow the laws because of the expense in doing so.

Pollution from factories has been easier to regulate than pollution from individuals. In most cities, fumes from cars and trucks are the

Study Guide



Chapter 14, Section 3 (continued)

major reason for air pollution. The federal government has required the removal of lead from gasoline. It has asked automobile industries to develop cleaner-burning engines. Local governments are trying to prevent air pollution by asking people to drive less. To do this communities are improving public transportation systems. They are also encouraging people to carpool.

Cigarette smoking is a source of indoor air pollution. Many cities have passed no-smoking laws in public places such as restaurants.

- 7.** What is the major reason for air pollution in cities?

Study Guide



Chapter 15, Section 1

For use with textbook pages 344–347

The Sources of Our Laws



KEY TERMS

- jurisprudence** the study of law (page 346)
- common law** law based on court decisions rather than on a legal code (page 346)
- precedents** legal opinions that became part of the common law (page 347)
- statute** the act of a lawmaking body (page 347)

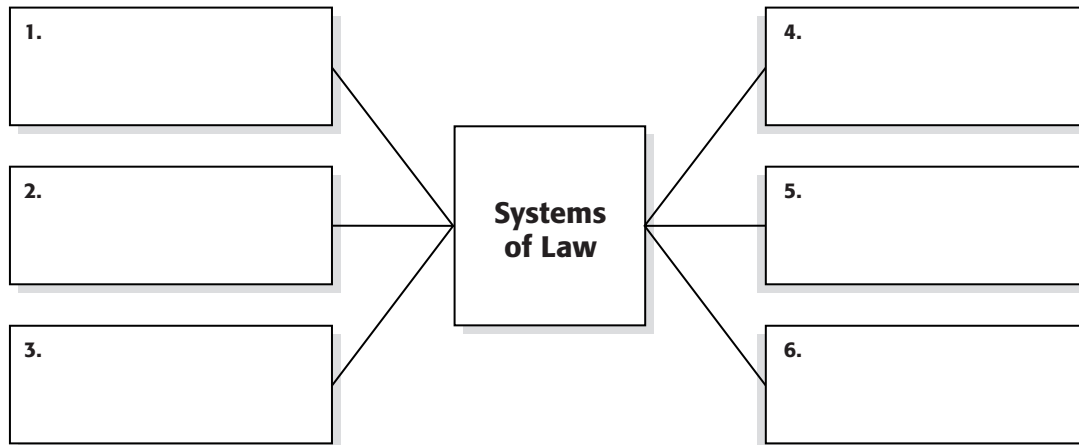
DRAWING FROM EXPERIENCE

Think of the laws and rules that you follow every day. What is the source of most of these laws and rules?

In this section, you will learn about the purpose of laws. You will also learn what early laws influenced our laws today.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. Several systems of law have contributed to the system of laws that people in the United States and other places in the world follow. List these systems in the diagram.



Study Guide



Chapter 15, Section 1 (continued)

READ TO LEARN

- **Functions of Law** (page 344)

Laws are sets of rules that allow people to live together peacefully in society. The major purpose of laws is to keep the peace and prevent violence. Laws set punishments to discourage people from committing crimes. To fulfill their purpose, laws include the ways justice should be administered, in the form of police and courts. Laws set rules for solving civil disputes. These are disagreements over money, property, and other noncriminal matters.

To be effective, laws have to be fair and have to treat all people equally. Laws should be reasonable and set punishments that fit the crime. People have to be able to understand the laws, and the government has to be able to carry them out. The Framers of the Constitution based the nation's system of laws on ideas and laws passed down from generation to generation.

7. What are the major purposes of laws?

- **Early Law** (page 345)

Scholars believe that laws can be traced back to prehistoric times. Early societies used unwritten rules to help people avoid conflict. These laws were passed from one generation to another by word of mouth.

When people learned to write, they wrote down their laws. The first known system of written law was the Code of Hammurabi. It was a collection of 282 laws that regulated behavior. Today, the punishments that the Code of Hammurabi included would be considered harsh.

The Ten Commandments found in the Bible were another set of early laws. The Ten Commandments are laws that tell how people should behave toward one another.

The Romans made a science of the law. They called it **jurisprudence**, a word used today to mean the study of law. Roman penalties were

Study Guide



Chapter 15, Section 1 (continued)

harsh. Roman law spread as the Roman Empire spread. In A.D. 533, Emperor Justinian I, the ruler of the Eastern Roman Empire, brought together the mass of Roman laws into an orderly body of laws called the Code of Justinian. Roman law became the basis of law for the Byzantine Empire and for the Roman Catholic Church.

A thousand years later, Napoleon Bonaparte updated the Justinian Code and called it the Napoleonic Code. Napoleon brought the Code to the many places in Europe that he conquered. European colonists then carried the code to Asia and Africa. Because of this, much of the world now lives under some form of Roman law, as updated by the Napoleonic Code.

The most important source of American law is English law. The most important contribution is the English system of **common law**. This is law that is based on court decisions rather than on a code. English kings sent judges into the countryside to administer justice. Eventually, these judges began to compare rulings on cases. When judges decided new cases, they began to look in the books for a similar case. They then followed the earlier ruling, or precedent. **Precedents** are legal opinions that became part of the common law.

English judges knew Roman law. They blended this law into the common law. As a result, English law included the ideas of citizens' rights, such as trial by jury. This law became the basis for laws in many English colonies. By the 1600s, the English legislature, called Parliament, became stronger than the English monarch. Soon the acts of Parliament, or written **statutes**, became important in the English legal system. When English settlers came to North America, they brought the idea of common law and citizens' rights with them. Both became an important part of the legal system in the United States.

8. What system of laws most influenced the legal system in the United States?

Study Guide



Chapter 15, Section 2

For use with textbook pages 348–351

Types of Laws



KEY TERMS

plaintiff the party that brings charges against an alleged criminal (page 349)

defendant the individual or group being sued (page 349)

felony a serious crime (page 349)

misdemeanor a less serious offense (page 349)

lawsuit a legal action in which a person or group sues to collect damages for some harm that is done (page 349)

torts civil wrongs (page 350)

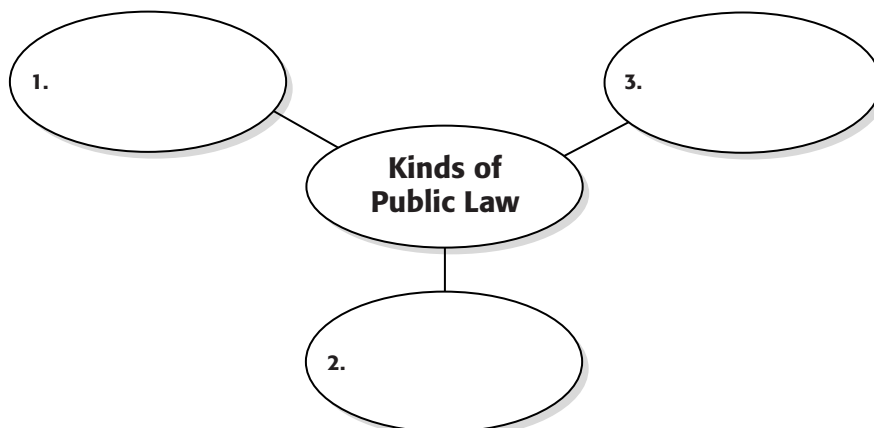
DRAWING FROM EXPERIENCE

What happens when someone sues another person? Why do people sue other people?

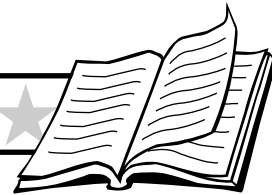
The last section discussed early systems of law. This section describes various kinds of laws.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. One kind of law is public law. List the kinds of public law in the diagram.



Study Guide



Chapter 15, Section 2 (continued)

READ TO LEARN

- **Criminal and Civil Law** (page 348)

Criminal laws are set up to prevent people from harming each other or each other's property. In criminal cases the government is the **plaintiff**. This is the party that brings the charges against the alleged law-breaker. The individual or group being sued is the **defendant**. Most criminal trials in the United States are for violations of state laws. Most criminal cases are titled in terms of the state against the defendant.

Crimes are described as felonies and misdemeanors. **Felonies** are serious crimes, such as murder and kidnapping. **Misdemeanors** are less serious crimes, such as vandalism or stealing inexpensive items. Misdemeanors are usually punished with a fine or a short jail sentence.

Civil cases have to do with disputes between people in which no criminal law has been broken. A civil case is called a **lawsuit**. This is a legal action in which a person or group sues another person or group to collect damages for some harm that is done. The person who sues is the plaintiff.

A case may be a dispute over a contract, which is an agreement between two or more parties. The terms of a contract are enforceable by law. Another type of dispute has to do with **torts**. These are civil wrongs. In tort law a person may be injured and claim that another party is responsible because of negligence. Still another type of civil law is family law. This law deals with family problems, including divorce and child custody.

4. Who is the plaintiff in a criminal case? In a civil case?

Study Guide



Chapter 15, Section 2 (continued)

- **Public Law** (*page 350*)

Most people are familiar with criminal and civil law. There is another type of law that affects people indirectly. This is called public law. Constitutional law has to do with the rights guaranteed under the Constitution. Administrative law includes the regulations that government agencies make to carry out their jobs. Another kind of public law is statutory law. A legislative branch of government writes this type of law. Statutes regulate our behavior by setting rules, like speeding limits, and establish rights and benefits, such as getting a driver's license and Social Security benefits.

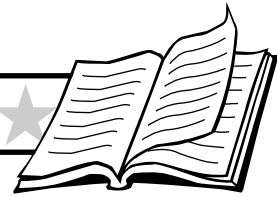
5. Who creates statutory laws?

- **International Law** (*page 351*)

International law includes treaties and agreements among nations. Violations of international law may be brought to the International Court of Justice, also called the World Court. It was established by the United Nations. An example of a case involving international law might be a dispute over fishing rights. One nation may believe that fishing boats from another nation are located in its territorial waters.

6. What court deals with people who break international law?

Study Guide



Chapter 15, Section 3

For use with textbook pages 352–358

The American Legal System



KEY TERMS

stare decisis the practice of using earlier judicial rulings as a basis for deciding cases (*page 352*)

writ of habeas corpus a legal order that requires an official who has arrested someone to bring that person to court and explain why he or she is being held (*page 353*)

bill of attainder a law that punishes a person accused of a crime without a trial (*page 353*)

ex post facto law a law that would allow a person to be punished for an action that was not against the law when it was committed (*page 353*)

due process of law a guarantee that government may not take people's lives, liberty, or property except according to the proper exercise of law (*page 353*)

search warrant a judge's authorization to search a place (*page 355*)

double jeopardy putting a person on trial again for a crime of which he or she was already acquitted (*page 355*)

grand jury a group of citizens that decides whether there is sufficient evidence to accuse someone of a crime (*page 355*)

bail a sum of money an arrested person pays to a court to win release from jail while awaiting trial (*page 357*)

DRAWING FROM EXPERIENCE

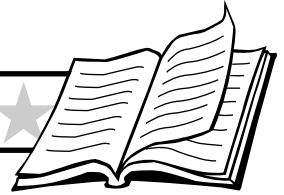
What rights do people accused of a crime have? Do you think these rights are important? Why or why not?

The last section described the different kinds of laws. This section discusses the rights of people in the United States accused of a crime.

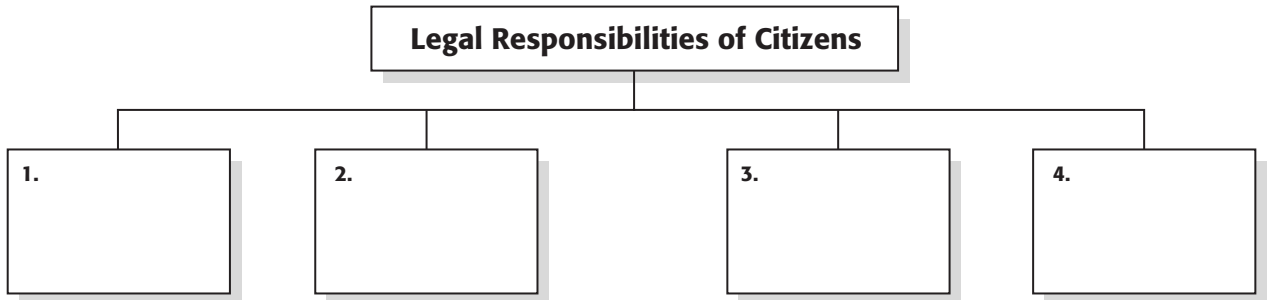
ORGANIZING YOUR THOUGHTS

Use the diagram on the following page to help you take notes. Citizens have certain legal responsibilities. List them in the diagram.

Study Guide



Chapter 15, Section 3 (continued)



READ TO LEARN

- **Legal Protections in the U.S. Constitution** (page 352)

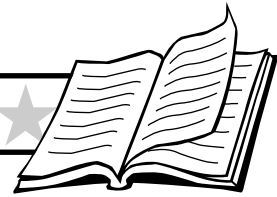
The United States Constitution is the basic law of the nation. It gives each branch of government a role in making, carrying out, and interpreting the law. The legislative branch makes laws. The executive branch carries out the laws. The judicial branch interprets the laws. Court decisions are based on written laws and on the precedents of earlier cases. The rulings are then used to make decisions about similar cases in the future. This process is called **stare decisis**.

Article I of the Constitution includes some basic rights of Americans. One is the **writ of habeas corpus**. This requires an official who has arrested someone to bring a person to court and to tell the person why he or she is being held. The purpose for this right is to prevent people from being kept in jail unlawfully.

Article I forbids **bills of attainder**. These are laws that punish a person accused of a crime without a trial. It forbids **ex post facto laws**. These are laws that would allow people to be punished for an action that was not against the law when it was committed.

The Bill of Rights also guarantees individual rights. The Fifth and Fourteenth Amendments guarantee **due process of law**. This means that the government may not take away people's lives, liberty, or property without proper exercise of law. A clause in the Fourteenth Amendment also requires that the government treat all people equally. It forbids unequal treatment based on gender, race, or religion. This clause has been important in the civil rights movement.

Study Guide



Chapter 15, Section 3 (continued)

5. What article in the Constitution provides for some basic individual rights?

• **Rights of People Accused of Crimes** (page 354)

Some parts of the Bill of Rights protect people accused of crimes. The rights are based on the idea that a person is presumed innocent until proven guilty in a court. The prosecution has to prove a person's guilt.

The Fourth Amendment protects against "unreasonable searches and seizures." To search an individual's home or property, police need to get a **search warrant**, or a judge's authorization. The warrant must specify what place will be searched and what items may be seized. A judge issues a search warrant if the police can show that there is a good reason to believe that the place to be searched has necessary evidence. If the police get something in a way that violates the Fourth Amendment, that evidence may not be used in a trial.

The Fifth Amendment says that people may not be required to say anything that might show that they might be guilty of a crime. The police must inform suspects of their right to refuse to answer police questions. The Fifth Amendment also forbids **double jeopardy**. This means that a person accused of a crime and not found guilty may not be tried for the same crime a second time. The amendment also says that people accused of serious federal crimes must be brought before a **grand jury** to decide whether the government has enough evidence to bring them to trial. A grand jury is a group of people who hear evidence that the prosecutor presents. If the grand jury finds that there is enough evidence, it indicts, or formally charges, the suspect.

The Sixth Amendment says that a person accused of a crime has the right to a lawyer. If the person cannot afford a lawyer, the government must provide one. The amendment says that accused people must be informed of the charges against them. They have the right to a speedy

Study Guide



Chapter 15, Section 3 (continued)

trial and a trial that is public. They have a right to a trial by an impartial jury. This means that jury members will be people who have not already made up their minds about the case. Defendants may choose to appear in court only before a judge, without a jury. This is called a bench trial. Many criminal cases do not come to any trial. This is because of plea bargains. These are negotiations between the prosecutor and the defense attorney. In a plea bargain, the government, which is the prosecutor, offers the defendant the chance to plead guilty to a less serious crime in exchange for receiving a less severe penalty. People often agree to plea bargains in order to get a lighter sentence if they fear that they will be convicted. Judges agree to plea bargains because this helps them to handle the huge number of criminal cases that come before courts every year.

The Eighth Amendment forbids cruel or unusual punishments. Torture would be considered cruel. Giving the death penalty for a robbery would be a punishment that is out of proportion to the crime. The Eighth Amendment also forbids excessive bail. **Bail** is a sum of money an arrested person pays to a court to win release from jail while awaiting trial. The purpose for bail is to guarantee that the person will show up for a trial. After the trial, the person gets back the bail. Courts cannot set bail so high that a person is unfairly forced to stay in jail. However, if a person is accused of a serious crime or is likely to flee, the judge may set a high bail. If the judge believes an individual may be a danger to the community, he or she may deny bail. The defendant is then returned to custody until the trial. A judge could also not require any bail. Then the defendant is released on the promise that he or she will return for trial.

6. How are many criminal court cases decided?

Study Guide



Chapter 15, Section 3 (continued)

- **Our Legal Responsibilities** (page 358)

To ensure that the legal system in the United States works properly and that legal rights are protected, citizens have to fulfill certain responsibilities. They have a responsibility to serve on a jury and to testify in court. They also have a responsibility to obey laws and cooperate with the police.

7. Why do citizens have a responsibility to serve on a jury and to testify in court?

Study Guide



Chapter 16, Section 1

For use with textbook pages 364–367

Civil Cases



KEY TERMS

plaintiff the party bringing a lawsuit (page 364)

defendant the party being sued (page 364)

injunction a court order commanding a person or group to stop a certain action (page 365)

complaint a formal statement naming the plaintiff and the defendant and describing the nature of the lawsuit (page 365)

summons a document telling parties of a suit against them and ordering them to appear in court on a given date and time (page 365)

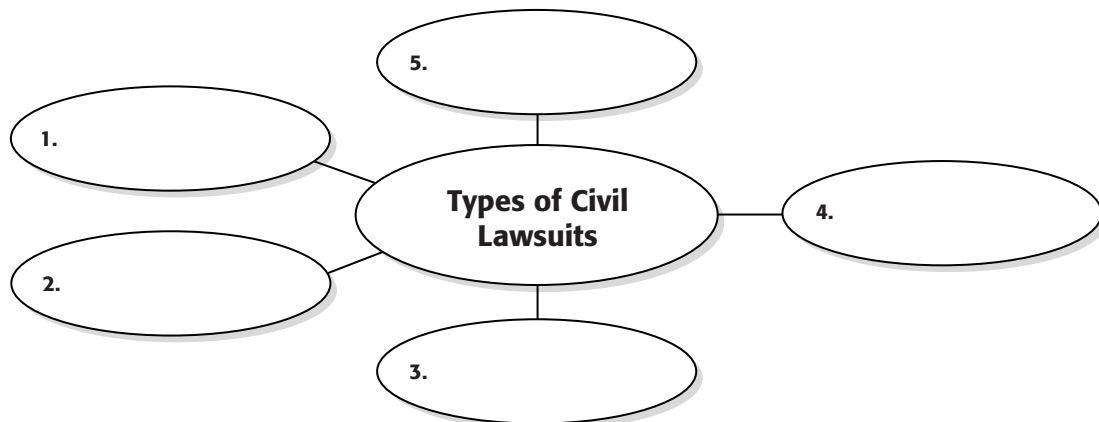
DRAWING FROM EXPERIENCE

Has anyone you know ever been involved in a lawsuit? What was it about? How was it resolved? Was the person involved satisfied with the outcome? Why or why not?

In this section, you will learn about the various types of civil law. You will also learn the steps involved in a civil lawsuit.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. Civil lawsuits involve a variety of cases. List the types of cases in the diagram.



Study Guide



Chapter 16, Section 1 (continued)

READ TO LEARN

- **Types of Civil Lawsuits** (page 364)

In a civil case, the **plaintiff**, or the party bringing a lawsuit, claims to have suffered a loss and is looking for an award of money from the **defendant**. This is the party being sued. The defendant argues that a loss did not happen or that he or she was not responsible for it. The two parties resolve their differences in court. Lawsuits that ask for a small amount of money are handled in small claims court. The parties to the lawsuit act as their own attorneys. Lawsuits involving larger amounts of money often require lawyers and juries.

Civil lawsuits may involve a variety of matters. They may involve property disputes, breach of contract, or family matters such as divorce. Some deal with negligence. This kind of suit is filed when a person has been injured or killed or when property has been destroyed because someone has been careless. A special type of lawsuit is a suit in equity. This is a lawsuit in which a person or group is looking for fair treatment in a case in which there is no law to decide the matter. For example, a group of people could bring a suit in equity to try to stop their state from building a highway through a local park. A judge usually decides suits in equity. The judge may issue an **injunction**. This is a court order commanding a person or group to stop a certain action. For example, a judge may issue an injunction to stop building the highway.

6. Where are cases involving small amounts of money heard?

Study Guide**Chapter 16, Section 1 (continued)****• What Happens in a Civil Case?** *(page 365)*

There are several steps in a civil lawsuit. First the plaintiff hires a lawyer. The lawyer files a **complaint** with the proper court. This formal statement names the plaintiff and the defendant and describes the nature of the lawsuit. The court then sends a **summons** to the defendant. This document tells the defendant of the suit against him or her and orders the defendant to appear in court on a given date and time.

The defendant then responds to the charges by answering the complaint. The answer will either admit to the charges or give reasons why the defendant is not responsible for what the plaintiff is claiming. The complaint and the defendant's answers are called pleadings. Before the trial the lawyers on each side check facts and gather evidence by questioning the other party and witnesses. This process is called discovery.

The judge who is appointed to the case might call a conference before the trial with both parties. The conference helps to clear up any differences. At this point the plaintiff might decide that the case is too weak and drop the suit; or the plaintiff may decide that the case is strong and that he or she will win. The defendant's lawyer may then offer a settlement of money to pay the plaintiff.

Disputes may also be settled through mediation. In this process each side explains its side and must listen to the other side. A neutral mediator leads the discussion. The two sides decide the issue with the mediator's help. The two sides may go into arbitration. In this process, an arbitrator reviews the case and makes a decision. The decision is usually binding on both sides.

Most civil cases are settled before trial. Most people prefer to settle on a negotiated amount rather than risk an outcome in a trial. Also, most courts have a backlog of cases, so it may take years for a case to come to trial. In addition, trials are expensive, and all the participants are likely to prefer a settlement.

If the parties do not settle, then the case goes to trial. Either a jury or a judge will hear the case. The plaintiff presents its side first, then the defendant. Both sides then summarize their cases. The plaintiff has to have enough evidence to persuade the judge or jury that the defendant was responsible.

Study Guide



Chapter 16, Section 1 (continued)

Then the judge or jury considers the case and decides on a verdict. If the plaintiff wins, a remedy is set. If the defendant wins, the plaintiff gets no money and must pay court costs. If the losing side believes some injustice was done during the trial, it may appeal the verdict to a higher court. If the plaintiff wins a very large award, the defendant may appeal that the amount of the award be reduced.

7. How are negotiations settled under a mediator and under an arbitrator?

Study Guide



Chapter 16, Section 2

For use with textbook pages 368–373

Criminal Cases



KEY TERMS

crime an act that breaks a federal or state criminal law and causes harm to people or society in general (*page 368*)

arraignment a procedure in which a defendant is formally presented with the charges against him or her and is asked to enter a plea (*page 372*)

testimony the answers that witnesses in a trial give under oath (*page 372*)

cross-examine questions asked by the opposing side in a testimony (*page 372*)

acquittal a vote of not guilty (*page 373*)

hung jury a jury that cannot agree on a verdict (*page 373*)

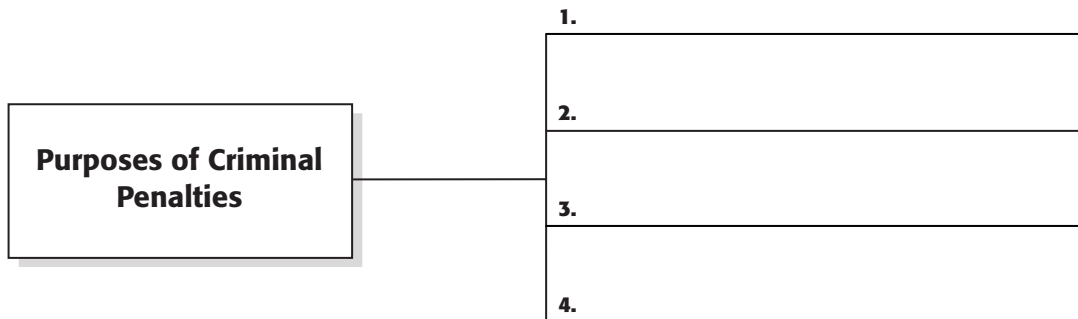
DRAWING FROM EXPERIENCE

Do you know anyone who has been a witness in a trial? Which side was he or she a witness for? What was the person's experience as a witness?

The last section described civil lawsuits. This section discusses criminal cases.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. Criminal cases result in penalties that could include fines or time spent in jail. List the purposes of criminal penalties in the diagram.



Study Guide**Chapter 16, Section 2 (continued)****READ TO LEARN****• Types of Cases** *(page 368)*

In criminal law cases the government is always the prosecution. The person charged with a crime is the defendant. A **crime** is an act that breaks a federal or state criminal law and causes harm to people or society in general. Each state defines crimes in its written criminal laws. These are called the penal code. The penal code also lists the punishment that goes with the crime. People convicted of misdemeanors, or less serious crimes, are generally fined or sentenced to one year or less in jail. People convicted of felonies, or serious crimes, could be imprisoned for one year or more.

Criminal penalties have several purposes. They provide punishment so that a criminal pays for an offense against a victim. They help protect society by keeping dangerous criminals in prison. Penalties can keep other people from committing crimes by serving as warnings to others. Criminal penalties are also intended to help prepare lawbreakers for coming back into society after their prison terms have ended.

Some prisoners are eligible for parole after they serve a part of their sentence. A parole board reviews the request to give a prisoner an early release from prison. If it is granted, the person must report to a parole officer until the sentence has expired. Some people criticize the parole system because many prisoners are released after serving only a small part of their original sentence.

Some states have set up mandatory sentencing. This means that judges must give the sentence that the law directs. Those who oppose mandatory sentencing say that often judges have to give harsher sentences than the case calls for. In some cases, judges state a minimum and maximum sentence.

Violent crimes are crimes against people. These include such crimes as murder, rape, and kidnapping. Crimes against property are the most common types of crimes. Burglary, robbery, vandalism, and fraud are examples of these crimes. Some crimes, such as illegal drug use, are called crimes against morality because there is no victim. Laws against these crimes are often hard to enforce. However, some people think victimless crimes can harm others. For example, people who use illegal drugs often steal to get money to pay for them.

Study Guide



Chapter 16, Section 2 (continued)

5. What are violent crimes?

• **What Happens in a Criminal Case?** (page 370)

Criminal cases start when police arrest a person. Officers arrest a person if they have seen a suspected crime or if a citizen has reported a crime. They also make an arrest if a judge has issued an arrest warrant. When officers arrest an individual, they read the person his or her rights. Then the suspect is taken to a police station and booked, or charged with a crime. The suspect is fingerprinted and photographed. The suspect is allowed to call a lawyer. If he or she cannot afford a lawyer, then one is provided.

After being booked, the suspect goes to court and is informed of the charges against him or her. The prosecution has to show that there is good reason to believe that the accused person has committed the crime. The judge then may send the accused back to jail, set bail, or release him or her on his own recognizance. This means the accused is released without having to pay bail, but promises to appear in court when called.

In many federal and state courts, a grand jury is called to decide whether a person should be charged with a crime. In some states, a preliminary hearing is used instead of a grand jury. The defendant then goes to court for a procedure called an **arraignment**. The defendant is formally presented with the charges and is asked to enter a plea. If he or she pleads not guilty, the case continues. If the defendant pleads guilty, he or she is convicted of the crime and the judge will determine a punishment. The defendant can also plead no contest. This means that he or she does not admit guilt, but does not fight the prosecution's case. It has the same result as a guilty plea.

Study Guide**Chapter 16, Section 2 (continued)**

Sometimes a defendant's lawyer may encourage him to take a plea bargain. This is an agreement in which the accused person agrees to plead guilty, but to a lesser charge. This avoids a long trial. It also ensures that a person will be punished for committing a crime.

If the case goes to trial, then the defense lawyer interviews witnesses and gathers information. The defendant may choose to have a jury trial or have only a judge hear the case. When only a judge hears a case, it is called a bench trial. If the defense asks for a jury trial, the first step is to choose jurors. The jurors are selected from a group of people who live within the court's jurisdiction. Both sides try not to choose jurors who are not favorable to their side.

After the jurors are selected, the lawyers for each side make an opening statement. They outline the case. The prosecution and the defense then present their cases in turn. Each side calls witnesses who swear that their **testimony**, which is the answers they give under oath, is true. After a witness testifies for one side, the other side then **cross-examines** him or her. The questions in a cross-examination are asked to make the witness's original testimony appear unreliable. Finally, each side makes a closing statement. This statement highlights the testimony and evidence that supports each side. The judge then instructs the jury, or explains the law that has to do with the case.

The last part of the trial starts when the jury begins to discuss the case and reach a verdict. Jurors review the evidence and arguments. Jury deliberations are secret. Finally, the jurors vote on whether the defendant is guilty or not guilty. They have to decide whether the evidence is convincing "beyond a reasonable doubt." In most states the vote has to be unanimous. If the jury decides that the evidence does not prove guilt, they can vote for an **acquittal**, or a vote of not guilty. The defendant is then released. Sometimes a jury cannot agree on a verdict, even after many days of discussion. The judge then declares a **hung jury** and declares a mistrial. Then the prosecution must decide whether to drop the charges or ask for a retrial.

If a defendant is found guilty, the judge sets a court date for sentencing. The judge often decides on a sentence after considering the defendant's family situation, previous record, and even statements from the victims of the crime. Sentences may include fines or a number of hours spent doing community service work.

Study Guide

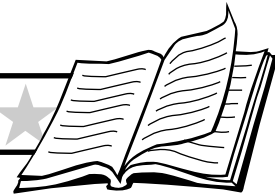


Chapter 16, Section 2 (continued)

If the defendant is found guilty, the defense may appeal the verdict to a higher court. The appeal usually says that the judge made errors or that the defendant's rights were violated.

6. What kind of trial may a defendant ask for?

Study Guide



Chapter 16, Section 3

For use with textbook pages 375–378

Young People and the Courts



KEY TERMS

- juvenile** anyone under age 18 (page 375)
- juvenile delinquents** young people who commit crimes (page 375)
- rehabilitate** to correct a person's behavior (page 376)

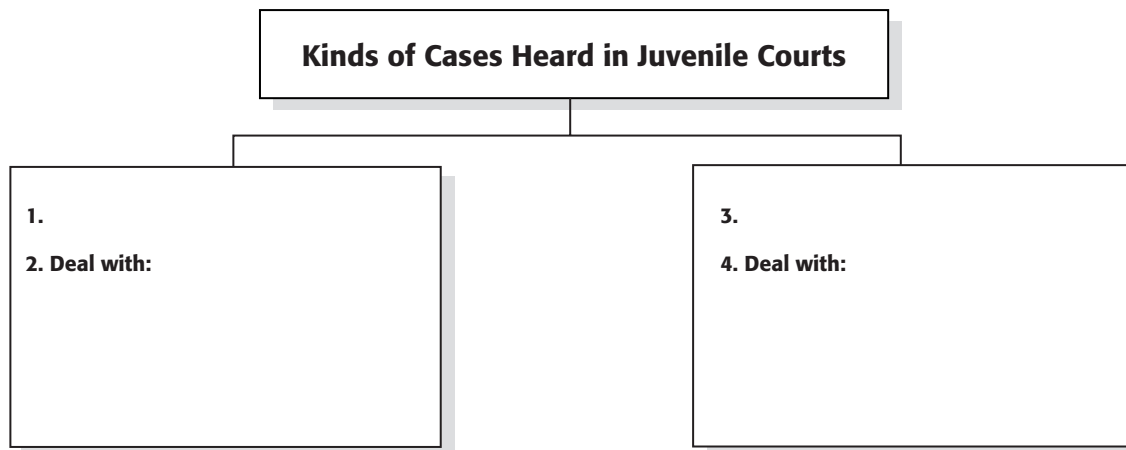
DRAWING FROM EXPERIENCE

Sometimes young people under the age of 18 accused of a crime are tried as adults. Do you think the courts should try a young person as an adult? Why or why not?

The last section described the steps in criminal court cases. This section discusses the stages in the juvenile justice system.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. Juvenile courts deal with two kinds of cases. Identify the cases and describe what they deal with in the diagram.



Study Guide



Chapter 16, Section 3 (continued)

READ TO LEARN

- **Causes of Juvenile Delinquency** (page 375)

In most states, anyone under age 18 is considered a **juvenile**. The criminal justice system treats **juvenile delinquents**, or young people who commit crimes, differently from adults. All states, however, allow older juveniles accused with serious crimes to be tried as adults. Children and teenagers commit both misdemeanors and serious crimes. The causes of juvenile delinquency are not really known. However, some studies have shown that children who have been abused, who suffer from emotional or mental problems, or who grew up in poverty are more likely to become delinquents.

5. What is the difference between a juvenile and a juvenile delinquent?

- **Stages in the Juvenile Justice System** (page 376)

Criminal cases involving juveniles are handled in courts called juvenile courts. The main goal of these courts is to **rehabilitate**, or correct a person's behavior, rather than to punish him or her. Juvenile court cases start when police arrest young people for crimes. Also, parents who cannot control the behavior of their children may ask a court for help. This means that the children can be put into the juvenile justice system without having committed a crime.

Juvenile courts handle two cases: cases of neglect and cases of delinquency. Neglect cases have to do with juveniles who are neglected or abused by their caregivers. A juvenile court can place these young people with other families in foster homes. Delinquency cases have to do with juveniles who commit crimes. They also have to do with actions that are illegal for juveniles but not for adults, such as running away from home or breaking curfew laws.

Study Guide



Chapter 16, Section 3 (continued)

When a juvenile is arrested, the police notify the parents or guardians. The young person may then be sent home or kept at a juvenile detention center until the trial. Often instead of sending the young people to court, police officers place them into special programs such as counseling or drug treatment.

For juveniles who are held for trial, the next step is a preliminary hearing. The hearing determines if there is reason to believe that the young person committed the crime as charged. The court process for juveniles is similar to that of adults. However, there are some differences. At the court appearance, the juvenile and his or her caregivers meet with their lawyer, the judge, the police officer who made the arrest, and the probation officer who investigated the case. This is less formal than a trial. As in a trial, both sides present their witnesses and cross-examine them. However, there is no jury. The judge usually decides whether the juvenile is delinquent or not. The identities of juvenile offenders are kept secret. In some cases, the criminal records can be erased when the juvenile becomes an adult. Juveniles are not fingerprinted or photographed when they are arrested.

When a juvenile is found guilty, the court holds a hearing to decide on sentencing. Judges can handle sentencing in different ways. They may send the juvenile home with a lecture. They may put offenders with a previous history of delinquency in a special training school, treatment center, or teen shelter. Sometimes the juvenile agrees to obey his caregiver during probation. If the young person successfully completes probation, the charges will be dropped and removed from his or her record. Juveniles who are abused may become wards of the court. Judges may place juveniles with serious mental problems in a hospital or institution. Because rehabilitation is important, a judge can always take a juvenile out of the court system even after he or she has been found delinquent.

6. What is the main goal of juvenile courts?

Study Guide



Chapter 16, Section 3 (continued)

- **Supreme Court Rules** (page 378)

In a 1967 Supreme Court decision called *In re Gault*, the Court set up rules for juvenile criminal cases. The Court said that the parents or guardians have to be notified of the arrest as soon as possible. The juveniles and caregivers must be notified in writing of all the charges against them. They have the right to a lawyer and have the right to remain silent. They also have the right to face the witnesses against them.

7. What rules regarding juvenile criminal cases did the 1967 Supreme Court decision establish?

Study Guide



Chapter 17, Section 1

For use with textbook pages 384–387

Civic Participation



KEY TERMS

Internet a mass communication system of millions of networked computers and databases all over the world (page 384)

World Wide Web a system that operates within the Internet, allowing users to interact with billions of documents stored on computers across the Net (page 384)

Web site “pages” on the World Wide Web that may contain text, images, audio, and video (page 384)

archives files of older stories (page 385)

nonpartisan free from political ties or bias (page 385)

newsgroups Internet discussion forums (page 386)

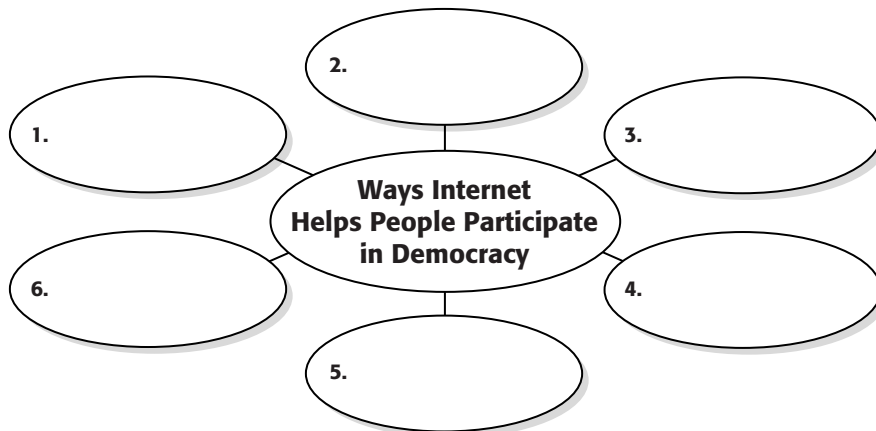
DRAWING FROM EXPERIENCE

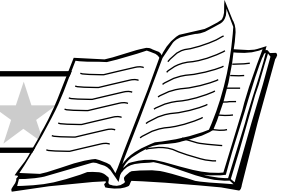
Do you use the Internet? What kinds of information does the Internet provide for you?

In this section, you will learn how the Internet helps to inform people. You will also learn how political candidates use the Internet to campaign.

ORGANIZING YOUR THOUGHTS

Use the diagram to help you take notes. The Internet helps citizens to participate in democracy. List these ways in the diagram.



Study Guide**Chapter 17, Section 1 (continued)****READ TO LEARN****• A Tool for Political Education and Action** *(page 384)*

The **Internet** is a mass communication system of millions of networked computers and databases all over the world. The **World Wide Web** operates within the Internet. It allows users to interact with the billions of documents stored on computers across the Net. The Internet and the World Wide Web allow people to communicate, get information, and even shop online. Clicking a computer mouse allows people to send electronic mail (e-mail) and to explore the huge number of **Web sites**. These are “pages” on the World Wide Web that may include text, graphics, and video. More than 40 percent of the people in the United States have access to the Web.

The Internet helps citizens participate in democracy. Citizens use the information from the Internet to make decisions about government and public policy. They can search the World Wide Web to find information about any topic. However, people must evaluate the reliability of the sources they find. Many people use the Internet to keep informed about current events. National newspapers and newsmagazines publish online every day. They also keep **archives**, or files of older stories. Hometown newspapers often have Web sites as well. People can also log onto the sites of television and radio stations to listen to newscasts.

Research and educational institutions have informative Web sites as well. These sites provide information on current topics. They also provide links to other sites. However, not all the sites are **nonpartisan**, that is, they are not free from political party ties or bias.

Many parts of the federal government also have their own Web sites. The three branches of government and many federal agencies have databases to search. This e-government makes it easier for people to learn about public policy, to get government services, and to participate in government directly.

The Internet includes Web sites for a variety of interest groups. **Newsgroups**, or Internet discussion forums, allow users to exchange information and ideas with people who share the same concerns. When you join a newsgroup, you will get regular postings. You will also have a way to provide your own ideas about issues.

Study Guide



Chapter 17, Section 1 (continued)

7. How does the Internet help people keep informed?

• **Election Campaigns** (page 386)

The Internet helps get people involved in elections. Both major political parties have Web sites with information about what they are doing. Other political parties also have Web sites. In addition, nearly every candidate will have his or her own Web site. These Web sites provide information about the candidate's background, position on issues, and schedule of appearances. Many sites provide electronic newsletters that give updates on the candidate's activities. Remember that these Web sites are created to build support for the party's candidates and ideas. The sites often do not present both sides of an issue. The Internet allows voters to have direct personal contact with candidates and their staff.

In the 2000 presidential election, citizens set up independent Web sites to support their favorite candidates. Grassroots Web sites served the same purpose as putting a sign in the front yard or a bumper sticker on the car. Grassroots Web sites give people a convenient way to get directly involved in an election. However, these sites raise some concerns for the major parties and their candidates. These sites may include wrong information or they may have links to extremist groups that the candidates would not want to be associated with.

8. Why are major political parties concerned about grassroots Web sites?

Study Guide



Chapter 17, Section 2

For use with textbook pages 389–393

Challenges for Democracy



KEY TERMS

authoritarian a kind of government in which one leader or group of people holds absolute power
(page 389)

dissident a person who disagrees with the established political or religious system (page 389)

propaganda the spreading of certain ideas and may involve misleading messages designed to manipulate people (page 390)

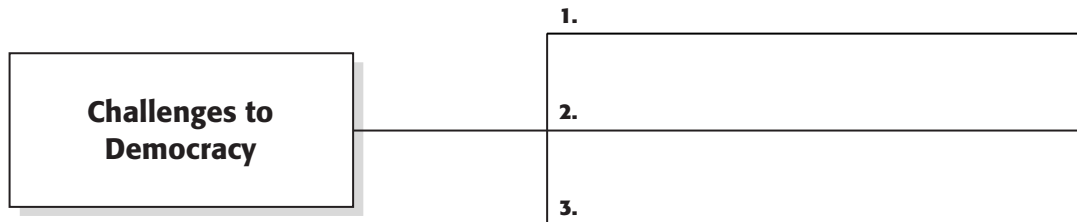
DRAWING FROM EXPERIENCE

Do you feel that the messages you send on the Internet are private?
Why or why not?

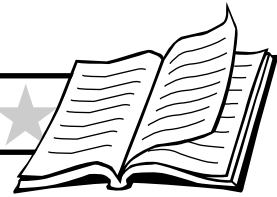
The last section described how the Internet helps people participate in government. This section describes some of the problems of Internet use.

ORGANIZING YOUR THOUGHTS

Use the diagram below to help you take notes. Although the Internet helps people participate in democracy, it also presents challenges to democracy. List these challenges in the diagram.



Study Guide



Chapter 17, Section 2 (continued)

READ TO LEARN

• Divisions in Society (page 389)

People thought that the Internet and the World Wide Web would help spread democracy across the world. They thought it would weaken **authoritarian** regimes. These are governments in which one leader or group of people holds absolute power. Authoritarian governments, however, have found ways to limit online political communication. For example, China strictly controls access to Web sites of human rights groups, foreign newspapers, and similar organizations. Messages that Chinese Internet users post are closely watched. The government has shut down the Web sites of **dissident** groups. These groups disagree with the established political or religious system.

The Internet presents challenges to democracy in the United States. Some people fear that the Internet is widening the gap between the wealthy and the poor. They fear that extremist groups may use it to divide the American society. They also fear that the Internet can invade people's privacy.

Today, using the Internet has become almost a necessity. People who do not have access are being shut out of obtaining information and making money. The U.S. Census Bureau has found that the wealthiest families were more likely to have Internet access than were low-income families.

Schools and libraries help to bridge the gap. At least 70 percent of students now use computers at school. The government is also considering programs to provide training and Internet access to millions of low-income Americans.

The Internet has also become a way for many hate and extremist groups to spread their ideas. The Internet helps these groups find each other, recruit new members, and spread **propaganda**. This is the spreading of certain ideas and may involve misleading messages designed to manipulate people.

4. How have schools helped to bridge the gap between poor and wealthy Americans in terms of having access to the Internet?

Study Guide



Chapter 17, Section 2 (continued)

- **Threats to Privacy** (*page 391*)

If extremist material on the Internet leads to hate crimes or other illegal acts, the government can step in. Law enforcement officials have a tool to fight cybercrime. It was developed by the FBI and is known as “Carnivore.” It is designed to be used only in criminal investigations that are authorized by a court. Carnivore can watch for words sent by anyone on a network. When a suspect sends or receives an e-mail, Carnivore can capture the suspect’s message and the unrelated messages by others as well. Some people believe that Carnivore goes against the Fourth Amendment, which protects people against unwarranted searches. Other people believe that the government should have even more power to stop cyberspace crime.

Surfing the Web also brings a risk to people’s privacy. Most companies gather information about people who visit their Web sites. For example, when people buy an item on the Internet, they usually provide their name, phone number, e-mail address, and even their credit card number. Web sites often track the places people visit and the links they click on. This provides the company with information about people without their knowledge. Some Web site operators use the data they collect to sell to others. As a result, people find a flood of unwanted advertisements and junk mail. Also, information that people may want to keep private is passed on without their permission.

In 1998 Congress passed the Children’s Online Protection Act. It did so to prevent companies from taking advantage of young children using the Web. The law requires Web site companies to set up a privacy policy that tells what information they are collecting from children. They also have to tell how the information will be used. Parents have to give permission to Web site companies to get information from children under 13.

5. What is the purpose of “Carnivore”?

Study Guide



Chapter 17, Section 3

For use with textbook pages 395–399

Regulating the Internet



KEY TERMS

intellectual property things that people create, such as songs, movies, books, poetry, art, and software (*page 396*)

copyright the owner's exclusive right to control, publish, and sell an original work (*page 396*)

revenue the income that a government or business collects (*page 398*)

DRAWING FROM EXPERIENCE

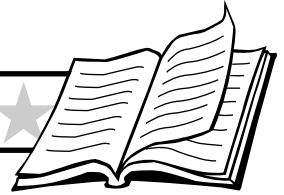
Have you ever listened to a song on the Internet by your favorite recording artist? How do you think the availability of music on the Internet might affect the music industry?

The last section described the problems that may result from Internet use. This section discusses the issues involved in regulating the Internet.

ORGANIZING YOUR THOUGHTS

Use the chart below to help you take notes. Several issues have arisen regarding the regulation of the Internet. Describe the issues involved for each of the items in the chart.

	Issues Regarding Regulation
Intellectual property	1.
E-commerce	2.
Internet at school	3.

Study Guide**Chapter 17, Section 3 (continued)****READ TO LEARN****• Internet Speech** (*page 395*)

The Internet has expanded free speech by giving anyone who has a computer the chance to spread his or her views across the world. This right has also allowed people to spread offensive material. In 1996 Congress passed the Communications Decency Act to help block offensive material. The law made it a federal crime to send obscene material over the Internet in a way that it becomes available to people under the age of 18. However, the Supreme Court ruled that the law was unconstitutional. It ruled that speech on the Internet should have the highest level of First Amendment protection, similar to the protection given to books and newspapers.

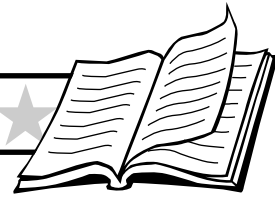
Restrictions to free speech may be placed on school-sponsored newspapers on the World Wide Web. This is because in 1988 the Supreme Court ruled that school administrators can regulate the content of student newspapers for educational purposes. The Supreme Court has not ruled on Internet student newspapers. However, lower courts have found that students who produce online papers may be subject to the same regulations as student print publications.

- 4.** What was the purpose of the Communications Decency Act?

• Intellectual Property (*page 396*)

Americans have the right to own property and to use it as they see fit. Special rules, however, apply to **intellectual property**. These are things that people create, such as songs, movies, books, art, and software. Many court decisions and legal devices such as **copyrights** have developed to protect the creators of intellectual property. A copyright is the exclusive right of the owner to control, publish, and sell an original work. The purpose of copyrights is to prevent people from copying someone's work without permission. The Internet, however, has made it easy to copy and distribute all kinds of intellectual property.

Study Guide



Chapter 17, Section 3 (continued)

Napster and other online music services made it possible for people to download copyrighted songs for free. People could then swap music files with others instead of buying new CDs. Music companies and songwriters sued Napster for breaking copyright laws. The courts forced Napster to shut down. However, other music-swapping Web sites soon developed.

To make intellectual property more secure, Congress passed the Digital Millennium Copyright Act (DMCA). This law made it a crime to spread software that bypasses computer codes that protect copyrighted material. Motion picture and recording studios support the law. Critics believe that it will punish computer scientists for finding flaws in computer security systems. Some critics also argue that software code is a form of speech and the DMCA violates free speech.

5. How has the Internet affected intellectual property?

• Taxing E-Commerce (page 398)

More and more people each year buy goods over the Internet. This kind of shopping is convenient. It also is free of sales tax. As a result, online shopping eliminates a source of **revenue** for many state and local governments. Revenue is the income that a government or business collects. Many politicians favor placing taxes on e-commerce. Traditional store owners also favor it. This is because they lose business if people shop online instead of at local stores. Internet merchants, however, argue that placing sales taxes would burden online companies. Because sales taxes vary from state to state, online merchants would have to charge different rates depending on where the customers live. Then they would have to send money back to different state governments. This process would be very costly. Also, online merchants would not benefit from the kinds of things those taxes pay for, such as police and fire protection and other government services.

Study Guide



Chapter 17, Section 3 (continued)

6. Why do politicians and traditional business owners favor taxing goods bought online?

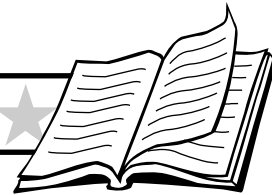
• **The Internet at School** (*page 398*)

Using the Internet at school has created issues for schools and lawmakers. In 2000 Congress passed the Children's Internet Protection Act. It requires that nearly all schools in the United States install technology that blocks student access to offensive or dangerous World Wide Web materials.

Schools have begun to keep records of the Web sites that students and staff visit. Some parents have requested that this information be made available to them. One parent sued his local school district to win that right. School officials argued that providing this information would violate privacy. A judge ruled that a parent could see the school district's Internet records as long as any information that would identify individual students was removed.

7. What ruling did a court make regarding providing parents with information about the Web sites that students access in school?

Study Guide



Chapter 18, Section 1

For use with textbook pages 406–409

The Fundamental Economic Problem



KEY TERMS

- economics** the study of how people make decisions in a world where resources are limited
(page 406)
- needs** things that are required for survival, such as food, clothing, and shelter *(page 407)*
- wants** things that people would like to have that make life more enjoyable *(page 407)*
- scarcity** the condition in which wants are greater than the resources available to satisfy those wants
(page 407)
- economic models** simplified representations of the real world that are used to explain how the economy works or to predict economic changes *(page 408)*

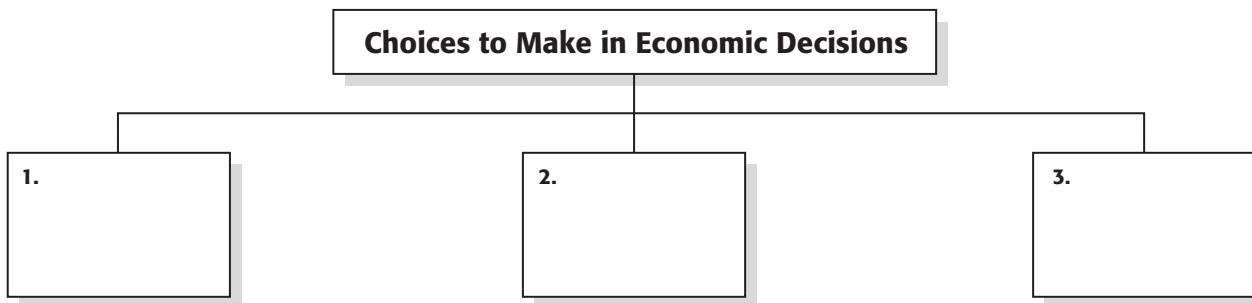
DRAWING FROM EXPERIENCE

Think of all the choices you have to make when deciding to make a purchase. Why do you have to make these choices?

In this section, you will learn what scarcity is. You will also learn about the choices that need to be made when making economic decisions.

ORGANIZING YOUR THOUGHTS

Use the diagram to help you take notes. When making economic decisions, a society has to make choices. List these choices in the diagram.



Study Guide



Chapter 18, Section 1 (continued)

READ TO LEARN

- **Economic Choices** (page 406)

Well-informed citizens make economic choices every day. People make choices because there are not enough resources to satisfy all their wants and needs. **Economics** is the study of how people make decisions in a world where resources are limited. It is sometimes called the science of decision making.

People have many **needs**. These are things such as food, clothing, and shelter that are required for survival. People also have a large number of **wants**. These are things that they would like to have, such as entertainment, vacations, and other things that make life more comfortable and enjoyable. The basic economic problem is **scarcity**. This occurs when there are not enough resources to produce all of the things that people would like to have. Even rich countries, such as the United States, do not have enough resources to produce all the goods and services that people would like to have. Because of scarcity, people make choices among alternatives. For example, rational consumers compare prices and makes choices based on their limited resources.

One of the choices that society has to make is that of what to produce. For example, a community may have to decide whether to improve the roads or build an athletic stadium.

A second choice that society has to make is that of how to produce. For example, to get oil to satisfy energy needs, the United States has to decide whether to drill in an Alaskan wildlife sanctuary or drill in more traditional areas. Everyone who produces goods or services has to decide how to produce them.

After goods are produced, a society has to decide how they will be distributed among its members. For example, a car manufacturer has to figure out who should receive the new cars. The questions “what,” “how,” and “for whom” to produce have to be answered because there are not enough resources to satisfy people’s unlimited wants.

4. Why do consumers have to make choices in what they buy?

Study Guide



Chapter 18, Section 1 (continued)

- **Using Economic Models** (page 408)

Economists describe the economy as all the activity in a nation that affects how goods and services are produced, distributed, and used. When economists study a certain part of the economy, such as unemployment, they form theories and collect data. The theories that economists use in their work are called **economic models**. These are simplified representations of the real world. An economist uses a model to answer a question for which there is no obvious answer. The solutions that result from testing a model often become the basis for decisions by private businesses or agencies. A model is based on assumptions, or things that people take for granted as true. People use assumptions as facts even though they cannot be sure that they are facts. As a result, the quality of a model is no better than the assumptions that model is based on. Also, models can be revised. For example, if an economic model results in a prediction that turns out to be right, the model can be used again. If it results in a prediction that is wrong, the model might be changed to make better predictions.

5. What are economic models based on?

Study Guide



Chapter 18, Section 2

For use with textbook pages 410–414

Making Economic Decisions



KEY TERMS

trade-off the alternative you face when you decide to do one thing rather than another (page 410)

opportunity cost the cost of the next best use of your time or money when you choose to do one thing rather than another (page 411)

marginal cost the extra cost of producing one additional unit of output (page 412)

marginal benefit the extra benefit associated with an action (page 413)

cost-benefit analysis an economic model that compares the marginal costs and marginal benefits of a decision (page 413)

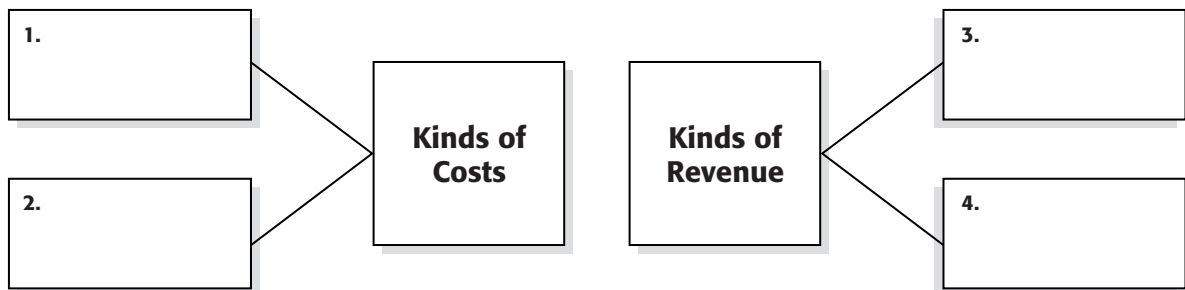
DRAWING FROM EXPERIENCE

Think of the decisions you have to make when deciding how to spend your time. How does your decision to do one thing affect other things you may want to do?

The last section described the choices that need to be made when making economic decisions. This section discusses the trade-offs involved in making choices.

ORGANIZING YOUR THOUGHTS

Use the diagram to help you take notes. People who own businesses have to know how much of a good or service to produce. They have to consider the costs and revenues. In the diagram, list the kinds of costs and revenue they have to consider and describe each one.



Study Guide**Chapter 18, Section 2 (continued)****READ TO LEARN****• Trade-Offs** (page 410)

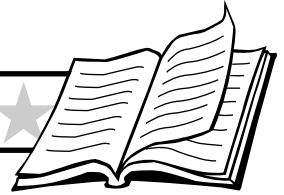
Scarcity forces people to make choices about how they will use resources. To make economic decisions, people have to take into account all the costs and benefits of an action. When people make economic choices, they exchange one good or service for another. For example, when people buy DVD players, they exchange money for the right to own a DVD player rather than something else that might cost the same. The alternative you face if you decide to do one thing rather than another is called a **trade-off**.

There are many trade-offs in life. For example, taking time to study for a test means having less time to be with friends. Spending time with friends means less time for studying. Trade-offs also occur on a larger scale. For example, when a nation decides to put more money into education, it has less money available for medical research. People are forced to make trade-offs every time they choose to use their resources in one way instead of another.

Suppose a person buys a CD. The cost to the person is more than the price of the CD. Another cost is not having money to buy a sweater that the person wanted. This measure of cost is called **opportunity cost**. It is what people cannot buy or do when choosing to do one thing rather than another. Opportunity cost includes more than money. It also includes the possible discomforts connected to the choice made. For example, the opportunity cost of cleaning house is not just the cost of cleaning products. It also includes the time a person spends cleaning rather than doing other things like listening to music.

People who own a business that produces goods need to know how much of the good to produce. They have to look at costs and revenues. All businesses have costs. Some costs are *fixed costs*. These include the expenses that are the same no matter how many units of a good are produced. Mortgage payments are examples of fixed costs. Some costs are *variable costs*. These are expenses that change with the number of products produced. Wages are examples of variable costs. They will increase as production increases and decrease when production decreases. Total costs involve adding variable costs to fixed costs. Many businesses focus on average total cost. To arrive at this, they divide the total cost by the quantity produced.

Study Guide



Chapter 18, Section 2 (continued)

Another important concept is **marginal cost**. This is the extra cost of producing one additional unit of output. For example, suppose the total cost of producing 30 helmets is \$1,500. Producing 31 helmets results in a total cost of \$1,550. This means that the marginal cost of the additional unit is \$50.

Businesses need to know what amount of output will produce the greatest profits. They use two key measures of revenue to decide this. The first is total revenue. This is the number of units sold multiplied by the average price per unit. Another measure of revenue has to do with finding out how revenue will change as a result of a change in output. **Marginal revenue** is the change in total revenue that results from selling one more unit of output.

People generally do something because they expect to get some benefit. They are concerned with the **marginal benefit**, or the extra benefit associated with an action.

5. What is the difference between fixed costs and variable costs?

- **Cost-Benefit Analysis** (*page 413*)

Once the marginal costs and benefits of a decision are known, economists analyze the decision by creating an economic model called a **cost-benefit analysis**. It compares the marginal costs and marginal benefits of a decision. In making decisions, it is best to choose an action in which the benefits are greater than the costs. For example, suppose a farmer has to decide how much of his 25 acres to plant with wheat. Some land is better for growing wheat than other land. The farmer first plants the land that will produce the most wheat per acre. As more land is planted, the farmer has to use land that is less productive. In this case the marginal benefits start to diminish. The farmer has to decide how many acres to plant so that the extra benefit is greater than the extra cost.

Study Guide



Chapter 18, Section 2 (continued)

As the example shows, a cost-benefit analysis can be used to decide how much to produce. It can also be used to decide what to produce and for whom to produce it.

6. In general, what kind of action is best in making economic decisions?

Study Guide



Chapter 18, Section 3

For use with textbook pages 416–419

Being an Economically Smart Citizen



KEY TERMS

market economy an economic system in which supply, demand, and prices help people make decisions and allocate resources (page 416)

capitalism a system in which private citizens own most of the means of production (page 417)

free enterprise a system in which businesses are allowed to compete for profit with a minimum of government interference (page 417)

incentive a reward offered to try to persuade people to take certain economic actions (page 417)

rational choice a choice that is based on choosing the alternative that has the greatest value from among comparable products (page 419)

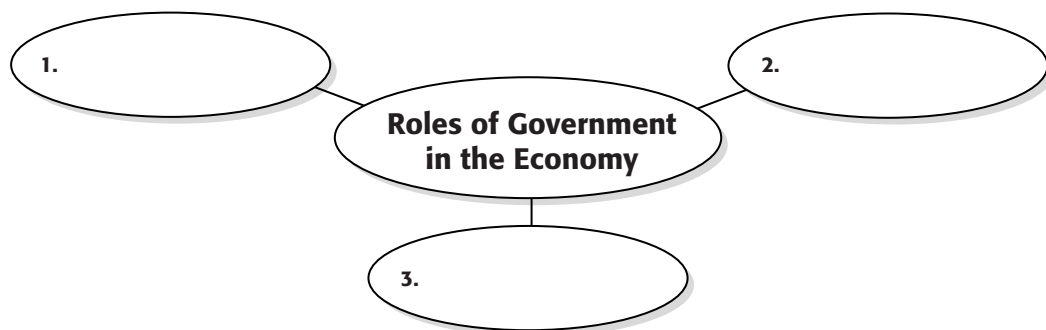
DRAWING FROM EXPERIENCE

What is a wise consumer? Do you think you are a wise consumer? Why do you think so?

The last section described the trade-offs involved in making economic choices. This section discusses the reasons why it is important for people to have an understanding of economics.

ORGANIZING YOUR THOUGHTS

Use the diagram to help you take notes. Knowing the role of the government in the economy will make people more economically smart. Identify the roles of the government in the economy in the diagram.



Study Guide**Chapter 18, Section 3 (continued)****READ TO LEARN****• Understanding Your Role in the Economy** *(page 416)*

To be good economic citizens, people must be informed. They have to know how they affect the economy and how the economy affects them. The United States has a **market economy**. This is one in which supply, demand, and prices help people make decisions and distribute resources. Economic decisions are made by individuals looking out for their own self-interests, not by government. In a market economy, the choices that people make as consumers affect the products that businesses make. People's choices also affect the prices that businesses charge for their products. On the other hand, the products businesses make and the prices they charge affect the choices consumers make.

A market economy is sometimes referred to as **capitalism**. This is a system in which private citizens own most of the means of production. A market economy is based on **free enterprise**, in which businesses are allowed to compete for profit with a minimum of government interference.

To be informed about the economy, people have to know about the features of the economy. People also need information about the economic activities of business and government.

To be economically smart, people have to understand how economic **incentives** affect behavior. Incentives are rewards that are offered to try to persuade people to take certain economic actions. For example, credit card companies offer incentives when they offer low interest rates to try to get consumers to choose their credit cards.

People also need to know what role the government plays in the economy. A major role of the government is to provide services such as public education and national defense that private businesses do not provide. The government tries to make markets competitive. This helps to force businesses to use resources more efficiently to produce the goods and services that people prefer. It helps to force businesses to produce goods at low costs. The government also influences the decisions of people and businesses by rewarding or punishing certain actions. For example, the government can encourage education by giving incentives such as scholarships and financial aids. It can discourage actions such as smoking by placing high sales taxes on cigarettes.

Study Guide



Chapter 18, Section 3 (continued)

4. How do the choices made by consumers and those made by businesses affect each other?

• **Making Wise Choices** (page 418)

Economically informed citizens make good consumer decisions. When people make consumer decisions based on opportunity cost, they are making a **rational choice**. This involves choosing the alternative that has the greatest value from among comparable products. People make rational choices when they buy the goods and services that can best satisfy their wants for the lowest possible costs. If people are economically informed, they will use scarce resources wisely. When individuals use resources wisely, they benefit society as a whole.

5. Why should people be economically informed?

Study Guide



Chapter 19, Section 1

For use with textbook pages 424–427

Economic Resources



KEY TERMS

goods tangible products that satisfy needs and wants (page 424)

services work that is performed for someone else (page 424)

factors of production types of resources—natural resources, labor, capital, and entrepreneurs—that are necessary to produce goods and services (page 424)

natural resources all the things in nature that make production possible (page 424)

labor the nation's labor force or human resources; the physical and mental talents that people contribute to the production of goods and services (page 425)

capital the tools, machinery, and buildings used to make goods (page 425)

entrepreneur an individual who starts a new business, introduces a new product, and improves management techniques (page 426)

Gross Domestic Product (GDP) the total value, in dollars, of all the final goods and services produced in a country during a single year (page 426)

standard of living the quality of life based on the possession of necessities and luxuries that make life easier (page 427)

DRAWING FROM EXPERIENCE

Have you ever thought about owning a business? What goods would the business produce? What kinds of resources would you need to make the product?

In this section, you will learn about the four factors of production. You will also learn how Gross Domestic Product is measured.

ORGANIZING YOUR THOUGHTS

Use the chart on the next page to help you take notes. There are four factors of production necessary to produce goods and services. List these factors and describe what each is in the chart.

Study Guide



Chapter 19, Section 1 (continued)

Factor of Production	What It Is
1.	2.
3.	4.
5.	6.
7.	8.

READ TO LEARN

- **Producing Goods and Services** (*page 424*)

At the beginning of the century, the United States produced goods and services worth about \$10 trillion each year. Some of this production is in the form of **goods**. These are products such as books and automobiles that people use to satisfy wants and needs. More of the U.S. production is in the form of **services**. This is the work that is performed for someone else. Services include such things as haircuts and home repairs.

There are four types of resources, or factors of production, necessary to produce goods and services. They are natural resources, labor, capital, and entrepreneurs. **Natural resources** are the things in nature that make production possible. They include fertile land, rainfall, and minerals.

Labor is the nation's labor force or human resources. It refers to the physical and mental talents that people contribute to the production of goods and services.

Another factor of production is **capital**. This is also known as capital goods. These are the tools, machinery, and buildings used to make other products. Capital goods are different than consumer goods. Consumer goods satisfy people's wants directly. Capital goods do so indirectly by helping to produce consumer goods.

The fourth factor of production is the **entrepreneur**. This is an individual who starts a new business, introduces a new product, and improves management techniques. A person who is an entrepreneur is willing to take risks.

Study Guide



Chapter 19, Section 1 (continued)

9. What factor of production would include the number of sunny days available for farming?

• **Gross Domestic Product** (page 426)

A measure of the success of a nation's economy is **Gross Domestic Product (GDP)**. This is the total value, in dollars, of all the final goods and services produced in a country during a single year. A good is *final* when it is ready to be sold to its user. To arrive at the GDP, economists list all the goods and services that a nation produces. Then they figure out the number of each that is produced. To compute the GDP, multiply the number of items produced by the average price of the item. Then add up everything. If the GDP in one year is higher than the year before, the economy is expanding. If the GDP is lower, the economy is declining.

GDP is important to the **standard of living**. This is the quality of life based on the possession of necessities and luxuries that make life easier. If the GDP grows faster than a nation's population, there are more goods and services for people to enjoy.

GDP is a measure of a nation's economic performance. It does not measure the overall well-being of a society. There are many things that could make a country better without an increase in GDP, such as reducing crime and alcohol abuse. GDP measures quantity. It does not measure the quality of products. Increasing the GDP is only one of many factors that help to raise the standard of living.

10. What does a GDP that is higher than the year before show?

Study Guide



Chapter 19, Section 2

For use with textbook pages 428–432

Economic Activity and Productivity



KEY TERMS

- factor market** the market where productive resources are bought and sold (page 428)
- product market** the market where producers offer goods and services for sale (page 429)
- productivity** a measure of the amount of output produced by a given amount of inputs in a specific period of time (page 430)
- specialization** the concentration on goods or services that an individual, business, or nation can produce better than anyone else (page 431)
- division of labor** the breaking down of a job into separate, smaller tasks, which are performed by different workers (page 431)
- economic interdependence** the reliance on others to provide the goods and services that are consumed (page 432)

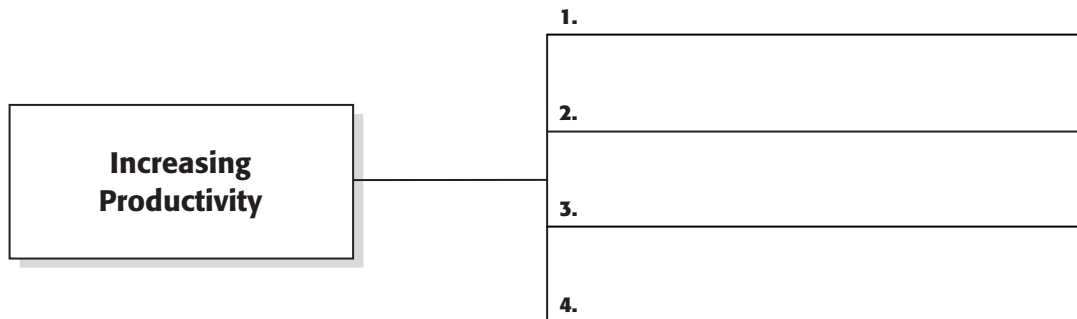
DRAWING FROM EXPERIENCE

How would you describe the nation’s economy today? Is it strong or weak? What makes it strong or weak?

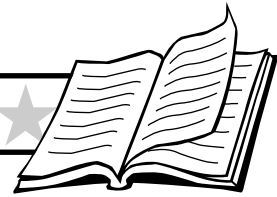
The last section described the four factors of production. This section describes how the market economy operates.

ORGANIZING YOUR THOUGHTS

Use the diagram to help you take notes. Productivity can increase economic growth. List the ways that productivity can be improved in the diagram.



Study Guide



Chapter 19, Section 2 (continued)

READ TO LEARN

- **Circular Flow of Economic Activity** (page 428)

In economic terms, a market is a place or a situation that allows buyers and sellers to exchange products. Consumers are one group of economic decision makers. Others are the business, government, and foreign sectors. The flow of goods and services and money in a market system among these groups is circular. Economists use a circular flow diagram to show how the market system works.

In the circular flow model, consumers earn their income in **factor markets**. These are the markets where productive resources are bought and sold. This is where people earn money.

When they receive their incomes, consumers spend it in **product markets**. These are markets where producers offer goods and services for sale. In this market, the business sector receives payments for the products and services it sells.

The government sector is made up of the federal, state, and local levels of government. The government receives revenue from the services it sells. It receives most of its revenues from taxes on businesses and individuals.

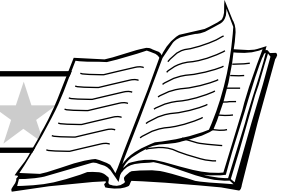
In the circular flow model, the foreign sector includes all of the countries of the world. The United States sells products to and buys products from other countries.

5. What are the four major groups of economic decision makers?

- **Productivity and Economic Growth** (page 430)

A nation's economy grows when its total output of goods and services increases over time. Economic growth increases people's standard of living. **Productivity** is a measure of the amount of output produced by a given amount of inputs in a specific period of time. When more output can be produced with the same amount of inputs in the same amount of time, productivity increases.

Study Guide



Chapter 19, Section 2 (continued)

Productivity can be improved by **specialization**. People, businesses, and even countries specialize when they concentrate on goods or services that they can produce better than anyone else. People specialize because they can earn more by doing the things that they do well. People also specialize because it is more efficient to do so.

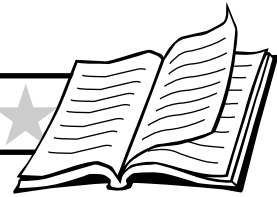
The **division of labor** is the breaking down of a job into separate, smaller tasks, which are performed by different workers. This form of specialization also improves productivity.

Productivity usually increases when businesses invest in human capital. This includes the skills, abilities, and motivation of people. When businesses invest in training their employees and providing health care, employees tend to increase production. Employers, in turn, usually receive higher quality products and increased profits.

Because of specialization, the American economy shows **economic interdependence**. This means that the United States relies on other countries, and other countries rely on it, to provide the goods and services to meet people's needs and wants. Things that happen in one part of the world can have an effect in other parts. For example, when bad weather in one country destroys its sugar crop, it can affect sugar prices in the United States. This can, in turn, affect the price of snacks. On the other hand, economic interdependence can result in increased productivity and income.

6. What is division of labor?

Study Guide



Chapter 19, Section 3

For use with textbook pages 434–437

Capitalism and Free Enterprise



KEY TERMS

capitalism an economic system in which private citizens own and use the factors of production in order to seek a profit (*page 434*)

free enterprise a kind of economy in which competition is allowed to flourish with a minimum of government interference (*page 434*)

consumer sovereignty the situation in which the consumer determines what products will be produced (*page 435*)

private property rights a feature of capitalism in which people have the freedom to own and use their property as they choose as long as it does not interfere with the rights of others (*page 435*)

competition the struggle that goes on between buyers and sellers to get the best products at the lowest prices (*page 435*)

profit the amount of money left over after all the costs of production have been paid (*page 436*)

profit motive the driving force that encourages individuals and organizations to improve their material well-being (*page 436*)

voluntary exchange the act of buyers and sellers freely and willingly engaging in market transactions (*page 436*)

DRAWING FROM EXPERIENCE

What do you think makes people want to own a business? What do you think of when you hear the word “capitalism”?

The last section described how the market economy operates. This section discusses the features of capitalism.

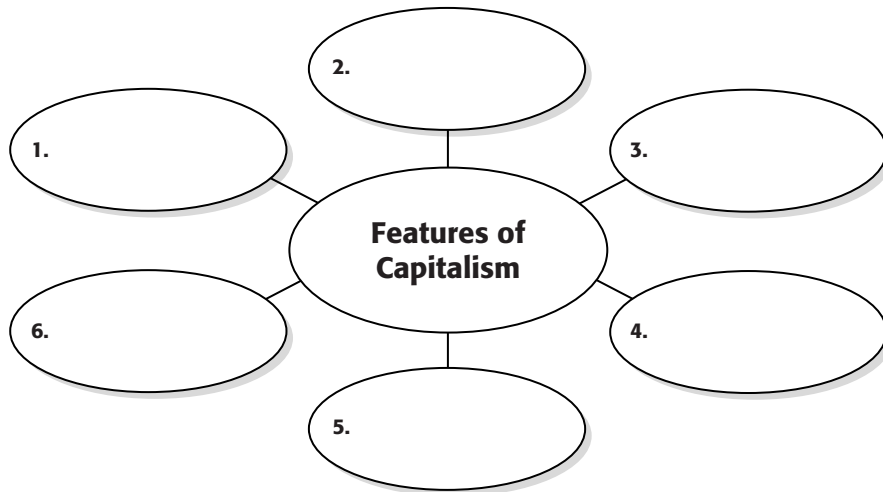
ORGANIZING YOUR THOUGHTS

Use the diagram on the next page to help you take notes. Capitalism has several features. List the features in the diagram.

Study Guide



Chapter 19, Section 3 (continued)



READ TO LEARN

• Features of Capitalism (page 434)

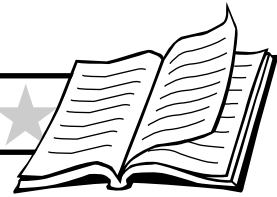
The economy of the United States is built on **capitalism**. This is an economic system in which private citizens own and use the factors of production in order to seek a profit. The American economy is also referred to as a **free enterprise** economy. In a free enterprise economy, competition is allowed to flourish with a minimum of government interference.

Markets are an important part of the American economy. Prices are set in markets as exchange takes place. When people go to work, their labor is being sold in the factor markets. When they go shopping, they buy things in the product markets. Under the American economic system, businesses usually try to produce the goods that consumers want most. This is referred to as **consumer sovereignty**. It shows that the consumer rules the market by determining what goods will be produced.

In a free enterprise system, the freedom to make economic decisions is important. People can choose the kind of job they would like to have and when and where they would like to work. As consumers, people have the right to choose the products they will buy. Businesses have the right to choose the products they will make.

Another important feature of capitalism is **private property rights**. These rights grant people the freedom to own, use, and get rid of their

Study Guide



Chapter 19, Section 3 (continued)

property as they choose as long as it does not interfere with the rights of others. Private property rights give people an incentive to work and save because they can keep any gains that they earn.

Competition is another feature of capitalism. This is the struggle that goes on between buyers and sellers to get the best products at the lowest prices. Competition rewards the most efficient producers. It also forces those businesses that are least efficient out of business or into other industries.

Under the free enterprise system, people are free to risk their savings in a business venture. If the venture succeeds, the people will earn rewards. If it fails, the people may lose part or all of their investment. The possibility of earning a **profit** leads many people to take risks. Profit is the amount of money left over after all the costs of production have been paid. The **profit motive** is the driving force that encourages people to improve their well-being.

Another feature of capitalism is **voluntary exchange**. This is the act of buyers and sellers freely exchanging in market transactions. Under voluntary exchange, both the buyer and the seller benefit. The buyer gives up money to get a product. The seller gives up a product to get money. Both parties have to believe that they will be better off after the exchange, or the exchange does not happen.

7. In the United States economic system, who determines what goods will be produced?

- **The Spread of Capitalism** (page 436)

Capitalism developed over a period of hundreds of years. It started from the economic changes in medieval and early modern Europe. Two ideas helped the development of capitalism. The first is the idea that people could work for economic gain. The second is the idea that government should have a limited role in the economy.

In the 1200s, the opening of trade routes from Europe to the East brought many changes in Europe's economy. As trade increased, people began to make profits. By the 1700s, Europe had nation-states, a

Study Guide



Chapter 19, Section 3 (continued)

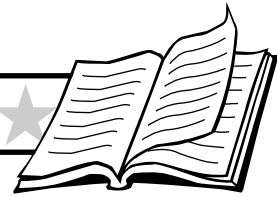
wealthy middle class, and a new approach toward work and wealth. The new approach included the ideas of the free market. The free market meant that buyers and sellers could make unlimited economic decisions in the marketplace.

In 1776, Adam Smith, a Scottish economist, published his best known work, *The Wealth of Nations*. The book described the basic principles of economics for the first time. Smith believed that people who were looking for profits benefited society as a whole. He believed in the idea of laissez-faire economics. Laissez-faire is a French term that means “to let alone.” In laissez-faire economics, the government has a very limited role in a nation’s economy. Its main role is to ensure free competition. Many of the Founders of the United States were influenced by Smith’s ideas.

In the past, capitalism and communism were considered opposing political and economic structures. After communism collapsed in several nations, those nations began to switch to capitalism.

8. What two ideas helped capitalism develop?

Study Guide



Chapter 19, Section 4

For use with textbook pages 438–442

The Economy and You



KEY TERMS

consumerism a movement to educate buyers about the purchases they make and to demand better and safer products (page 439)

warranty the promise made by a manufacturer or a seller to repair or replace a product within a certain time period if it is faulty (page 440)

ethical behavior the consumer's responsibility to respect the rights of producers and sellers (page 440)

disposable income the income a person has left after all the taxes on it have been paid (page 440)

discretionary income the money left over after paying for necessities that can be used to satisfy wants (page 440)

saving to set aside income for a period of time so that it can be used later (page 441)

interest the payment people receive when they lend money or allow someone else to use their money (page 442)

DRAWING FROM EXPERIENCE

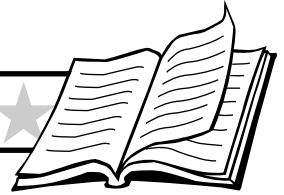
Is there something that you would like to buy that you do not have the money for now? How could you get enough money to buy the item in the future?

The last section described the features of the free economic system. This section discusses the rights and responsibilities of consumers.

ORGANIZING YOUR THOUGHTS

Use the chart on the next page to help you take notes. Consumers have rights and responsibilities. List these in the chart.

Study Guide



Chapter 19, Section 4 (continued)

Consumers' Rights	Consumers' Responsibilities
1.	6.
2.	7.
3.	
4.	
5.	

READ TO LEARN

- **Consumer Rights and Responsibilities** (page 438)

Consumers have certain rights and responsibilities. Consumer rights could be summarized as “let the buyer beware.” **Consumerism** is a movement to educate buyers about the purchases they make and to demand better and safer products from manufacturers.

Congress has passed laws that protect consumers’ rights. Many of the laws have to do with labeling. For example, the Fair Packaging and Labeling Act requires that every package have a label that identifies its contents and how much it weighs. Some laws, such as the Pure Food and Drug Act, protect consumers’ health and safety. The Pure Food and Drug Act says that the makers of foods, cosmetics, and drugs have to prove their products are safe.

Many groups and organizations work to protect individual consumers. One such group is the Better Business Bureau. There are many local better business bureaus located in communities throughout the nation. The better business bureaus provide information about local businesses and warn consumers about dishonest businesses. They also investigate consumer complaints.

During the 1960s, the government focused on five major rights of consumers. They include the rights of consumers to safe products, to be informed against misleading information, to choose from a variety of products at competitive prices, to be heard, and to obtain payment from the manufacturers if their product causes damage.

Study Guide



Chapter 19, Section 4 (continued)

Consumers have responsibilities. If a product is faulty, they should begin the problem-solving process immediately. People should not try to fix a product themselves because that might cancel the product's **warranty**. This is the promise made by a manufacturer or a seller to repair or replace a product within a certain time if it is faulty. People should state the problem and suggest a fair way to solve it. They should keep a record of how they tried to solve the problem. If they contact the manufacturer directly, they should write a letter or e-mail and keep a copy.

Another responsibility of consumers is to show **ethical behavior**. They show this by respecting the rights of producers and sellers.

8. What does the Pure Food and Drug Act require?

• Your Role as a Consumer (page 440)

People's role as consumers depend on how much income they have and how much they choose to spend and save. Income can be both disposable and discretionary. **Disposable income** is the income a person has left after all the taxes on it have been paid. People spend their disposable income first on their needs. **Discretionary income** is money left over after paying for these necessities that can be used for satisfying wants. No matter how much income people have, they have to make decisions about how to spend it.

When deciding how to spend their income, people examine the opportunity cost of what they want to buy. In making their decisions, they consider their goals. For example, suppose people want to save money to buy new computers. They also have many other things that they would like to buy, such as clothes and CDs. If they buy these things, they will have a harder time reaching their long-term goals. If they do not buy these things, they increase their chance of buying the computers. Long-term goals often conflict with short-term spending decisions.

Study Guide



Chapter 19, Section 4 (continued)

People can reach their long-term buying goals if they save. **Saving** is to set aside income for a period of time so that it can be used later. It is part of the income that people do not spend. There are many reasons for saving. Most people cannot make large purchases without putting aside money to help pay for them. Saving also is important for emergencies.

To help people save, some employers withhold a certain amount of money from employees' paychecks. The money is automatically placed into the employees' savings accounts. Many people do this themselves by budgeting a certain amount of money to save. People generally put their savings in a bank or similar financial institution where it can earn **interest**. This is the payment people receive when they lend money or allow someone else to use their money. Saving involves a trade-off. The more people save today, the more they can buy later. However, they will have less money to spend today.

9. How can people reach their long-term buying goals?

Study Guide



Chapter 20, Section 1

For use with textbook pages 448–451

What Is Demand?



KEY TERMS

- demand** the desire, willingness, and ability to buy a good or service (page 448)
- demand schedule** a table that lists the various quantities of a product or service that someone is willing to buy over a range of possible prices (page 449)
- demand curve** a graph that shows the amount of a product that would be bought at all possible prices in the market (page 449)
- law of demand** an economic principle that states that quantity demanded and price move in opposite directions (page 449)
- market demand** the total demand of all consumers for their product or service (page 449)
- utility** the pleasure, usefulness, or satisfaction people get from using a product (page 450)
- diminishing marginal utility** the principle that people’s additional satisfaction, or their marginal utility, tends to go down as more and more units are consumed (page 451)

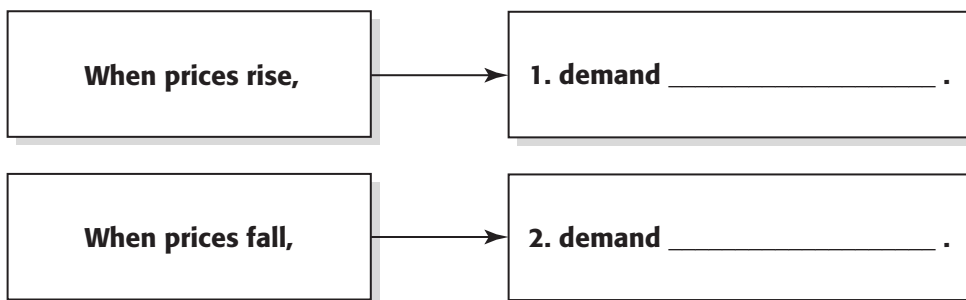
DRAWING FROM EXPERIENCE

How much are you willing to pay for a CD? Do you buy more CDs if there is a sale? Why?

In this section, you will learn about demand and its relationship with price.

ORGANIZING YOUR THOUGHTS

Use the cause-and-effect diagram to help you take notes. List the effects on demand when prices increase and decrease.



Study Guide



Chapter 20, Section 1 (continued)

READ TO LEARN

- **An Introduction to Demand** (page 448)

Prices in the United States are set by demand and supply. In economics, **demand** refers to the desire, willingness, and ability of people to buy a good or service. For demand to exist, a consumer must want a good, must be willing to buy it, and must have a way to buy it.

Demand can be shown on a **demand schedule**. This table lists the various quantities of a product or service that a person is willing to buy at a range of prices. Demand can also be shown on a **demand curve**. This line graph lists prices on the vertical axis and quantities along the horizontal axis. Each point on the graph shows how many units of an item a person is willing to buy at a given price. The line on the graph shows that people are willing to buy less of a product if the price is high and more of the product if the price is low. The **law of demand** states that quantity demanded and price move in opposite directions.

3. What do the demand schedule and demand curve show?

- **Individual vs. Market Demand** (page 449)

When companies try to sell their goods, they look at **market demand**. This is the total demand of all consumers for a company's product or service. Knowing the demand is important for good business planning. Companies need to know what the demand is for their products. They need to know the reaction of consumers to different prices. They may find this out by polling consumers about prices.

Almost everything people buy provides **utility**. This is the pleasure, usefulness, or satisfaction people get from using the product. The utility varies from person to person. Utility changes as people consume more of a certain product. For example, people have the most satisfaction eating the first slice of pizza when they are hungry. Because they are not as hungry after the first slice, they get less marginal utility, or less additional satisfaction, after eating each additional slice. This shows **diminishing marginal utility**. It means that people's marginal utility, or additional satisfaction, generally goes down as more and more units of

Study Guide



Chapter 20, Section 1 (continued)

something are consumed. This idea helps to explain why the demand curve slopes downward. If the marginal utility, or the extra benefits, to be gained are greater than the marginal cost, or the money given up to pay for the product, then people usually buy it. If the benefits are less than the cost, people usually do not buy it. Because the marginal utility lessens as people use more and more of a product, they are not willing to pay as much for the second and third items as they did for the first.

4. What happens to marginal utility as people consume more and more of a product?

Study Guide



Chapter 20, Section 2

For use with textbook pages 452–456

Factors Affecting Demand



KEY TERMS

substitutes competing products in which one can be used in place of another (page 454)

complements products that are used together (page 454)

demand elasticity the extent to which a change in price causes a change in the quantity demanded (page 455)

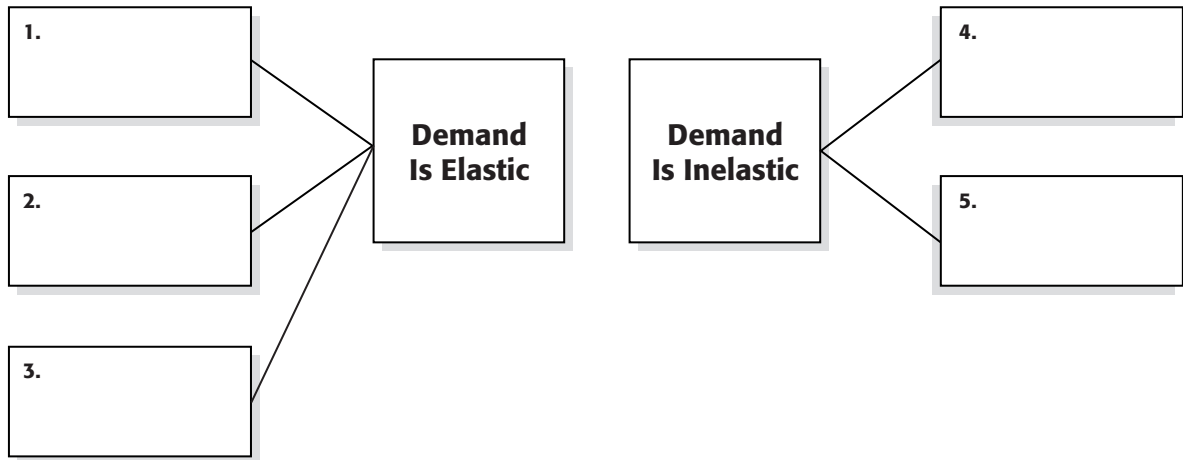
DRAWING FROM EXPERIENCE

What kinds of products do you buy because they are popular and are often advertised? Are you still willing to buy the product if it becomes less popular? Why or why not?

The last section described what demand is. This section discusses what causes a change in demand.

ORGANIZING YOUR THOUGHTS

Use the diagram to help you take notes. Demand for products can be elastic and inelastic. List the kinds of products for which demand is elastic and those for which demand is inelastic in the diagram.



Study Guide**Chapter 20, Section 2 (continued)****READ TO LEARN****• Changes in Demand** *(page 452)*

Demand can go up or down. At times people are willing to buy more of a product at a certain price. However, at other times they are less willing to do so. Market demand can change for several reasons. It can change when more consumers enter the market. More consumers increase the demand. Fewer consumers decrease the demand. For example, when many people move into an area, demand for goods and services goes up. When many people move out of an area, the demand goes down. The number of consumers can change for different reasons. The number of consumers may increase because of a higher birthrate or a movement of people into a region. The number of consumers, however, decreases with an increase in the death rate or the movement of people out of a region.

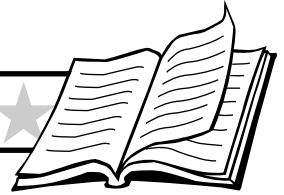
Market demand can change when the income of consumers changes. When the economy is strong, people make more money and are willing to buy more of a product at any particular price. However, when the economy is weak, people often have less money to spend. As a result, the demand goes down.

Demand can change because of a change in taste. When a product becomes popular, more people are willing to buy the product at a particular price. However, when a product becomes less popular, people are less willing to spend money on the product.

Expectations can cause a change in demand. Expectations refer to the way people think about the future. For example, if people are worried that the economy will weaken, they may become less willing to spend money on goods. The demand becomes lower. If people expect that there will be a shortage of some kind of product, the demand for the product is often higher.

Demand can change if the quality or price of related products changes. Competing products are called **substitutes**. This is because consumers can use one product in place of the other. When two products are substitutes, a change in the price of one causes the demand for the other product to move in the same direction. For example, if the price of margarine increases, then the demand for butter, which is a substitute

Study Guide



Chapter 20, Section 2 (continued)

for margarine, increases. This is because people can substitute butter for the higher-priced margarine.

Some products are **complements**. These are products that are used together. When the price for one complementary product moves in one direction, the demand for the other complementary products moves in the other direction. For example, DVD players and DVDs are complementary goods. When the price of DVD players goes down, the demand for DVDs goes up.

6. How does the demand for a product generally differ in a strong and a weak economy?

- **Elasticity of Demand** (page 455)

The law of demand says that when the price goes up, quantity demanded goes down. If the price goes down, quantity demanded goes up. Although people generally know how demand will be affected, they do not by how much. All products and services are not affected the same way. Economists call this occurrence **demand elasticity**. This is the extent to which a change in price causes a change in the demand for a product.

For some goods, demand is elastic. This means that each change in price causes a relatively larger percentage change in quantity demanded. When there are substitutes for a good, demand tends to be elastic. This is because consumers can choose to buy the substitute. Goods that are expensive generally have elastic demand. This is because people are less willing to pay for goods that are expensive in the first place. Demand is elastic for goods that can be bought later. People usually delay buying these goods in the hope that the prices will go down.

For some goods, demand is inelastic. This means that price changes have little to do with demand. For example, an increase in the price

Study Guide



Chapter 20, Section 2 (continued)

of turkeys near Thanksgiving Day would have little to do with the demand for turkeys. Demand for goods with few substitutes, such as medicines, is also inelastic. For example, if the price of a certain heart medicine goes up, the quantity demanded would probably not fall much because people need it to stay healthy.

7. Why is demand elastic for a product that has substitutes?

Study Guide



Chapter 21, Section 1

For use with textbook pages 462–465

What Is Supply?



KEY TERMS

supply the various quantities of a good or service that producers are willing to sell at all possible market prices (page 462)

law of supply the principle that suppliers will normally offer more for sale at higher prices and less at lower prices (page 463)

supply schedule a numerical chart that illustrates the law of supply (page 463)

supply curve a graph that shows the amount of a product that would be supplied at all possible prices in the market (page 463)

profit the money a business receives for its products or services over and above its costs (page 464)

market supply the combination of supply schedules of all the businesses that provide the same good or service (page 464)

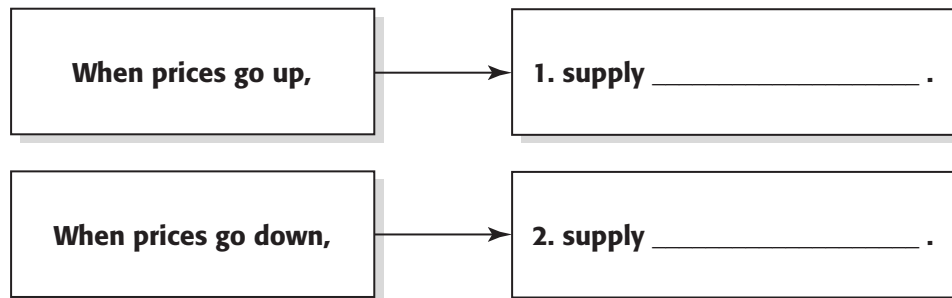
DRAWING FROM EXPERIENCE

What is a profit? How do businesses make a profit? Have you ever made a profit on something? How did you do so?

In this section, you will learn about the law of supply. You will also compare a supply schedule with a supply curve.

ORGANIZING YOUR THOUGHTS

Use the diagram to help you take notes. Supply and prices are related. Indicate how they are related in the diagram.



Study Guide



Chapter 21, Section 1 (continued)

READ TO LEARN

- **An Introduction to Supply** (page 462)

One of the major forces that helps to set prices in the economy is demand. Another major force is **supply**. This refers to the various quantities of a good or service that producers are willing to sell at all possible market prices. Supply is the opposite of demand. Buyers demand different quantities of a good depending on its price. Suppliers offer different quantities of a good depending on the price that buyers are willing to pay.

The law of demand states that as the price of a good rises, the quantity demanded goes down. The **law of supply** states that as the price rises for a good, the quantity supplied rises. The higher a price of a good, the more willing the producer is to produce more. The producer expects to make a higher profit because of the higher price.

The law of supply can be shown on a numerical chart called the **supply schedule**. The chart shows that as the price of a good rises, so does the quantity supplied. The law of supply can also be shown on a **supply curve**. This is a line graph that shows the amount of a product that would be supplied at all possible prices in the market. The graph is drawn with prices on the vertical axis and quantities on the horizontal axis. Unlike the demand curve, the supply curve slopes upward. This shows that suppliers offer more goods and services at a higher price and fewer at a lower price.

Businesses want to sell their goods at higher prices because they want to cover costs and earn profits. **Profit** is the money a business receives for its products and services over and above its costs. For example, if it costs a company \$40 to make a video game and it sells the game for \$40, the company earns no profit on the sale. The company wants to make money, so it has to sell the game for more than \$40. The additional money is the company's profit. Earning a profit is the main goal for business owners.

3. Describe a similarity and a difference between a demand curve and a supply curve.

Study Guide



Chapter 21, Section 1 (continued)

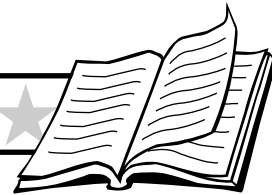
- **Graphing Market Supply** (page 464)

When you combine the supply schedules of all the businesses that provide the same good or service, the total is called the **market supply**. The market supply curve has the same upward slope as the individual supply curve. This shows that all the producers of a certain good would prefer to sell more goods at higher prices and fewer goods at lower prices.

The price has the greatest effect on the quantity supplied of any product.

4. How is a market supply curve similar to and different from an individual supply curve?

Study Guide



Chapter 21, Section 2

For use with textbook pages 466–469

Factors Affecting Supply



KEY TERMS

productivity the degree to which resources are being used efficiently to produce goods and services (page 467)

technology the methods or processes used to make goods and services (page 467)

subsidy a government payment to an individual, business, or other group for certain actions (page 468)

supply elasticity a measure of how the quantity supplied of a good or service changes in response to changes in price (page 469)

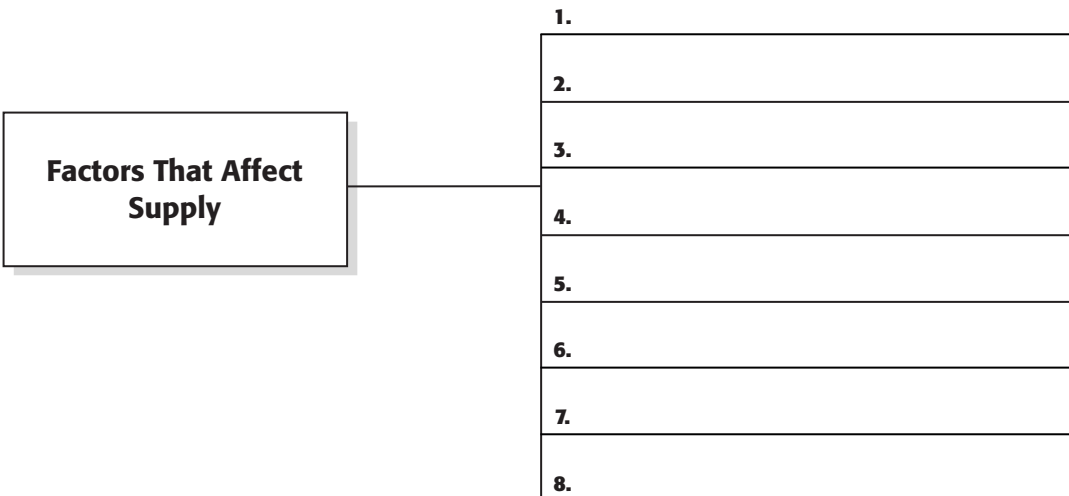
DRAWING FROM EXPERIENCE

Many young people mow lawns as a part-time job. How do you think the use of a power mower instead of a hand mower might affect the number of jobs that could be completed?

The last section described the law of supply. This section discusses the factors that can change supply.

ORGANIZING YOUR THOUGHTS

Use the diagram to help you take notes. Several factors can affect supply. List these factors in the diagram.



Study Guide**Chapter 21, Section 2 (continued)****READ TO LEARN****• Changes in Supply** (*page 466*)

Supply can increase or decrease. A change in supply takes place when producers decide to offer a different quantity of a good at each possible price in the market. This can happen for different reasons.

A change in the prices of the factors of production will affect supply. When these prices fall, sellers are willing and able to produce and offer to sell more of the good. It is cheaper to produce the good. The supply curve then moves to the right. When the prices of the factors of production rise, sellers are less able to produce and sell the same quantities of the good. It is more expensive to produce the good. The supply curve moves to the left.

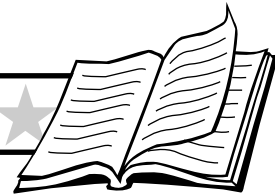
Businesses can cut costs and increase profits by increasing **productivity**. This is the degree to which resources are being used efficiently to produce goods and services. Productivity improves when workers are more efficient, when they produce more output in the same amount of time. As productivity increases, a company's costs go down and more products are made at every price. When productivity falls, it costs more for a company to produce the good.

Technology also affects costs. Technology refers to the methods used to make goods and services. New technology can speed up production and cut a company's costs. As a result, a company can supply more at the same price.

The actions of government can affect supply. New government regulations can affect the cost of production. This then affects supply. For example, when the government orders car manufacturers to include new safety features in their cars, the cars cost more to make. The manufacturers adjust to the higher costs by making fewer cars at every price. Generally, government regulations lower supply, shifting the supply curve to the left. The loosening of government regulations generally lowers the cost of production, shifting the supply curve to the right.

Taxes are a cost to companies. As a result, they affect supply. A **subsidy** is a government payment to an individual, business, or other group for certain actions. For example, the government may subsidize the production of corn by paying farmers \$2 for every bushel of corn. The subsidy lowers the cost of producing corn. When subsidies are lifted, the cost of production goes up.

Study Guide



Chapter 21, Section 2 (continued)

The expectations of producers affect supply. If businesses believe that demand for a product will decline in the future, they will produce less of the product. This will lower supply. However, if businesses expect demand to go up, they will produce more at all possible prices. This will increase supply.

The number of suppliers affects the market supply. The larger the number of suppliers, the greater the market supply. On the other hand, when the number of suppliers decreases, the market supply decreases as well.

9. How does technology affect supply?

• Elasticity of Supply (page 469)

Supply, like demand, can be elastic or inelastic. **Supply elasticity** measures how the quantity supplied of a good or service changes in response to changes in price. If the quantity changes a lot, the product is said to be supply elastic. If it changes very little, the supply is inelastic. Supply elasticity depends on how fast a company can change the amount of a product it produces in response to price changes. For example, oil is supply inelastic. This is because when oil prices go up, oil companies cannot quickly find a new site with oil and drill a new well. Products such as candy, however, are supply elastic because they can be made quickly in response to price increases.

10. What does supply elasticity depend on?

Study Guide



Chapter 21, Section 3

For use with textbook pages 471–475

Markets and Prices



KEY TERMS

surplus the amount by which the quantity supplied is higher than the quantity demanded (page 472)

shortage the amount by which the quantity demanded is higher than the quantity supplied (page 472)

equilibrium price the price at which a good is bought and sold in a market so that there is no surplus or shortage (page 473)

DRAWING FROM EXPERIENCE

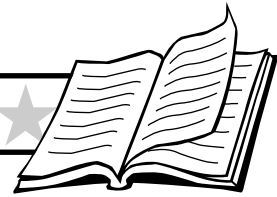
What things do you consider when buying an item, such as an article of clothing or a video game? How important is price in your decision?

The last section discussed the factors that affect supply. This section describes how demand and supply work together to determine price.

ORGANIZING YOUR THOUGHTS

Use the diagram to help you take notes. Prices have several advantages. Describe these advantages in the diagram.



Study Guide**Chapter 21, Section 3 (continued)****READ TO LEARN****• Supply and Demand at Work** (*page 471*)

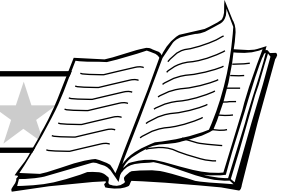
Markets are made up of all buyers and sellers of a product. Combining the supply and demand curves shows how supply and demand work together. Suppose that sellers will produce 225 video games at \$40 each. Buyers, however, are willing to buy only 150 video games at that price. This leaves a **surplus** of 75 video games. A surplus is the amount by which the quantity supplied is higher than the quantity demanded. The surplus shows up on the demand and supply curves as the horizontal distance between the supply curve and the demand curve above the point where the two points cross. A surplus shows that the price of an item is too high. Sellers will have to lower their prices if they want to sell their goods.

Suppose that the price of the video game is \$20. Supplier's will produce only 105 video games at this price. Consumers, however, are willing to buy 230 games. This leaves a **shortage**. This is the amount by which the quantity demanded is higher than the quantity supplied. It shows up as the horizontal distance between the supply curve and the demand curve below the point where the two points cross. A shortage means that the price is too low. Suppliers are not willing to sell their goods in large enough numbers to meet the demand. The price will have to rise.

In a market economy, a surplus of an item forces the price down and a shortage forces it up. This goes on until supply and demand are balanced. The point where balance occurs is the **equilibrium price**. At this price there is neither a surplus nor a shortage. Once the equilibrium price is reached, it usually stays there until either the supply or demand changes. Then there will be a temporary surplus or shortage. Prices will adjust again until the market establishes equilibrium.

Sometimes the government sets the price of a product. This is because it believes that the forces of supply and demand are unfair. When the government sets a price ceiling, it sets a maximum price that can be charged for goods and services. For example, a city government might set a price ceiling for what landlords may charge for rent. When the government sets a price floor, it sets a minimum price that may be charged for goods and services. For example, the minimum wage is a price floor.

Study Guide



Chapter 21, Section 3 (continued)

5. What happens when the price of a good is below the equilibrium price?

• **Prices as Signals** (page 474)

Prices help businesses and consumers make decisions. Prices help answer the economic questions of what to produce, how to produce, and for whom to produce.

The economy would not run as smoothly without prices. Prices have advantages. One advantage is that prices are neutral. They do not favor the producer or the consumer. They result from competition between buyers and sellers.

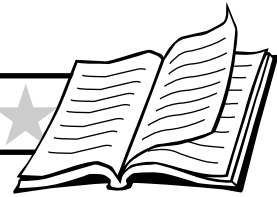
Another advantage is that prices are flexible. Events such as natural disasters may affect the supply and demand for items. Both buyers and sellers react to the event and adjust how much they buy and how much they produce. Eventually, the price system adjusts.

A third advantage of prices is that they provide freedom of choice. Consumers can choose from a wide variety of products. If the price is too high, then consumers can usually find a lower-priced product. In a command economy, consumers do not have many choices. The government decides the total number of goods to produce. It limits the variety to keep production costs down. Items such as housing are priced low. However, there are usually not enough items to satisfy everyone.

Finally, the advantage of prices is that they are familiar and easily understood. This helps people make decisions quickly.

6. What is the advantage of prices being familiar?

Study Guide



Chapter 22, Section 1

For use with textbook pages 480–485

Types of Businesses



KEY TERMS

- sole proprietorship** a business owned and operated by a single person (*page 480*)
- unlimited liability** being financially responsible for any and all problems related to a business (*page 481*)
- financial capital** the money needed to run a business or enable it to grow larger (*page 481*)
- partnership** a business owned by two or more people (*page 481*)
- articles of partnership** a legal agreement that identifies how much money each partner will contribute and what role each will play in the business (*page 481*)
- corporation** a business recognized by law that has many of the rights and responsibilities of an individual (*page 482*)
- charter** a government document granting permission to organize a corporation (*page 482*)
- stock** ownership shares of a corporation (*page 482*)
- stockholder** a person who buys shares of a corporation (*page 483*)
- board of directors** elected by shareholders to act on their behalf; hires managers to run the corporation on a daily basis (*page 483*)
- limited liability** the situation in which only a corporation and not its owners is responsible for the debts of the corporation (*page 484*)
- double taxation** paying taxes twice on corporate profits (*page 484*)
- cooperative** a voluntary association of people formed to carry on some kind of economic activity that serves to benefit its members (*page 485*)

DRAWING FROM EXPERIENCE

Have you ever thought of owning your own business some day? What kind of business would you like to own? Why?

In this section, you will learn the different ways that businesses are organized. You will also learn the advantages and disadvantages of each type of organization.

Study Guide



Chapter 22, Section 1 (continued)

ORGANIZING YOUR THOUGHTS

Use the diagram to help you take notes. The three types of businesses listed in the chart have different kinds of ownership. Describe the type of ownership of each business in the chart.

Type of Business	Kind of Ownership
sole proprietorship	1.
partnership	2.
corporation	3.

READ TO LEARN

• Proprietorships (page 480)

The most common type of business organization in the United States is the **sole proprietorship**, or proprietorship. This is a business owned and operated by a single person. The neighborhood cleaners is an example of a sole proprietorship.

The proprietorship is the easiest type of business to set up. People who earn money baby-sitting or mowing lawns are sole proprietors. The major advantage of sole proprietorships is that the owner receives all the profits from the business. The proprietor can make all the decisions without checking with someone else.

However, sole proprietorships have disadvantages. The owner is financially responsible for all problems related to the business. This is called **unlimited liability**. If the business has debts, the owner might have to use personal money or have items such as houses taken away to pay the debts. Another disadvantage is that sole proprietors may find it difficult to raise financial capital. This is the money needed to run a business or enable it to grow larger. Sole proprietors generally use their own money or credit cards or borrow money from family and friends when they need money for their businesses. Proprietors may have difficulty finding qualified employees because of the availability of higher salaries and benefits in larger firms.

Study Guide



Chapter 22, Section 1 (continued)

4. What is the major advantage of a sole proprietorship?

• Partnerships (page 481)

A **partnership** is a business owned by two or more people. When partners start a business, they draw up a legal agreement called **articles of partnership**. The document tells how much money each partner will contribute and what role each will play in the business. It tells how the partners will share profits or losses. The document also describes how the partners should break up the business if they want to close it down.

One advantage of a partnership is that because it has more than one owner, it can raise more money. Partners do not have to pay a corporate income tax. Each owner often brings special talents to the business. Therefore, each partner can oversee a certain part of the business.

One disadvantage of a partnership is that the legal organization of it is complex. When a partner is added or removed, a new agreement has to be made. A major disadvantage of a partnership is that the owners have unlimited liability. Each owner is fully responsible for the debts of the partnership.

5. What are two advantages of a partnership?

• Corporations (page 482)

The **corporation** is a business recognized by law that has many of the rights and responsibilities of an individual. The people who start a corporation must get a **charter**. This is a government document that grants permission to organize. The charter includes information about

Study Guide**Chapter 22, Section 1 (continued)**

the business, including the amount of **stock** that will be issued. These are the ownership shares of the corporation. The **stockholders**, or people who buy the stock, become the owners of the corporation. The corporation uses the money received from selling the stock to set up and run the business. The stockholders elect a **board of directors** to act on their behalf. The board hires managers to run the business on a daily basis.

An advantage of the corporation is that it is easy to raise money. If the corporation needs money to grow, it can sell new shares of stock. The second advantage is that corporations can grow to be large. They can hire thousands of employees and carry out business around the world. A third advantage is that the board of directors can replace managers if they are not successful in running the business. A fourth advantage of a corporation is that the ownership of the corporation can be easily transferred. If an individual who owned shares in one corporation wanted shares in another, he or she could simply sell the first stock and buy the second. A final advantage of a corporation is that it has **limited liability**. Only the corporation, and not its owners, is responsible for the debts of the corporation. The advantages of corporations have helped to make them successful.

A disadvantage of corporations is that they are expensive and complex to set up. Another disadvantage is that business owners have little say in the management of the business. A third disadvantage is that corporations have to follow more government regulations than other types of businesses. Finally, stockholders are subject to **double taxation**. This means that taxes are paid twice on corporate profits. First, corporations pay taxes on profits. Then when the profits are distributed to the stockholders, they have to pay income tax on those earnings.

There are other types of business organizations. Other organizations operate on a “not-for-profit” basis. This type of organization works for the interests of its members. Hospitals are an example of not-for-profit organizations. Another kind of not-for-profit organization is the **cooperative**. This is a voluntary association of people formed to carry on some kind of economic activity that will benefit its members. A consumer cooperative buys bulk amounts of goods on behalf of its

Study Guide

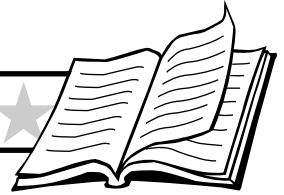


Chapter 22, Section 1 (continued)

members. Service cooperatives provide services such as insurance to its members. Producer cooperatives help members promote or sell their products.

6. Who actually runs a corporation?

Study Guide



Chapter 22, Section 2

For use with textbook pages 486–489

Labor Unions



KEY TERMS

- labor union** group of workers who band together to have a better chance for higher pay and better working conditions (*page 486*)
- closed shop** an arrangement in which a worker must belong to a union in order to be hired by the company (*page 488*)
- union shop** an arrangement in which a company can hire nonunion people, but those workers have to join the union once they begin working (*page 488*)
- right-to-work laws** laws that prevent unions from forcing workers to join (*page 488*)
- modified union shop** an arrangement in which workers do not have to join the union but can do so after they are hired (*page 488*)
- collective bargaining** meeting in which union and company officials meet to discuss the workers' new contract (*page 488*)
- mediation** a process in a contract negotiation in which two parties bring in a third party who tries to help them reach an agreement (*page 489*)
- arbitration** a process in a contract negotiation in which a third party listens to both sides and then decides how to settle the disagreement (*page 489*)
- strike** a work stoppage called by a union to put pressure on the employer to accept its positions (*page 489*)
- lockout** a situation in which management prevents workers from returning to work until they agree to accept its contract terms (*page 489*)

DRAWING FROM EXPERIENCE

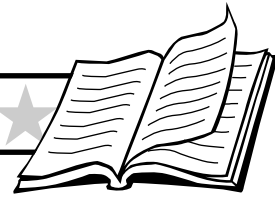
What happens when workers go on strike? Do you think going on strike is an effective way for workers to settle conflicts? Why or why not?

The last section described the organization of several business organizations. This section discusses the different types of unions.

ORGANIZING YOUR THOUGHTS

Use the diagram on the next page to help you take notes. There are two types of unions. Unions are organized on several levels. Identify the types and the levels in the diagram.

Study Guide



Chapter 22, Section 2 (continued)

Types of Unions	<p>1. _____</p> <p>2. _____</p>
Levels of Unions	<p>3. _____</p> <p>4. _____</p> <p>5. _____</p>

READ TO LEARN

• **Organized Labor** (page 486)

Some workers organize into **labor unions**. These are groups of workers who band together to have a better chance to obtain higher pay and better working conditions. Unions play an important part in the nation's economy.

There are two types of unions. Those workers who perform the same skills join a craft or trade union. Different types of workers who work for the same industry join an industrial union. Workers from a variety of professions belong to unions.

Unions operate at three levels. A local union is made up of members of a union in a factory or geographic area. The local union deals with a company by negotiating a contract.

Above the local unions are the national unions. These organizations are the individual craft or industrial unions that represent local unions nationwide. National unions send representatives to help workers set up local unions. The national unions provide lawyers and other staff members to help negotiate a contract between a local union and a company. In some industries, such as the steel industry, the national union negotiates a contract for the whole industry. Once the contract is accepted, all the local unions in the industry have to work under it. International unions have members in Canada or Mexico.

Study Guide ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ 

Chapter 22, Section 2 (continued)

A third level of unions is the federation level. This is the AFL-CIO, which was formed in 1955. It is a merger of the American Federation of Labor and the Congress of Industrial Organizations.

In the past some unions wanted the **closed shop**. A closed shop arrangement required a worker to belong to the union in order to be hired by a company. This arrangement is not common today. More common is the **union shop**. In this arrangement, companies can hire workers who do not belong to a union. However, the workers have to join the union once they start working. Many states have passed **right-to-work laws**, which prevent unions from forcing workers to join. In a **modified union shop**, workers do not have to join a union after they are hired, but they can do so if they choose to. If they join the union, they must stay in it as long as they work for that employer. A union cannot be brought into a company unless most of the workers vote to have it.

- 6. What is the difference between a closed shop and a union shop?

• **Negotiations** (page 488)

Once workers choose a union, it carries out **collective bargaining** for the workers. Officials from the union and from the company meet to negotiate the workers' contract. The negotiation usually involves how much the workers will receive in pay and benefits. At times, the two sides cannot agree to the terms of a new contract. They may try **mediation** to come to an agreement. This is a process in which the two sides bring in a third party who tries to help them reach a compromise. In some cases, the two sides choose **arbitration**. This is a process in which a third party listens to both sides and then decides how to settle the disagreement. Both sides have to accept the decision.

To pressure the management to accept their terms, workers can call a **strike**. This is a situation in which all workers in the union refuse to go

Study Guide



Chapter 22, Section 2 (continued)

to work. The workers hope that without having workers, the business will have to shut down. They hope that this forces the company to accept the union's terms. To pressure the workers, the management can use the **lockout**. The company blocks workers from coming into the buildings until they agree to the contract terms. The company hopes that losing pay will convince union members to accept the company's terms.

7. What method do workers use to force companies to accept the union's terms?

Study Guide



Chapter 22, Section 3

For use with textbook pages 491–494

Businesses in Our Economy



KEY TERMS

transparency revealing financial information about a company (page 493)

discrimination treating someone differently on the basis of race, religion, color, gender, or age (page 493)

social responsibility the obligation businesses have to pursue goals that benefit society as well as themselves (page 494)

DRAWING FROM EXPERIENCE

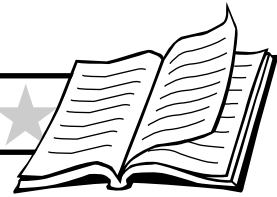
What businesses are located in your community? How are these businesses involved in your community? What types of programs have they sponsored that help people in your community?

The last section described several types of unions. This section discusses the responsibilities of businesses to consumers, employees, and their communities.

ORGANIZING YOUR THOUGHTS

Use the chart to help you take notes. Businesses play different roles in the economy. They also have responsibilities. List the roles and responsibilities of businesses in the chart.

Roles of Businesses	Responsibilities of Businesses
1.	4.
2.	5.
3.	6.
	7.

Study Guide**Chapter 22, Section 3 (continued)****READ TO LEARN****• The Roles of Business** (page 491)

Businesses play many roles in the nation's economy. When they buy goods from other businesses, they act as consumers. They act as employers. They also act as producers, providing people with a variety of goods and services.

8. In what way are businesses producers?

• The Responsibilities of Business (page 492)

Businesses have different responsibilities. They have a responsibility to consumers to sell products that are safe. They should sell products and services that do what they are promised to do. Businesses have the responsibility of being truthful in their advertising. They should treat all customers fairly.

Businesses have responsibilities to the owners, particularly in corporations, where the managers and owners are different groups of people. Corporations must release financial information. This is done to protect stockholders. Stockholders get reports on such things as sales, expenses, and profits. Revealing this information is called **transparency**. Investors use the information to decide whether to invest in the business, keep their current investments, or sell their stocks. If a corporation is not honest in presenting the information, the government may prosecute it for breaking the law.

Businesses also have responsibilities to employees. They should give their employees a safe working environment. They should treat them without **discrimination**. This means that they cannot treat employees differently on the basis of race, religion, gender, or age.

More businesses today are focusing on their **social responsibility**. This is the obligation they have to pursue goals that benefit society as well as themselves. Businesses have a responsibility to the community as a

Study Guide

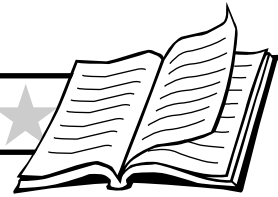


Chapter 22, Section 3 (continued)

whole. They fulfill this responsibility in a variety of ways. Some companies provide such programs as Meals on Wheels. Some offer scholarships or grants. Some provide assistance to victims of disasters and promote programs to preserve the environment.

9. Why are corporations required to provide financial information about the business?

Study Guide



Chapter 23, Section 1

For use with textbook pages 502–506

The Role of Government



KEY TERMS

- private goods** goods that, when consumed by one individual, cannot be consumed by another (page 502)
- public goods** goods that can be consumed by one person without preventing the consumption of the good by another (page 502)
- externality** the unintended side effect of an action that affects someone not involved in the action (page 503)
- antitrust law** a law to control monopoly power and to preserve and promote competition (page 505)
- merger** a combination of two or more companies to form a single business (page 505)
- natural monopoly** a market situation in which the costs of production are minimized by having a single firm produce the product (page 505)
- recall** a situation in which a company pulls a product off the market or agrees to change it to make it safe (page 506)

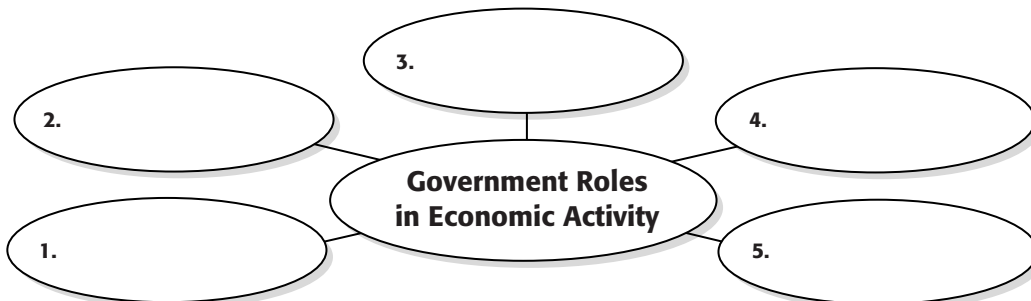
DRAWING FROM EXPERIENCE

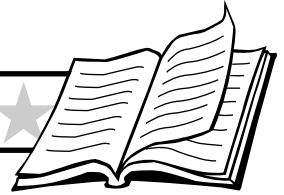
What is competition? How does competition affect your life? Do you think competition helps or hurts businesses?

In this section, you will learn what public goods the government provides. You will also learn what the government does to regulate economic activity.

ORGANIZING YOUR THOUGHTS

Use the diagram to help you take notes. The government has several roles in the U.S. economy. Describe these roles in the diagram.



Study Guide**Chapter 23, Section 1 (continued)****READ TO LEARN**

- **Providing Public Goods** (*page 502*)

Most goods and services that businesses produce are **private goods**. These are goods that, when consumed by one individual, cannot be consumed by another. Consuming private goods is determined by the exclusion principle. This means that a person is excluded from using a product unless he or she pays for it. Private goods include items such as clothes, and private services include such things as medical services and auto care.

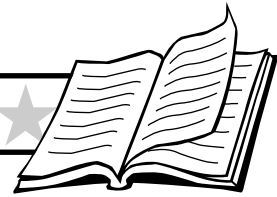
Public goods are goods that can be consumed by one person without preventing another person from consuming them. Consuming public goods is determined by the nonexclusion principle. This means that no one is excluded from consuming the benefits of a public good whether or not he or she pays. Public goods include such things as parks, libraries, and highways. Because it is difficult to charge for public goods, the government usually provides them. As a result, providing public goods is a responsibility of government. The government pays for these goods through taxes. It then provides the goods and services to everyone.

6. Why does the government provide public goods?

- **Dealing With Externalities** (*page 503*)

The government deals with **externalities**. These are the unintended side effects of an action that affects someone not involved in the action. For example, suppose a company pays bonuses to its workers. The restaurants and businesses around the company will probably have increasing sales because the workers have more money to spend. These businesses experience externalities. They had nothing to do with the paying of bonuses, but they were affected by it.

One of the reasons that the government provides public goods is that these goods produce externalities. For example, everyone benefits from good roads. They make it cheaper to transport goods. As a result these goods can have lower prices, which benefits everyone.

Study Guide**Chapter 23, Section 1 (continued)**

Governments can make positive externalities happen. For example, when in the 1960s the government started its program to put a person on the moon, it needed to develop a smaller computer. The government provided money to researchers to develop computer chips. Today these chips are used in cars and appliances. They benefit everyone.

Sometimes externalities have negative effects. For example, when a company dumps poisonous waste into a river, people who depend on the river would experience a negative externality. The role of the government is to prevent negative externalities.

- 7.** What does the government try to do about negative externalities?

• **Maintaining Competition** (page 504)

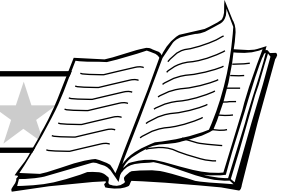
Markets work best when there are many buyers and sellers. Sometimes a market becomes controlled by a monopoly, which is one provider of a good or service. When this happens, there is no competition and the provider can charge any price that it wants, which may hurt consumers. The U.S. government has encouraged competition. It has passed **antitrust laws** to do this. In 1890, Congress passed the Sherman Antitrust Act. It banned monopolies and other business combinations that prevented competition. The government has used this law to break up monopolies. The government can also step in to prevent a **merger**, or a combination of two or more companies to form a single business, if it threatens competition.

- 8.** What is the goal of antitrust laws?

• **Regulating Market Activities** (page 505)

To prevent negative externalities, the government regulates some activities by businesses. There are several federal agencies that do this. Government regulation is needed to deal with a **natural monopoly**. This is a market situation in which the costs of production are minimized by having a single firm produce the product. A natural monopoly sometimes makes sense. For example, it would not make sense to have three

Study Guide



Chapter 23, Section 1 (continued)

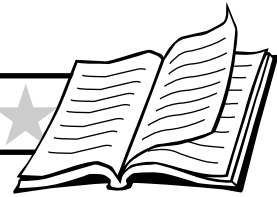
or four telephone companies compete in a community if each company had to set up its own set of telephone poles. A company that is a natural monopoly exchanges having the market to itself for being regulated by the government. For this reason, services such as gas and electricity are often provided by one supplier.

The government also oversees advertising and product labeling. The Federal Trade Commission deals with problems of false advertising. The Food and Drug Administration (FDA) is the agency that deals with the effectiveness and labeling of things such as food and drugs.

The Consumer Product Safety Commission is the federal agency that deals with product safety. If a product presents a safety hazard, the agency urges the manufacturer to issue a **recall**. In a recall, a company pulls a product off the market or agrees to change it to make it safe.

9. What federal agencies deal with problems of false advertising, labeling, and product safety?

Study Guide



Chapter 23, Section 2

For use with textbook pages 508–513

Measuring the Economy



KEY TERMS

real GDP a measure of the economy that shows an economy's production after the distortions of price increases have been removed (*page 509*)

business cycle alternating periods of growth and decline in an economy (*page 509*)

expansion a growth in the economy shown by an increase in the real GDP (*page 509*)

peak the highest point in an economic expansion (*page 509*)

recession a downward trend in the economy shown when the real GDP goes down for six straight months (*page 509*)

civilian labor force all civilians 16 years old or older who are either working or are looking for work (*page 510*)

unemployment rate the percentage of people in the civilian labor force who are not working but are looking for jobs (*page 510*)

fiscal policy changes in government spending or tax policies (*page 510*)

inflation a sustained increase in the general level of prices (*page 511*)

consumer price index (CPI) a measure of the price level of 400 consumer items used to keep track of inflation (*page 511*)

DRAWING FROM EXPERIENCE

Is the economy experiencing high unemployment? How are people affected by unemployment? How are businesses affected?

The last section described the roles the government plays in regulating economic activity. This section discusses the business cycle.

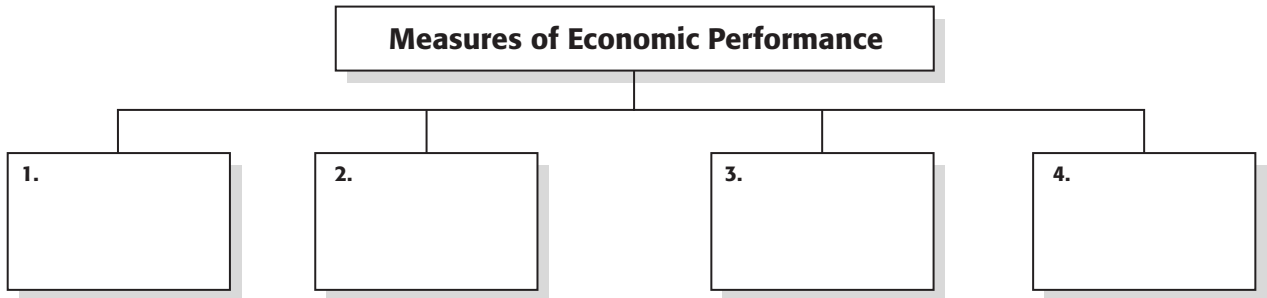
ORGANIZING YOUR THOUGHTS

Use the diagram on the next page to help you take notes. Economists use several measures to examine how the economy is performing. Identify four measures in the diagram.

Study Guide



Chapter 23, Section 2 (continued)



READ TO LEARN

• **Measuring Growth** (page 508)

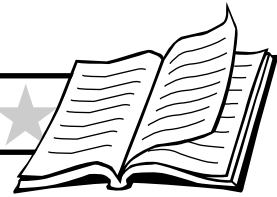
A nation's economy does not always operate smoothly. Sometimes it grows and sometimes it weakens. One measure of how an economy is performing is whether or not it is growing. The gross domestic product (GDP) measures the economy's growth. The GDP is the dollar value of all final goods and services a country produces in a year. Even if the same amount of goods and services were produced each year, the GDP could still increase because prices increase. This would make it seem that the economy was growing even though it was not. To take care of this, economists use another measure called the **real GDP**. This shows an economy's production after adjusting for price increases.

5. What is the difference between GDP and real GDP?

• **Business Fluctuations** (page 509)

An economy does not grow at an even rate. It goes through periods of growth and decline. This is called the **business cycle**. An economic **expansion** happens when real GDP goes up. At a certain point, real GDP reaches a **peak**, or the highest point in an expansion. Then the economy

Study Guide



Chapter 23, Section 2 (continued)

starts to decline. A **recession** happens when real GDP goes down for six straight months. Recessions tend to be shorter than expansions. However, during recessions many people lose their jobs.

6. When does an economic expansion occur?

• **Unemployment** (page 510)

Another way to measure the economy is to look at employment. Economists look at the **civilian labor force**. This includes all civilians 16 years old or older who are either working or are looking for work. About half of all people in the United States belong to the civilian labor force.

The **unemployment rate** is the percentage of people in the civilian labor force who are not working but are looking for jobs. Changes in the unemployment rate affect the economy. A rise in unemployment contributes to a drop in the nation's total income. The unemployment rate has a personal effect on people. Some people cut back on luxuries, but others have to cut back on basic needs. Some even go into debt.

7. How does unemployment affect the nation's economy?

• **Fiscal Policy** (page 510)

When a nation experiences high unemployment, the government often takes action. It uses **fiscal policy**. This is a change in government spending or tax policies. For example, the government may cut taxes. It does this hoping that the increase in money will encourage people to buy more goods and services. This increase in demand for goods may encourage businesses to hire more workers, which would then lower unemployment. The government may increase spending. As it buys more goods and services, it attempts to convince businesses to hire workers to increase production. Political leaders often disagree over fiscal policy, and a specific fiscal policy change is often difficult to put into action.

Study Guide



Chapter 23, Section 2 (continued)

8. What does a government do when it uses fiscal policy?

• **Price Stability** (page 511)

Inflation is another indicator of how an economy is performing. Inflation is a sustained increase in the general level of prices. Inflation hurts the economy because it lowers the purchasing power of money. To keep track of inflation, the government checks the prices of 400 commonly used products every month. These items make up the **consumer price index (CPI)**. It is a popular measure of the price level. The change in the average level of prices as measured by the CPI determines the rate of inflation. Inflation is hard on people who have fixed incomes, such as those who get a pension. Inflation lowers the value of money because it will buy less after inflation than before. Prices act as signals to individuals and businesses about what decisions need to be made concerning the factors of production. High inflation rates affect this process as people begin to speculate, or buy things that they think will increase in value. The economy suffers when people speculate rather than invest in capital goods or services.

9. Why is inflation bad for the economy?

• **Stocks and Stock Markets** (page 512)

Investors usually want to buy stock if they believe they will make money on the investment. People get profits from stock in two ways. Dividends are a share of the company's profits that stockholders receive. Capital gains happen when stock is sold for more than it originally cost to buy. A company's stock price is determined by supply and demand. Many factors can change the demand for a stock. This will then change the stock's price.

Study Guide



Chapter 23, Section 2 (continued)

Investors often use stock indexes to keep track of how stocks perform. The stock indexes are statistical measures that track stock prices over time. The Dow-Jones Industrial Average (DJIA) tracks the prices of 30 stocks. The Standard and Poor's (S&P) index tracks the prices of 500 stocks.

Stocks are bought and sold at a stock exchange. People do not have to go themselves to a stock exchange. They can have a stockbroker buy or sell the stocks for them. Most stocks in the United States are traded on the New York Stock Exchange (NYSE), the American Stock Exchange, and on an electronic stock market such as the NASDAQ. Stock exchanges can also be found in other countries of the world.

In addition to telling people about the level of stock prices, stock indexes reflect investors' expectations about the future. If investors expect economic growth, then stock prices tend to go up in what is called a "bull market." If investors believe the economy will be weak, then stock prices could fall in what is called a "bear market."

10. In what two ways do people get profits from owning stocks?

Study Guide



Chapter 23, Section 3

For use with textbook pages 515–518

Government, the Economy, and You



KEY TERMS

food stamps government coupons that can be used to purchase food (page 517)

Women, Infants, and Children (WIC) program a federal welfare program that provides help with nutrition and health care to low-income women, infants, and children up to age 5 (page 517)

workfare programs that require welfare recipients to exchange some of their labor for benefits (page 517)

progressive income tax a tax rate in which the amount of taxes paid is lower for lower incomes and higher for higher incomes (page 518)

Earned Income Tax Credit (EITC) a federal program that gives tax credits and even cash payments to low-income families and individuals (page 518)

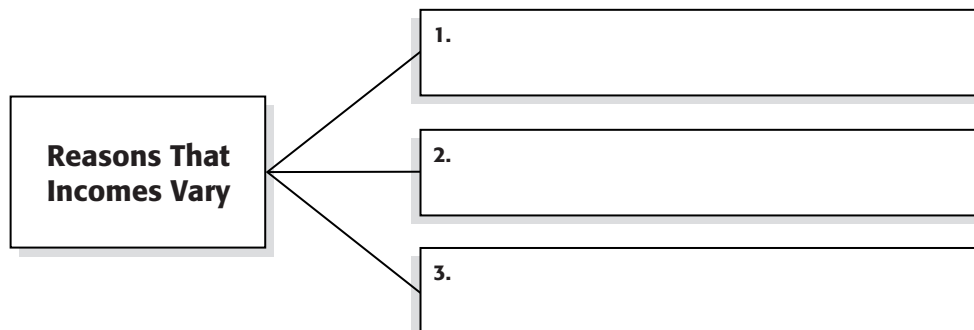
DRAWING FROM EXPERIENCE

How do you think education affects a person’s income? What other factors do you think influence how much money a person makes? What do you think are some of the reasons for poverty in the United States?

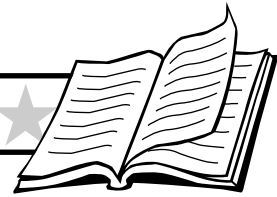
The last section described the ways economists measure a nation’s economic performance. This section describes the reasons for income inequality and the government programs that help people living in poverty.

ORGANIZING YOUR THOUGHTS

Use the diagram to help you take notes. Incomes in the United States vary for several reasons. Identify three reasons in the diagram.



Study Guide



Chapter 23, Section 3 (continued)

READ TO LEARN

- **Income Inequality** (page 515)

Although the United States is a wealthy nation, not all Americans are wealthy. Incomes vary for a variety of reasons. The level of education influences a person's income. The average income of a college graduate, for example, is much higher than the average income of a high school graduate. For this reason the federal government encourages people to improve their education. It does so through such programs as college grants and low-interest loans.

Some people have higher incomes because they are born into wealth. Wealthy parents can provide their children with excellent educations. They can also pass on their own businesses to their children.

Discrimination causes some people to receive lower incomes. Members of minority groups and women may not get jobs that pay well or they may not receive promotions that they are eligible for. The government has passed laws to deal with discrimination. The Equal Pay Act requires that companies give equal pay for jobs that require equivalent skills. The Civil Rights Act bans discrimination on the basis of gender, race, color, religion, and national origin. The Americans with Disabilities Act bans discrimination on the basis of physical and mental abilities.

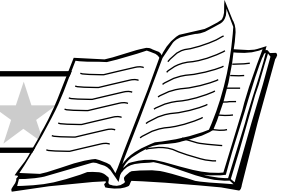
4. How might a person's level of education affect his or her income level?

- **Poverty** (page 516)

People who live in poverty receive help from various government programs. The most effective programs are those that encourage people to go back to work or to improve their job situation. The government defines the poverty level and sets guidelines to determine who is eligible for certain programs.

Some programs are welfare programs. Most of these are federal programs. One such program is the federal food stamp program. **Food stamps** are government coupons that can be used to purchase food.

Study Guide



Chapter 23, Section 3 (continued)

Low-income Americans can use food stamps like money to buy food at certain stores. Another federal program is the **Women, Infants, and Children (WIC) program**. This program provides help with nutrition and health care to low-income women, infants, and children up to age 5.

Some programs pay cash to certain people. Supplemental Security Income (SSI) gives payments to blind or disabled people and to people who are 65 and older. Another cash program is Temporary Assistance to Needy Families (TANF). It makes payments to families who need help because a parent is dead, disabled, or absent. This program has incentives that encourage families to save while they receive benefits. The program also limits the time that families can receive the benefits. This is to make sure that people do not rely on the program but look for paying work.

Other programs are **workfare** programs. These programs require people who receive welfare to exchange some of their labor for benefits. Most of these programs are run at the state level. They are set up to teach people the skills they need to succeed in a job. People in these programs often help law enforcement officials and highway crews or perform other types of community service work.

The government also helps poor people with a **progressive income tax**. This means that the tax rate is lower at lower incomes and higher for higher incomes. As a result, people with lower incomes have a smaller part of their incomes taken in taxes. The federal government also provides lower-income families with help through the **Earned Income Tax Credit (EITC)**. This gives tax credits and even cash payments to low-income families and individuals.

5. What level of government provides most welfare programs?

Study Guide



Chapter 24, Section 1

For use with textbook pages 524–527

What Is Money?



KEY TERMS

coin metallic form of money (page 525)

currency coins and paper money (page 525)

commercial banks financial institutions that offer full banking services to individuals and businesses (page 526)

savings and loan associations (S&Ls) financial institutions that traditionally loaned money to people buying homes but today perform many activities that commercial banks do (page 526)

credit unions financial institutions that work on a not-for-profit basis and provide services only to their members (page 526)

Federal Deposit Insurance Corporation (FDIC) a federal corporation that insures individual accounts in financial institutions for up to \$100,000 (page 527)

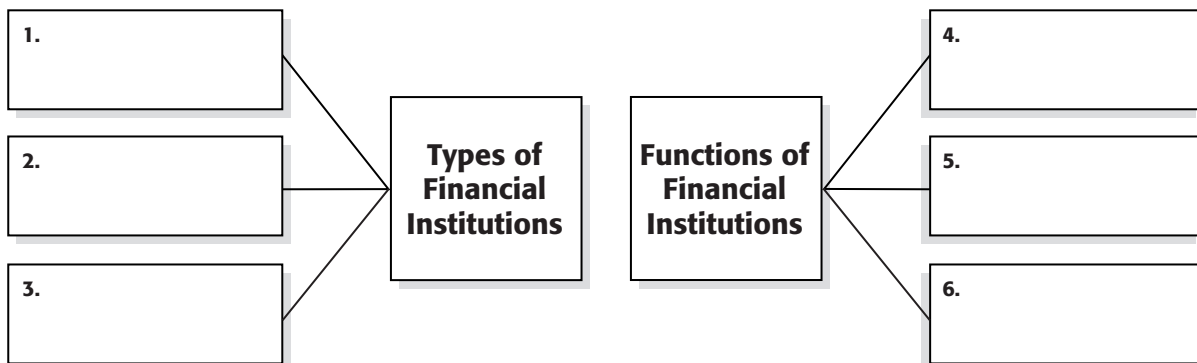
DRAWING FROM EXPERIENCE

Where do many people save their money? What is the benefit of depositing money in a bank?

In this section, you will learn about the functions of money. You will also learn how financial systems operate.

ORGANIZING YOUR THOUGHTS

Use the diagram to help you take notes. There are several kinds of financial institutions. Identify these institutions and describe what they all do.



Study Guide**Chapter 24, Section 1 (continued)****READ TO LEARN**

- **Money** (*page 524*)

Money has several functions. It is a medium of exchange. This means that people trade money for goods and services. Money can serve as a store of value. This means that wealth is held in the form of money. Finally, money is a measure of value. It is used to assign value to a good or service.

Money can be anything that people will accept in exchange for goods. Throughout history, various things have served as money. These include salt, animal hides, and gems. Some of these materials were not very practical to use for money. The most familiar type of money today are coins and currency. **Coins** are metallic forms of money such as pennies, nickels, and dimes. **Currency** includes both coins and paper money. Other forms of money include checking accounts and savings accounts.

Money has value because it is accepted as having value. If people did not have confidence in money, they would not accept it as payment for something else.

7. Why do people value and accept money?

- **The Financial System** (*page 525*)

People save money in financial institutions. These institutions then lend that money to other people or businesses. The financial institutions make a profit by charging for these loans.

There are several types of financial institutions. **Commercial banks** are financial institutions that offer full banking services to individuals and businesses. Most people have their checking and savings accounts in these institutions.

Savings and loan associations (S&Ls) are financial institutions that used to loan money to people buying homes. Today they perform many of the same functions as commercial banks.

Credit unions are institutions that are often sponsored by large businesses, labor unions, or government institutions. They work on a not-for-profit basis. These institutions are open only to the members of the groups that sponsor them.

Study Guide



Chapter 24, Section 1 (continued)

Although the financial institutions have differences, they are the same in what they do. They bring savers and borrowers together. They give people a safe place to deposit their money to save. They also are a place where people can borrow money for a loan.

The government helps to make the nation's financial system relatively safe. This is because the government closely regulates these institutions. The institutions have to report to regulatory agencies on a regular basis. They also have to follow rules and take actions that prevent unnecessary risks. Sometimes, however, financial institutions still fail. If this happens, a federal insurance program protects people's deposits. An important insurance agency is the **Federal Deposit Insurance Corporation (FDIC)**. This is a federal corporation that insures individual accounts in financial institutions for up to \$100,000. This means that if an individual's financial institution went out of business, the individual would not lose his or her deposit. The FDIC would send the individual a check for the deposit in the bank for up to \$100,000. Because of this type of government insurance, people feel safe in depositing their money. They continue to make deposits. These deposits are then used to make loans, which help to stimulate the economy.

8. How does the government help to make depositing money in a financial institution relatively safe?

Study Guide



Chapter 24, Section 2

For use with textbook pages 529–533

The Federal Reserve System



KEY TERMS

central bank the Federal Reserve System (page 529)

Federal Open Market Committee (FOMC) the major policy-making group within the Fed (page 530)

monetary policy a policy that involves controlling the supply of money and the cost of borrowing money (page 531)

discount rate the rate the Fed charges member banks for loans (page 532)

reserve a requirement of member banks to keep a certain percentage of their money in Federal Reserve Banks as a reserve against their deposits (page 532)

open market operations the purchase or sale of U.S. government bonds and Treasury bills (page 532)

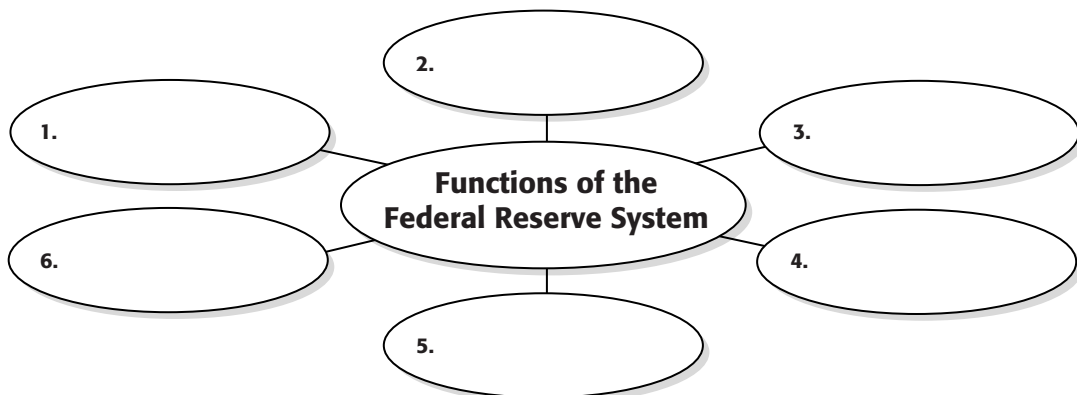
DRAWING FROM EXPERIENCE

What do you think of when you hear the words *Federal Reserve System*? What do you think the Federal Reserve does?

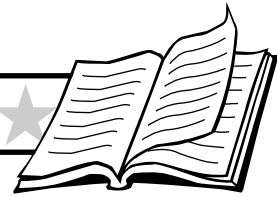
The last section described how financial systems operated. This section discusses the role of the Federal Reserve System in the nation's economy.

ORGANIZING YOUR THOUGHTS

Use the diagram to help you take notes. The Federal Reserve System has several functions. Identify these functions in the diagram.



Study Guide



Chapter 24, Section 2 (continued)

READ TO LEARN

- **Structure and Organization** (page 529)

The Federal Reserve System, or the Fed, is the **central bank** of the United States. This is the bank that other banks borrow from. The United States is divided into 12 Federal Reserve districts. Each district has one Federal Reserve Bank. Thousands of banks are members of the Federal Reserve System.

When the Fed was started in 1913, the government raised money to set it up by having the largest banks buy stock in the Fed. To make sure these banks did not have too much influence over the Fed, the law required that the president appoint the seven members who make up the Board of Governors. The president chooses one of the board members to chair the Board of Governors for a four-year term. The president and Congress have little influence over the board, which allows them to make economic decisions independent of political pressures.

To be aware of what is going on in the economy, the Fed has several advisory councils. One council reports on the general condition of the economy in each district. Another council reports on financial institutions. A third reports on things related to consumer loans.

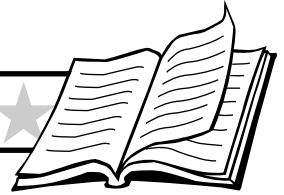
The **Federal Open Market Committee (FOMC)** is the major policy-making group within the Fed. It makes decisions that affect the nation's economy as a whole. It has 12 members, of which seven are permanent and five are from district banks and are rotated.

7. What is the purpose of the Fed's advisory councils?

- **Functions of the Fed** (page 531)

The Fed has two main regulatory functions. It oversees commercial banks. For example, if two banks wanted to merge, the Fed would decide if the merger would lessen competition. The Fed also regulates connections between American and foreign banking. Another function of the Fed is to enforce laws that deal with consumer borrowing. The Fed determines what information lenders must provide.

Study Guide



Chapter 24, Section 2 (continued)

The Fed acts as the government's bank by holding the government's money. The money the government collects is deposited in the Fed. Second, the Fed sells U.S. government bonds and Treasury bills, which the government uses to borrow money. Third, the Fed issues the nation's currency, which government agencies produce. The Fed also controls its circulation.

8. What are two regulatory functions of the Fed?

• **Conducting Monetary Policy** (page 531)

One of the major responsibilities of the Fed is to conduct **monetary policy**. This involves controlling the supply of money and the cost of borrowing money. It is based on the needs of the economy.

The Fed can increase or decrease the supply of money. It uses several tools to accomplish this. The Fed can raise or lower the **discount rate**. This is the rate the Fed charges member banks for loans. If the Fed wants to stimulate the economy, it lowers the discount rate. This encourages banks to borrow money from the Fed to provide loans to customers. If the Fed wants to slow the economy, then it raises the discount rate. This discourages banks from borrowing money from the Fed. Raising the discount rate reduces the money supply and raises interest rates.

The Fed can affect the money supply by raising or lowering the **reserve** requirement for member banks. Banks must keep a certain percentage of their money in Federal Reserve Banks as a reserve against their deposits. If the Fed raises the requirement, then members have to leave more money with the Fed and have less money to lend. If the Fed lowers the requirement, then member banks have more available money to lend.

The Fed can change the money supply through **open market operations**. These are the purchase or sale of U.S. government bonds and Treasury bills. If the Fed buys bonds from investors, it puts cash in the

Study Guide



Chapter 24, Section 2 (continued)

investors' hands. This increases the money supply. Consumers borrow more money, and this increases consumer demand. As a result, the economy grows. If the Fed sells bonds, then money is pulled out of circulation. Interest rates would go up and that would discourage borrowing.

Monetary policy is effective because it can be applied quickly. Decisions made by lawmakers often take a long time to become effective. This is because the views of many people have to be taken into account. The Fed can fine-tune its policy. If it finds that its action is not working, it can act again. The Fed can affect interest rates, and interest rates influence the way that businesses invest and consumers spend. Finally, the Fed does not have the restrictions that politicians face.

9. In what ways can the Fed affect the money supply?

Study Guide



Chapter 24, Section 3

For use with textbook pages 534–537

How Banks Operate



KEY TERMS

checking accounts accounts set up by banks in which people deposit money and then write checks or use check cards (page 535)

savings accounts accounts set up by banks, which pay interest to customers based on how much money they have deposited (page 535)

certificate of deposit (CD) a product in which customers give a certain sum to the bank for a specific period of time during which the sum cannot be withdrawn without a substantial penalty (page 535)

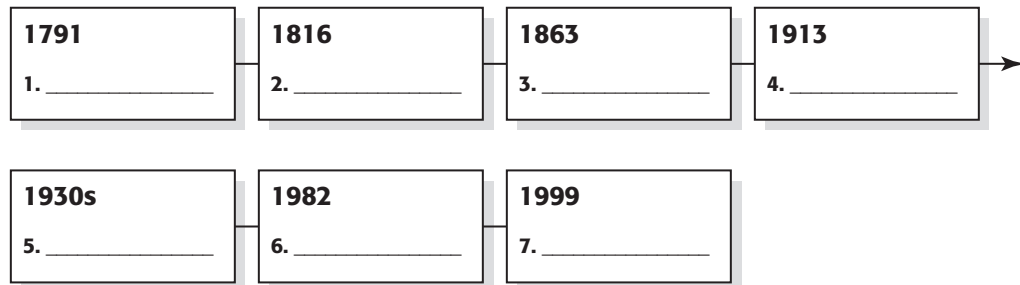
DRAWING FROM EXPERIENCE

Do you have a savings account or a checking account? What is the difference between the two?

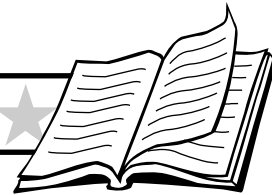
The last section described the purpose of the Federal Reserve System. This section explains how banks operate and make money.

ORGANIZING YOUR THOUGHTS

Use the time line to help you take notes. The nation's banking industry has changed over time. Insert the changes on the correct line with the appropriate date.



Study Guide



Chapter 24, Section 3 (continued)

READ TO LEARN

• **Banking Services** (page 534)

Banks are started by investors. The money the investors put in, however, would not be enough to run a bank. That money would leave only a limited amount of money available for loans. Banks depend on the money that people deposit to survive.

Banks offer **checking accounts** to people who deposit money. The people can then write checks or use check cards. Using checks is an easy way to pay bills and to move money quickly from one person to another. People do not leave money in checking accounts for long because they use the money to pay for regular expenses.

If people have some money that they do not need to use for a while, they often put it into a **savings account**. The bank pays interest to customers based on how much money they have deposited. In this way the money in a savings account grows larger the longer it is left in the account.

Banks also provide **certificates of deposit (CDs)**. Customers deposit a certain amount of money in the bank for a certain period of time. The bank pays interest on the money during that time. Customers cannot withdraw the money before the due date without a significant penalty. Banks tend to pay higher interest rates for CDs than for savings accounts.

One of the main activities of banks is to lend money. Giving loans actually helps to increase the supply of money. For example, when an individual deposits a certain amount of money in the bank, the bank uses some of that money to make loans to other customers. These people then deposit the borrowed money. The bank also loans that money to new customers. In this way, the amount of money in circulation keeps growing.

8. What are two differences between CDs and savings accounts?

Study Guide**Chapter 24, Section 3 (continued)****• Changes in the Banking Industry** *(page 535)*

The first central bank in the United States, the Bank of the United States, was set up in 1791 through a charter from Congress. The Bank of the United States was larger than any of the state banks. It acted much like the Department of Treasury does today. The charter of this bank ended in 1811.

The Second Bank of the United States was chartered in 1816. After this bank collapsed, the only banks in the nation were those chartered by the states.

In 1863, Congress passed the National Banking Act. This law created a system of dual banking in which banks could have either a federal or state charter. The banks with federal charters issued national banknotes, which was the national currency. The law improved the banking system in the United States. However, problems with banks continued.

Bank crises happened in 1873, 1884, 1893, and 1907. The last panic led to the passage of the Federal Reserve Act of 1913. The Federal Reserve became the nation's central bank. It had the power to regulate reserves in national banks, make loans to other banks, and control the money supply. In 1914 the Federal Reserve began issuing paper money called Federal Reserve notes. They became the major form of currency.

During the Great Depression of the 1930s, investments owned by banks lost much of their value. Bankrupt businesses and individuals were unable to pay back their loans. As a result, thousands of banks collapsed. President Franklin D. Roosevelt addressed the problem by declaring a "bank holiday" and closing all banks. They stayed closed until they proved they were financially sound. Congress passed a law that set up the Federal Deposit Insurance Corporation (FDIC). This helped to restore people's confidence in banks.

Since the bank failures of the Great Depression, the government has been closely regulating banks. Then in the 1970s, Congress began a process of deregulation. It relaxed some of the regulations it had placed on banks. In 1982 Congress let S&Ls make higher-risk loans and investments. By the early 1990s, when these investments went bad, many S&Ls failed. The government had to pay customers the deposits that it had insured. Bailing out these institutions cost taxpayers about \$200 billion.

Study Guide



Chapter 24, Section 3 (continued)

A law passed in 1999 gave bank holding companies more freedom to provide a range of financial services, including banking and insurance. Some people believe that this will lead to universal banks that offer a full range of services. People opposed to the law believe that it will weaken competition for financial services in the nation. Others believe that the law will lead to more sharing of customer information among the companies, which will hurt people's privacy.

9. What happened after the government relaxed regulations of S&Ls in the early 1980s?

Study Guide



Chapter 25, Section 1

For use with textbook pages 542–546

The Federal Government



KEY TERMS

budget a blueprint of how the government will raise and spend money (page 542)

fiscal year (FY) a 12-month period that is a budget year (page 542)

budget resolution a document that totals revenues and spending for the year and sets targets for how much will be spent in various categories (page 543)

mandatory spending spending that does not need annual approval (page 543)

discretionary spending spending that must be approved each year (page 543)

appropriations bill a law that authorizes spending for a particular activity (page 543)

tax return an annual report to the government that calculates the tax a worker must pay on his or her income (page 543)

payroll tax a tax that is deducted from a worker's paycheck to fund Social Security and Medicare (page 544)

Social Security a government program that provides money to people who are retired or disabled (page 544)

Medicare a government program that pays some health care costs of elderly people (page 544)

DRAWING FROM EXPERIENCE

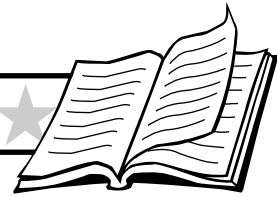
Have you ever made a budget for yourself? What is the purpose of making a budget? Was it helpful to you? Why or why not?

In this section, you will learn how the federal government prepares a budget. You will also learn what the major types of federal expenditures are.

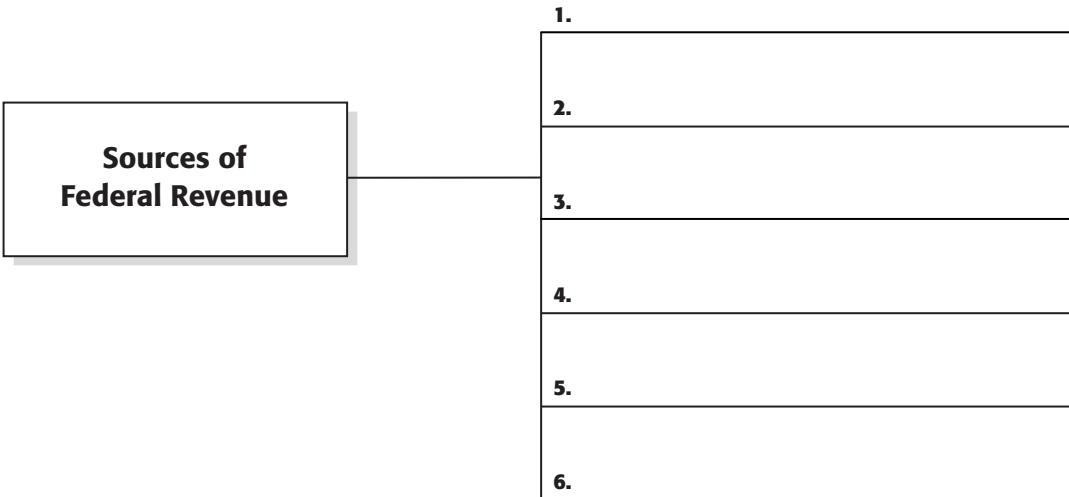
ORGANIZING YOUR THOUGHTS

Use the diagram on the next page to help you take notes. The government has several sources of revenue. List the sources in the diagram.

Study Guide



Chapter 25, Section 1 (continued)



READ TO LEARN

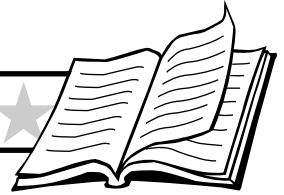
- **Preparing the Budget** (page 542)

The federal government spends a lot of money. Each year, it creates a **budget**. This is a blueprint of how the government will raise and spend money. Both the government and Congress help make the budget. The government’s budget year is not a calendar year. It is a **fiscal year (FY)**. It begins on October 1 and ends on September 30 of the following year.

The president has to present a budget to Congress by the first Monday in February. The president’s budget outlines what the president thinks the government should spend money on. The president then formally sends the budget to Congress.

Congress then passes a **budget resolution**. This document totals revenues and spending for the year and sets targets for how much will be spent in various categories. Spending falls into two categories. **Mandatory spending** is spending that does not need annual approval. It includes such things as paying Social Security benefit checks. The other type of spending is **discretionary spending**. This is spending that the government must authorize every year. It includes such things as spending for space exploration.

Before the government can spend money, Congress has to pass an **appropriations bill**. This is a law that authorizes spending for a particular activity. Congress splits discretionary spending into 13 appropriations

Study Guide**Chapter 25, Section 1 (continued)**

bills. Appropriations bills go through the same process as other bills. The law says that all appropriations bills should be finalized by September 15.

7. What are the two categories into which government spending is divided?

- **Federal Revenues** (page 543)

The federal budget is made up of two parts. They are revenues and expenditures. About half of the federal government's revenue comes from the income taxes that Americans pay. Each payday, a part of the worker's paycheck is withheld. At the end of the year, a worker files a **tax return**. This is an annual report to the government that calculates the tax a worker must pay on his or her income. Corporations pay income tax on profits they earn. These taxes provide the government with about 10 percent of its revenue.

Payroll taxes are the second largest source of federal revenue. These are taxes deducted from a worker's paycheck to fund Social Security and Medicare. **Social Security** is a government program that provides money to people who are retired or disabled. **Medicare** pays some health care costs of elderly people. Payroll taxes make up one-third of the government's revenues.

The government gets revenue from other sources as well. Consumers pay excise taxes when they buy such goods as gasoline and tobacco. When wealthy people die, the federal government takes an estate tax on the money passed on to the heirs. The government charges a tax on certain gifts. Finally, the government gets revenue from other various sources, such as entry fees for national parks.

Taxes are classified according to how they affect the people paying the taxes. A proportional tax takes the same percentage of income from everyone regardless of how much each person earns. A progressive tax uses a tax rate that is a proportion of earnings. The higher the income, the larger the percentage of income paid as taxes. The federal income tax is a progressive tax. A regressive tax is the opposite of a progressive tax. The percentage of income taxed goes down as income goes up. Sales taxes are regressive taxes because they make up a larger part of poorer families' incomes than wealthier families' incomes.

Study Guide



Chapter 25, Section 1 (continued)

8. What are three types of taxes and how are they classified?

• **Federal Expenditures** (page 545)

The second part of the budget is expenditures. Social Security was the largest category of spending in 2002. Medicare is the fourth largest category of federal spending. Income security, which includes retirement benefits paid to people who used to work in the government, and Medicaid are other categories of expenditures. Medicaid pays for health care for people with low incomes.

The second largest category of federal spending is national defense. Other expenditures include interest payments on the money that the government has borrowed. The government also spends money on a variety of programs such as education and highways.

9. What area made up the largest category of spending for the federal government in 2002?

Study Guide



Chapter 25, Section 2

For use with textbook pages 548–552

State and Local Governments



KEY TERMS

intergovernmental revenues money that one level of government receives from another level
(page 548)

sales tax a general tax placed on consumer purchases of nearly all products (page 549)

property tax a tax that people pay on the land and houses they own (page 550)

entitlement program provides health, nutritional, or income payments to people using established eligibility requirements (page 551)

subsidize to pay part of the costs (page 551)

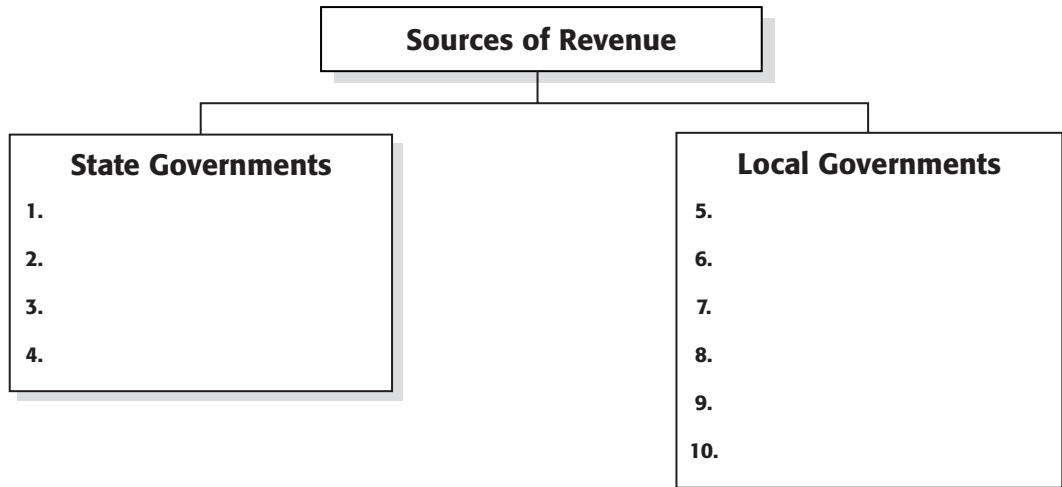
DRAWING FROM EXPERIENCE

What is the source of most of the money you have? How do you spend the money you earn?

The last section described the sources of revenues and expenditures of the federal government. This section discusses the sources of revenues and expenditures of state and local governments.

ORGANIZING YOUR THOUGHTS

Use the diagram to help you take notes.



Study Guide



Chapter 25, Section 2 (continued)

READ TO LEARN

- **Sources of Revenue** (page 548)

State and local governments have their own budgets. An important source of state government revenues is **intergovernmental revenues**. This is money that one level of government receives from another level. For state governments, most of this revenue comes from the federal government.

The second largest source of revenue is the **sales tax**. This is a tax placed on consumer purchases on nearly all products. People pay the tax as a percentage of the purchase price. It is added to the final price that people pay. The merchants give the sales taxes to the proper government agency.

The contributions that state government workers make to their retirement plans make up the third largest source of state revenue. The last major category of state revenue is state income taxes. Tax rates vary from state to state.

Intergovernmental revenues are even more important to local governments. State governments provide most of this money. The second largest source of revenue for local governments is **property taxes**. These are taxes that people pay on the land and houses that they own. Property taxes are collected on real property and personal property. Real property includes land and buildings. Personal property includes such things as stocks, jewelry, and automobiles. Most local governments tax only real property. The taxes are based on the property's assessed value. This is the value of each property used when figuring the property tax.

The third largest source of revenue for local governments is revenue from water and electric utility systems. Other revenue sources include sales taxes, local income taxes, and fines and fees. Fines and fees include such things as fines paid for traffic violations.

11. What is the largest source of revenue for local governments?

Study Guide



Chapter 25, Section 2 (continued)

- **Expenditures** (*page 551*)

State governments help to maintain basic living conditions for people who do not have enough money. This is called public welfare or human services. It is an important part of state government spending. Most of these expenditures are for **entitlement programs**. These are programs that provide health, nutritional, or income payments to people meeting the eligibility requirements.

The second-largest category of state spending is colleges and universities. The states **subsidize**, or pay part of the costs, of a college education. If states did not do this, college students at state schools would have to pay more in tuition and other fees.

Another category of state government spending is road improvement. Other categories include public education, employee retirement, hospitals and health, and prison and reform programs.

A large part of the revenues of local government are used to pay for elementary and secondary schools. They make up one-third of local government spending. Another category of spending is for police and fire protection. Local governments also have to pay for water service and sewage disposal.

12. What is the largest expenditure for state governments?

Study Guide



Chapter 25, Section 3

For use with textbook pages 553–557

Managing the Economy



KEY TERMS

- surplus** a situation in which the government spends less than it collects in revenues (page 553)
- deficit** a situation in which the government spends more than it collects in revenues (page 553)
- bond** a contract to repay borrowed money with interest at a specific time in the future (page 554)
- debt** money that has been borrowed over a period of time and has not been paid back (page 554)
- balanced budget** a situation in which government spending equals revenues (page 554)
- automatic stabilizers** programs that begin working to stimulate the economy as soon as they are needed (page 556)

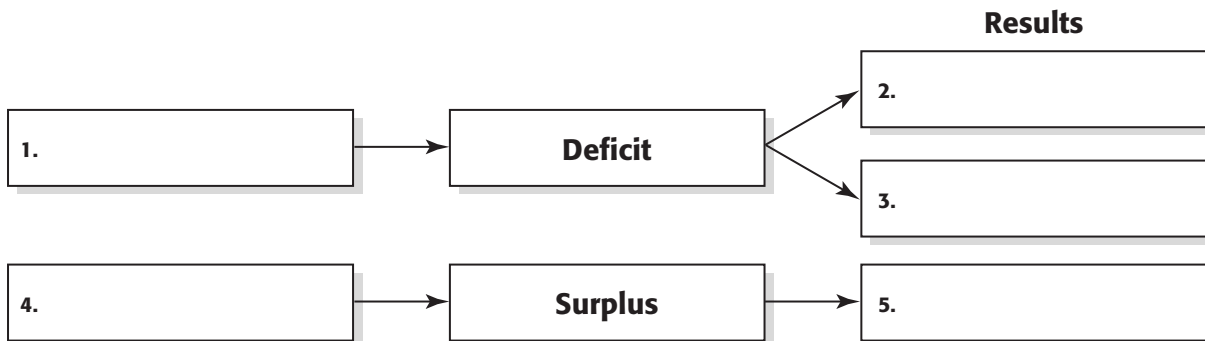
DRAWING FROM EXPERIENCE

What happens when people get into debt? What things can they do to eliminate their debts?

The last section described the sources of revenue and expenditures for state and local governments. This section explains government surpluses and deficits.

ORGANIZING YOUR THOUGHTS

Use the cause-and-effect diagram to help you take notes. Identify the causes of deficits and surpluses. Then identify the results of each in the diagram.



Study Guide



Chapter 25, Section 3 (continued)

READ TO LEARN

- **Surpluses and Deficits** (page 553)

Putting together a governmental budget can be a difficult job. This is because a budget is based on predictions. So if the government does not take in the taxes that it had planned or if expenses are higher than expected, the budget is in trouble.

The government has a **surplus** when it spends less than it takes in as revenues. Sometimes a government has a **deficit**. This happens when it spends more than it collects in revenues.

When the federal government has a deficit, it has to borrow money to pay its bills. The government does this by selling **bonds**. A bond is a contract to repay the borrowed money with interest at a specific time in the future. All the money that has been borrowed over a period of time and has not yet been paid back makes up the government's **debt**.

When the government has deficits, the total debt goes up. When the government has surpluses, the total debt can be cut. When spending equals revenue, the government has a **balanced budget**. The federal government is not required by law to have a balanced budget. However, state laws require many state and local governments to balance their budgets. To balance their budgets, these governments often have to cut their spending when revenues go down. During bad economic times, revenues tend to go down. During such times, states have to spend more on entitlement programs. This makes setting up the budget a difficult job. State laws prohibit many state and local governments from borrowing money to pay for operation expenses. As a result, these governments try to have an emergency fund balance. This is a government savings account from which deficits can be paid.

6. What does the federal government often do to pay its bills when it has a deficit?

Study Guide**Chapter 25, Section 3 (continued)****• Fiscal Policy** (*page 555*)

To help the economy grow, the federal government can use taxes and spending. This is known as fiscal policy. In theory, the government can stimulate the economy during a downturn by increasing spending and cutting taxes. However, this often increases the government's deficits. When the economy picks up, the government can lower spending and increase taxes. This often leads to a surplus.

These actions are often difficult for the government to make. Many people want lower taxes no matter what the economy is like. Many people also want government services, so it is difficult for the government to cut spending even when the economy is strong. As a result, the government sometimes spends large amounts of money even when the economy does not need a stimulus.

Some government leaders oppose increased spending or tax cuts on ideological grounds. Even if they agree on spending, they often disagree on how the money should be spent. As a result, the government tends to act slowly to stimulate the economy. Because government action comes slowly, the action often does not have the desired effect. Sometimes many months have passed before the action takes effect. By the time the effect is felt, the economic situation may have changed.

Because of this, it is often difficult for the federal government to use fiscal policy to stabilize the economy. The economy has a number of **automatic stabilizers**. These are programs that begin working to stimulate the economy as soon as they are needed. These programs are in place and do not need further government action.

For example, unemployment insurance programs are automatic stabilizers. These programs provide checks to people who lose their jobs. They give people some help until they find other jobs. Welfare programs are another example. People may collect welfare or Medicaid when their incomes fall below a certain level. These payments help the people to keep a certain standard of living. If people did not have these payments, they would buy fewer goods. This would then lead businesses to have to lay off even more people. The federal income tax is another stabilizer because it is a progressive tax. When people lose their jobs, their income goes down. Their tax bracket is lowered and the taxes they pay have less of an effect on their income. When the economy recovers, the

Study Guide

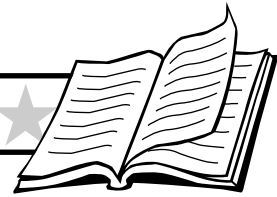


Chapter 25, Section 3 (continued)

opposite happens. People make more money and, therefore, need less help. Generally, automatic stabilizers go into effect much more quickly than fiscal policies.

7. What can the government do to stimulate the economy during a downturn?

Study Guide



Chapter 26, Section 1

For use with textbook pages 564–570

International Trade and Its Benefits



KEY TERMS

export to sell goods to other countries (page 564)

import to buy goods from other countries (page 564)

comparative advantage the ability of a country to produce a good at a lower opportunity cost than another country can (page 565)

tariff a tax on an imported good (page 566)

quota a limit on the amount of foreign goods imported (page 566)

free trade a situation in which laws do not block or limit trade among countries (page 567)

European Union (EU) an organization of more than 15 European nations that belong to a free trade zone (page 567)

North American Free Trade Agreement (NAFTA) a regional trade agreement between the United States, Canada, and Mexico that eliminates trade barriers among the three countries (page 569)

World Trade Organization (WTO) an international body that oversees trade among nations (page 569)

exchange rate the price of a nation's currency in terms of another nation's currency (page 569)

balance of trade the difference between the value of a nation's exports and its imports (page 570)

trade deficit a situation in which the value of the products a nation imports is greater than the value of the products it exports (page 570)

trade surplus a situation in which the value of the products a nation exports is greater than the value of the products it imports (page 570)

DRAWING FROM EXPERIENCE

Think of some products that you use regularly. Where were the products made? Were any of the products made in other countries? Are there reasons that you would buy these products rather than similar ones made in this country?

In this section, you will learn why nations trade. You will also learn how regional trade agreements work.

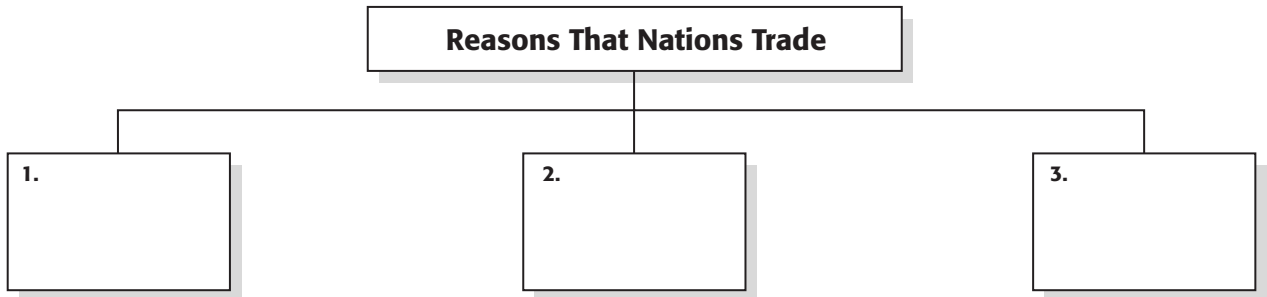
Study Guide



Chapter 26, Section 1 (continued)

ORGANIZING YOUR THOUGHTS

International trade greatly influences the world today. Use the diagram to help you take notes about why nations are involved in international trade.



READ TO LEARN

• Why Nations Trade *(page 564)*

International trade is an important force in the world. Because of trade, Americans are able to eat foods that are grown in other parts of the world. About 10 percent of the goods made in the United States were **exported**, or sold to other countries. A little larger percentage of goods were **imported**, or bought from other countries.

The basic idea of economics is scarcity. This idea applies to nations. Nations do not have enough resources to meet all their needs and wants. For this reason, they trade.

Countries trade with one another for goods and services that they could not have otherwise. For example, the United States trades for coffee from other countries because it does not have the climate to grow coffee beans. Other countries trade with the United States for goods that they cannot produce.

Countries also trade because of **comparative advantage**. This is the ability of a country to make a good at a lower opportunity cost than another country can. For example, the United States could make color televisions. Other countries, however, can make them more efficiently, so the United States buys them from other countries. Comparative advantage leads countries to specialize. They use their resources to produce things better than other countries. Sometimes specialization leads to overproduction. Countries make more goods than the people in

Study Guide



Chapter 26, Section 1 (continued)

their countries can use. These countries solve the problem by selling the extra amount to other countries.

Trade creates jobs. For example, if American airplane makers made planes for only the United States, they would have a limited market. However, by exporting planes to other countries, the companies have a chance to get more orders. Then they have to hire more workers so they can fill the orders to make more planes.

4. What does scarcity have to do with trade?

• **Barriers to International Trade** (page 565)

Comparative advantage can cause problems. Workers who produce a good in a country that does not have a comparative advantage can be affected negatively. This is because the consumers are likely to buy foreign-made goods because they are cheaper. When they do so, however, the companies in the consumers' own country that employ these workers lose sales. To cope with this, these companies are likely to cut back on production and lay off workers. Usually when this happens, the affected workers and the companies demand that the government fix the situation. Government fixes include tariffs or quotas on imports.

A **tariff** is a tax on an imported good. It is also called a customs duty. Tariffs make imported goods more expensive than the same goods made in the country placing the tariff. As a result, consumers would be more likely to buy the domestic rather than the imported good.

Sometimes the higher prices have little effect on people, who want to buy the product anyway. If this happens, countries can block trade by using **quotas**, or limits on the amount of foreign goods imported. In this situation, no more than the amount of goods set by the quota can be imported into the country.

Study Guide



Chapter 26, Section 1 (continued)

Trade barriers often do not work. They often force consumers to pay higher prices than they should in order to protect domestic industries. In general, the total cost of trade barriers is higher than the benefits gained. As a result, most countries now try to reduce trade barriers. Instead, they try to have **free trade**. This means that the countries do not pass laws that block or limit trade.

Many countries today join together to set up zones of free trade with a few trading partners. This helps to increase trade among these countries. The **European Union (EU)** is made up of more than 15 European countries. It offers large markets to many businesses. There are no trade barriers among these nations. Goods and workers can move freely between them. The EU is an important part of the world economy.

In the 1990s, the United States, Canada, and Mexico signed the **North American Free Trade Agreement (NAFTA)**. This agreement removed all trade barriers among the three countries. People who opposed NAFTA claimed that American workers would lose their jobs because U.S. companies would move to Mexico to take advantage of cheaper wages and fewer environmental and workers' rights laws. Those who supported NAFTA argued that the increased trade would lead to economic growth and would put more low-cost goods on the market.

The **World Trade Organization (WTO)** is an international body. It oversees trade among nations and helps countries that are trying to develop their economies. Recently, the WTO has been criticized. Critics say that the organization's policies favor major corporations at the expense of workers, the environment, and poor countries.

5. Describe the types of trade barriers.

Study Guide



Chapter 26, Section 1 (continued)

- **Financing Trade** (page 569)

Nations of the world use different currencies. For example, the United States uses the dollar, and Mexico uses the peso. People who travel outside the United States or invest in foreign companies want to know the **exchange rate**. This is the price of one nation's currency in terms of another nation's currency. Most nations use a flexible exchange rate system. Under this system, supply and demand set the price of various currencies. As a result, a currency's price may change daily.

A currency's exchange rate can be influenced by the **balance of trade**. This is the difference between the value of a nation's exports and its imports. If a nation's currency becomes weak, the nation will probably export more goods because the goods will become cheaper for other nations to buy. If the nation's currency becomes stronger, the amount of exports will most likely decrease.

A country has a **trade deficit** when the value of its imports is more than the value of its exports. It has a **trade surplus** when the value of its exports is more than the value of its imports. A strong currency generally leads to a trade deficit. This usually leads to a decline in the value of the currency. A weak currency generally leads to a trade surplus. This usually leads to an increase in the value of the currency.

6. What happens as a result of a flexible exchange rate system?

Study Guide



Chapter 26, Section 2

For use with textbook pages 572–575

Economic Systems



KEY TERMS

market economy an economy in which decisions are made in free markets based on the interaction of supply and demand (page 572)

per capita GDP the total GDP of a nation divided by the nation’s population (page 573)

command economy an economy in which the individual has little, if any, influence over how the economy functions and major economic decisions are made by the central government (page 574)

socialism the belief that the means of production should be owned and controlled by society, either directly or through the government (page 574)

communism a system in which there is only one class and property would be held in common, ending the need for government (page 574)

mixed economy an economy that combines basic elements of a pure market economy and a command economy (page 575)

DRAWING FROM EXPERIENCE

What do you think of when you hear the word “communism”? In what countries does communism exist today?

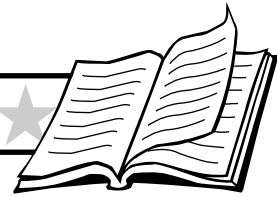
The last section discussed the reasons that nations trade. This section describes different economic systems.

ORGANIZING YOUR THOUGHTS

Use the chart to help you take notes. A market economy and a command economy have different characteristics. List the characteristics in the chart.

Type of Economy	Who Owns Factors of Production	Who Answers What, How, and For Whom to Produce
Market	1.	2.
Command	3.	4.

Study Guide



Chapter 26, Section 2 (continued)

READ TO LEARN

- **Market Economies** (page 572)

There are several different economic systems. Some economies are based on markets. Others have greater governmental control. These economies deal with scarcity in different ways. The way a society answers the questions of what to produce, how to produce it, and for whom to produce it determines the kind of economic system the nation has. In a pure **market economy**, those decisions are made in the market and are based on supply and demand. Another word for market economy is capitalism.

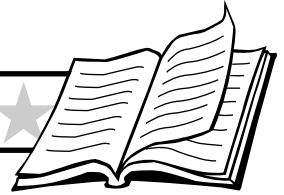
The main characteristic of a market economy is that private citizens, not the government, own the factors of production. This gives people a large amount of freedom. Businesses decide what to produce, how to produce it, and for whom to produce it. The businesses make these decisions to make a profit. Consumers then make their own decisions about what to buy. Supply and demand work together to set prices. Producers and consumers make their decisions based on price.

The United States government plays some important roles in the economy. It provides public goods, and it makes sure that markets stay competitive by regulating businesses. It punishes businesses that break laws meant to ensure competition. The government also plays a role with externalities.

Most of the world's large economies are market economies. The nations that have market economies generally have a high **per capita GDP**. Per capita GDP is obtained by dividing the total GDP of a nation by the nation's population.

5. What is the main characteristic of a market economy?

Study Guide



Chapter 26, Section 2 (continued)

- **Command Economies** (page 574)

The opposite of a market economy is a **command economy**. In a command economy, the government makes the basic economic decisions of what to produce, how to produce it, and for whom to produce it.

In the early 1800s, some people believed that capitalism had to be eliminated in order to end the poor conditions of workers. These people believed in **socialism**. This is the belief that the means of production should be owned and controlled by society. Socialists believed that in this way, wealth could be distributed equally among all citizens. Karl Marx was a socialist who believed in a violent revolution. He believed that in industrialized nations, the population was divided into capitalists, who own the means of production, and workers, who make the goods. Marx believed that eventually the workers would revolt and overthrow the capitalists. He also believed that socialism would develop into **communism**. Then, property would all be held in common and there would be no need for government.

In a command economy, the government, not the individual, owns the factors of production. People have less economic freedom and fewer choices. Countries with command economies generally have lower per capita GDPs than countries with market economies.

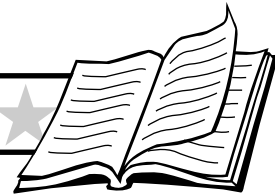
6. Who makes the basic economic decisions in a command economy?

- **Mixed Economies** (page 575)

A **mixed economy** is an economy that combines parts of a market economy and a command economy. Most countries of the world, including the United States, have a mixed economy. The economy includes private ownership and individual decision-making with government regulations.

7. What is the role of government in a mixed economy?

Study Guide



Chapter 26, Section 3

For use with textbook pages 576–580

Economies in Transition



KEY TERMS

developing country a country whose average per capita income is only a fraction of that in more industrialized countries (page 578)

traditional economy an economic system in which economic decisions are based on customs and beliefs that have been handed down from generation to generation (page 578)

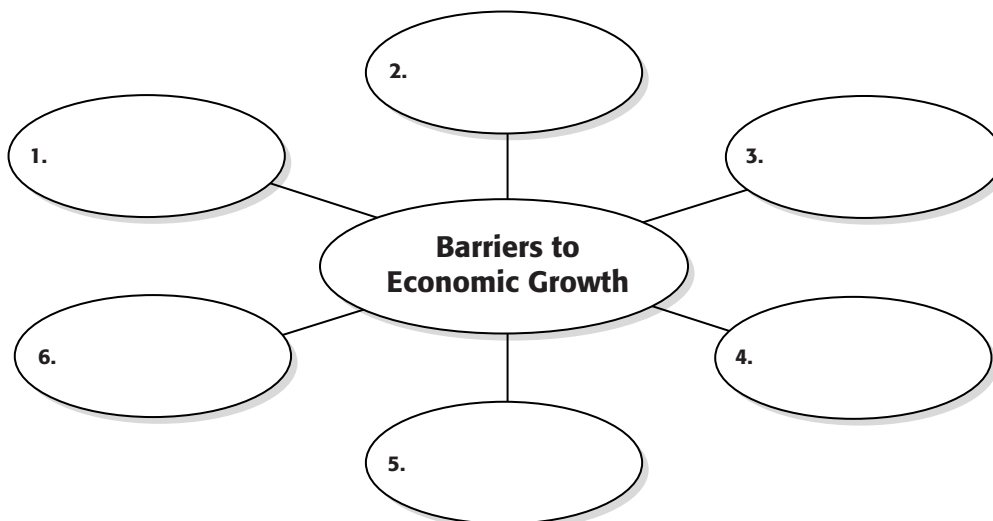
DRAWING FROM EXPERIENCE

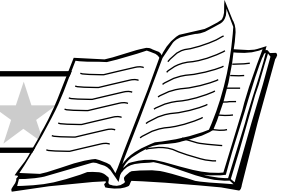
Why do you think many nations of the world are poor? What do you think might help these nations to improve their economies?

The last section described the characteristics of various economic systems. This section explains why some countries are moving toward a market economic system.

ORGANIZING YOUR THOUGHTS

Use the diagram to help you take notes. Developing countries face several barriers for experiencing economic growth. Describe these barriers in the diagram.



Study Guide**Chapter 26, Section 3 (continued)****READ TO LEARN****• The Transition From a Command Economy** *(page 576)*

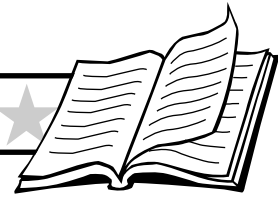
Many nations today are changing from one type of economy to another. Some are moving from a command economy to a market economy. The main reason for this change is that the market economies in the world have been successful. Many countries would like to experience that success.

In the 1980s, command economies became unattractive. They did not achieve the same economic growth that market economies had achieved. The Soviet Union, China, and Eastern European countries had command economies. However, by 1991 things began to change. In Eastern Europe and the Soviet Union the changes included political as well as economic changes. The countries began moving toward greater democracy.

The Soviet Union broke apart in 1991 because the Communist leaders could not keep the economy going. During Soviet times, a central planning body called the Gosplan made the major economic decisions. Planning, however, was inefficient and complicated. Russia became the largest country to come out of the Soviet Union. Russian leaders wanted to change the economy to a market one. State-owned factories had to be placed under private ownerships. Stock markets had to be started so that people could own these factories. People had to learn how to let supply and demand set prices. The change has been very difficult. Russia is still in the process of change and has a long way to go. However, the economy has shown some improvement in recent years.

China is also moving from a command economy toward a market economy. China had an economy similar to that of the Soviet Union. By the 1980s, China's economy was far behind the market economies of nearby nations such as Taiwan, South Korea, Singapore, and Hong Kong. China began making changes. For example, it changed many state-owned factories to privately owned ones and set up a stock market. In 1997, Hong Kong was united with China. Chinese leaders hoped to find out more about markets from Hong Kong. With the changes it has made, China has experienced economic growth. People are able to buy things that they never had under the old system. However, China still has problems that it has to solve, such as high unemployment.

Study Guide



Chapter 26, Section 3 (continued)

7. Why have many nations in the world changed from command economies to market economies?

• **Developing Countries** (page 578)

Other countries are also changing their economies. Many of these are **developing countries**. These are countries whose average per capita income is very small compared to more industrialized countries. Most of these countries have **traditional economies**. Economic decisions in these countries are based on custom. For example, if a person's parents and grandparents fished for a living, then that person will fish for a living. Farmers grow the same crops that have been grown for generations.

Developing countries face several barriers to economic growth. One problem is high population growth. As a result, these countries generally have a low per capita GDP. Another problem is geography. Many developing countries are landlocked and do not have access to ocean trade routes. Some other countries do not have natural resources. Many developing countries have problems that are the result of wars. The wars have destroyed roads, factories, and resources. Many workers were killed. Some countries have problems farming because the countryside has unexploded land mines. Some developing countries have borrowed money to help their economies and now have huge debts. They owe more money than the GDP they produce in a year. This makes it difficult to pay back the loans or even the interest on the loans. Many of these countries also have corrupt government leaders.

Two international organizations have been formed to help developing nations overcome their problems. The International Monetary Fund (IMF) helps nations develop their monetary and fiscal policy. The other organization is the International Bank for Reconstruction and Development. It is often called the World Bank. It gives loans and advice to countries trying to improve their economies.

Study Guide

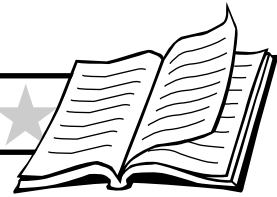


Chapter 26, Section 3 (continued)

About 40 percent of developing countries owe about \$127 billion to the IMF and the World Bank. In the late 1990s, leaders of several industrialized nations decided to lessen the debts. They suggested a plan that would cancel about \$70 billion in debt. This would leave more money for social programs and plans for economic growth.

- 8.** What two organizations help developing countries overcome their economic problems?

Study Guide



Chapter 27, Section 1

For use with textbook pages 588–593

Types of Government



KEY TERMS

authoritarian a type of government in which power is held by an individual or a group not accountable to the people (*page 588*)

absolute monarch a ruler who inherits a position of power and has unlimited authority (*page 589*)

dictator a ruler who exercises complete control over the state (*page 589*)

totalitarian a type of government that controls almost all aspects of people's lives (*page 589*)

constitutional monarchy a type of government in which the power of the hereditary ruler is limited by the country's constitution and laws (*page 590*)

parliamentary system a democratic system of government in which the legislature is called a parliament and the head of the government is the prime minister (*page 592*)

prime minister the head of a parliamentary form of government (*page 592*)

DRAWING FROM EXPERIENCE

What do you think of when you hear the word “monarchy”? What do you think is the role of a monarch?

In this section, you will learn about various types of governments. You will also learn why many nations are adopting a democratic form of government.

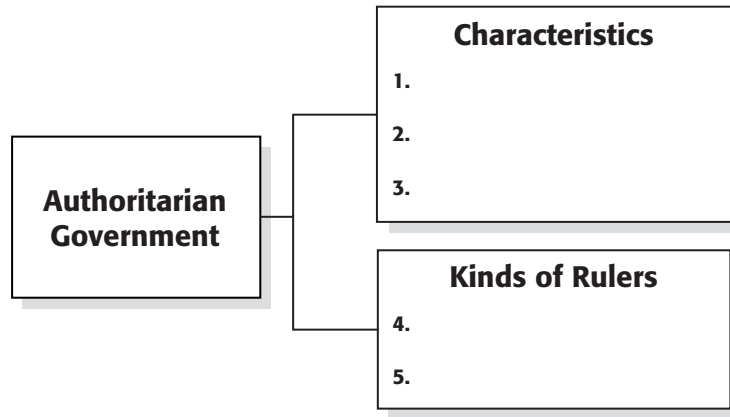
ORGANIZING YOUR THOUGHTS

Use the diagram on the next page to help you take notes. World governments can be divided into two basic categories. One category is the authoritarian type of government. List this government's characteristics and types of rulers in the diagram.

Study Guide



Chapter 27, Section 1 (continued)



READ TO LEARN

• **Authoritarian Government** *(page 588)*

The countries of the world have a variety of governments. These governments are grouped into two general categories: democratic and **authoritarian**. In authoritarian governments, an individual or group that is not accountable to the people holds the power. In democratic governments, the people rule.

Authoritarian governments have many forms, but in all forms only a few people hold power and citizens have little say in government. A monarchy is a government that has a ruler who inherits the position of power. Kings, queens, emperors, and empresses are examples of monarchs. Until about the 1600s, these rulers were considered **absolute monarchs**. They had unlimited authority to do as they wished. Although many countries today still have monarchs, few absolute monarchies still exist.

Dictators also have complete control over the state. They often get the power through force. Dictators often interfere with elections or refuse to hold them. They also limit the rights of their citizens.

Many dictators place **totalitarian** rule on their people. The government controls almost all aspects of people's lives. Totalitarian leaders ban opposition and control what factories and farms produce. They restrict people's freedoms and control the media. Today, China, Cuba, and North Korea are considered totalitarian states.

Study Guide**Chapter 27, Section 1 (continued)**

6. What are the two general categories into which the world's governments are divided?

• Democratic Governments (page 590)

The absolute monarchy that existed until the late 1600s has given way to **constitutional monarchy**. This is a democratic government in which the power of the hereditary ruler is limited by the country's constitution and laws. The people participate in the government. Elected officials make laws and policies. The monarchs are heads of state only. The queen of Great Britain and the emperor of Japan are examples of monarchs.

A republic is another type of democratic government. It is a representative government in which no leaders inherit office. The voters have the power in a republic. They elect representatives and give them the responsibility and power to make laws and to run the government. The United States is a republic.

After World War II, the number of democratic governments grew. More democratic governments have been set up since the mid-1970s. Today, about two-thirds of the world's countries have democratic governments. No country has a direct democracy, in which people participate firsthand in government. Instead, most countries have a representative democracy, in which citizens elect leaders to act for them. Countries choose their leaders in various ways.

The United States and a few other countries have a democracy with a presidential system of government. Most democratic countries today have a system like Great Britain, which is the **parliamentary system**. These countries have a legislature that is called the parliament. The head of government is the **prime minister**. In a parliamentary system, the top government officials perform both executive and legislative functions. The prime minister is both the chief executive and a member of parliament. Also, the prime minister's advisers serve in the parliament. In a presidential system of government, the legislative and the executive branches are separate.

In a presidential system of government the voters elect the president. In a parliamentary system, the members of parliament elect the prime

Study Guide



Chapter 27, Section 1 (continued)

minister. In a presidential system, the president is both the head of government and the head of state, or the country's ceremonial leader. In a parliamentary system, someone other than the prime minister may be the head of state. In some countries the head of state may be the king or queen. In other countries the head of state may be a president, who is often chosen by the parliament.

A negative side of the parliamentary system of government is that there are fewer checks and balances on government leaders. This is because power is not strictly separated between the legislative and the executive branches. A positive side is that the unity between the two branches helps the government run smoothly and act quickly. In the presidential system, the separation of the legislative and executive branches sometimes leads to conflict between the two. This happens when different political parties control the presidency and Congress. The disagreements are often along party lines and sometimes result in little getting accomplished.

7. What is the main difference between a parliamentary system of government and a presidential system of government?

Study Guide



Chapter 27, Section 2

For use with textbook pages 595–598

A Profile of Great Britain



KEY TERMS

unitary system a system of government in which power is centralized (*page 597*)

devolution transferring power to local authorities (*page 597*)

DRAWING FROM EXPERIENCE

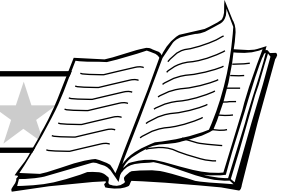
Where is Great Britain located? How has the history of Great Britain been a part of the history of the United States? How has its democratic beliefs influenced the government of the United States?

The last section described the authoritarian and democratic systems of government. This section describes Great Britain’s parliamentary system of government.

ORGANIZING YOUR THOUGHTS

Use the chart to help you take notes. Great Britain has two major political parties. Describe the beliefs of the two parties and identify their supporters in the chart.

	Basic Philosophy	Supporters
Conservative Party	1.	2.
Labour Party	3.	4.

Study Guide**Chapter 27, Section 2 (continued)****READ TO LEARN****• A Parliamentary Democracy** (*page 595*)

Great Britain includes England, Scotland, Wales, and Northern Ireland. It is also known as the United Kingdom. It is the third-largest country in Europe. The United States has closer ties to Great Britain than to any other country. Many of the ideas about citizens' rights can be traced to Great Britain. However, the governments of the two nations are different. Britain is a constitutional monarchy. It does not have a constitution, but rather a collection of written and unwritten laws. Today, the British monarch plays a ceremonial role in government. Parliament, the elected lawmaking body, has the real power.

Many governments around the world use Great Britain's parliamentary system of government. It is the form of government used in former British colonies, including Australia, Canada, India, and South Africa. The British Parliament is divided into the House of Commons and the House of Lords. The main lawmakers are the members of the House of Commons. They are elected directly by the people. Although both houses may propose and pass laws, the House of Commons has more power than the House of Lords. The majority party introduces most bills in the House of Commons. Bills are passed by a majority vote. The House of Lords is not an elected body. Most members are appointed for life by the prime minister as a reward for their achievements. Some are nobles with inherited titles or leading church officials. Although the House of Lords can debate bills, it cannot stop bills that the House of Commons supports and wants passed.

Britain has two major political parties. The Conservative Party is like the Republican Party in the United States. It supports private enterprise and does not believe in government interference. The Labour Party is like the Democratic Party. It believes in a more active role for government. The upper classes generally support the Conservative Party, while the working-class voters generally support the Labour Party.

The party that wins the most seats in the House of Commons chooses the prime minister. There is no limit on how long a prime minister or member of Parliament may serve. There are no fixed dates for parliamentary elections, but they have to be held every five years. Generally, the prime minister calls for elections earlier, when his or her party has public support. This helps to gain even more seats in the House of Commons and keeps the party in power longer.

Study Guide



Chapter 27, Section 2 (continued)

England and Wales, Northern Ireland, and Scotland have their own legal systems. Civil cases are heard in certain courts, and criminal cases are heard in other courts. A committee of the House of Lords is the highest court of appeal. It is like the United States Supreme Court.

5. How is Britain’s Parliament organized?

• Regional Governments *(page 597)*

The United States has a federal system of government in which power is shared by the states and the national government. Great Britain had a **unitary system** of government, in which power was centralized. Most political decisions for all parts of the country were made in London, the capital. In the late 1990s, however, Britain began a policy of **devolution**. It began transferring power to local governments. These governments now take care of regional matters.

Britain has the fourth-largest economy in the world. London is an important financial center. Britain is a close ally of the United States. It consults regularly with the United States on foreign policy and global issues. Britain is also a part of the European Union (EU).

6. How is the federal system of government different than the unitary system?

Study Guide



Chapter 27, Section 3

For use with textbook pages 599–604

A Profile of China



KEY TERMS

dynasty a family that holds power for many generations (*page 599*)

collective farms farms that are worked jointly by groups of peasants under government supervision (*page 601*)

human rights the fundamental rights that belong to every person on Earth (*page 602*)

DRAWING FROM EXPERIENCE

What kind of government does China have? Why do you think the United States is interested in developing trade with China?

The last section described the government of Great Britain. This section discusses the government of China.

ORGANIZING YOUR THOUGHTS

Use the chart to help you take notes. The Chinese government is made up of certain officials and organizations. Describe the function of each office or organization listed in the chart.

Office or Organization	Function
secretary-general of the CCP	1.
premier	2.
National People's Congress	3.
Politburo	4.

Study Guide**Chapter 27, Section 3 (continued)****READ TO LEARN****• China in History** (*page 599*)

The People's Republic of China, with 1.3 billion people, has the largest population of any country. Nearly 20 percent of the world's population lives in China. China is the third-largest country in land area. China's written history goes back 3,500 years. It has the world's oldest continuous civilization. China's huge market and inexpensive exports make it a valuable trading partner for the United States. However, China's military strength and its communist government make the United States cautious.

After the Soviet Union collapsed in 1991, China was left as the last major Communist state. The Chinese Communist Party (CCP) has controlled China since 1949. For hundreds of years, China was ruled by **dynasties**. These are families that hold power for many generations. The dynasties began to fall apart in the late 1800s. In 1912 China became a republic. In the late 1920s, the Kuomintang, or Nationalist Party, took power. At the same time, the CCP was formed. Led by Mao Zedong, it had gained many followers. By 1949, the CCP controlled most of the country. The Kuomintang fled to Taiwan, which is an island east of the Chinese mainland, and set up a separate government. They also set up a capitalist economy. On October 1, 1949, Mao Zedong founded the People's Republic of China. Beijing became the capital. He led the country for nearly 30 years.

The CCP turned China into a socialist state. It took over farmland and redistributed it among the peasants. Small farms were combined into **collective farms**, which were worked jointly by groups of peasants under government supervision. The government also took control of major industries.

Under Mao, more than 1 million political opponents were executed. Strict limits were placed on personal freedoms. The Chinese economy did not prosper, however, and in the 1970s, the Chinese government began to relax its control on the people. It loosened its control over industry and farming. It allowed some free enterprise.

In the 1980s, Deng Xiaoping became the new Communist leader. He welcomed foreign trade and investment. However, the Chinese government was less willing to make the government more democratic for its own people. In 1989, in Beijing, thousands of unarmed, pro-democratic students staged a protest in Tiananmen Square. Chinese military forces killed hundreds of these students.

Study Guide



Chapter 27, Section 3 (continued)

Changes to China's economy continue. Private enterprise and foreign investment are increasing. However, the government is still directly involved in the economy. It is also still involved in some parts of people's private lives, but less so than it used to be. The government continues to suppress criticism. China's constitution recognizes **human rights**, which are the fundamental rights that belong to every person on Earth. However, Chinese officials still mistreat people.

5. What political party has governed China since 1949?

• **The Structure of Government** *(page 602)*

The Chinese Communist Party is the main force in China's government. At the center of government is the secretary-general of the CCP. This person is also known as the president, but the office is generally ceremonial. The next important official is the premier. This person is the head of the executive body, the State Council. The Council handles the day-to-day running of the government.

In theory, the highest governing body in China is the National People's Congress. It includes 3,000 members elected from different provinces. In reality, it has little real power. National policy is made by the Politburo, a group of 20 top party leaders.

China has a unitary system of government. The central government in Beijing makes political decisions for the entire country. However, each province has a governor, and below that office are heads of counties, districts, townships, and towns. More than 10 million people work for the Chinese government.

Study Guide



Chapter 27, Section 3 (continued)

The courts in China often bow to pressure from the Communist Party. Criminal proceedings do not follow a standard set of legal rules. Judges are often inept and corrupt. Recently, some reforms have been made to China's legal system.

In 1949, when the People's Republic of China was proclaimed, the United States broke off ties with the Chinese government in Beijing. The U.S. official contacts were with the Nationalists in Taiwan. In 1972, however, relations with China improved when President Richard Nixon visited mainland China. Then in 1979, the United States recognized Beijing as the legitimate government of China. Today, the United States and China trade with each other and take part in cultural and scientific exchanges. However, relations are still strained because of China's poor record of protecting human rights.

6. What office is the center of China's government?

Study Guide



Chapter 28, Section 1

For use with textbook pages 610–615

Global Developments



KEY TERMS

protectionism the government policy of protecting home industries from foreign competition by placing tariffs on imports (*page 611*)

acid rain a condition in which sulfur dioxide gas released by coal-burning factories mixes with water vapor and later falls to the earth (*page 614*)

conservation the practice of limiting the use of polluting resources (*page 614*)

DRAWING FROM EXPERIENCE

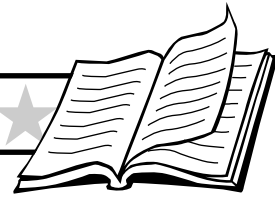
Do you think that the nations of the world depend on one another? How do you think the United States depends on other nations? How do other nations depend on the United States?

In this section, you will learn how the nations of the world are interdependent. You will also learn about how nations are addressing economic and environmental issues.

ORGANIZING YOUR THOUGHTS

Use the diagram on the next page to help you take notes. The world has both developed nations and developing nations. In the diagram, describe the characteristics of each.

Study Guide



Chapter 28, Section 1 (continued)

Characteristics of Developed Countries

1. _____
2. _____
3. _____
4. _____

Characteristics of Developing Countries

5. _____
6. _____
7. _____
8. _____

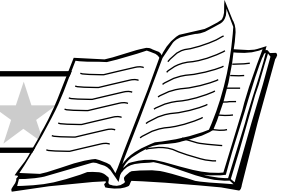
READ TO LEARN

• **Global Interdependence** (*page 610*)

Global interdependence means that people and nations all over the world now depend on one another for many goods and services. It also means that what happens in one country affects what happens in another. Today, every country depends on other countries for certain goods and services. This is called global economic interdependence. For example, the United States depends on other countries for much of its oil supply. As a result, it is important for the United States to have good relations with oil-producing countries. Global interdependence also means that other countries depend upon the United States for certain goods and services that they need.

One of the most important parts of economic interdependence is trade. Global trade has many advantages. For example, businesses can make bigger profits if they sell to a large world market. Greater competition may result in lower prices for consumers and more products to choose from. However, global trade can also have negative consequences. Competition may force weak companies out of business. This may hurt some national economies and cost workers their jobs. Some nations try to protect their industries from foreign competition by putting tariffs on imports. This policy is called **protectionism**. It sometimes hurts the

Study Guide



Chapter 28, Section 1 (continued)

economies of other nations and the global economy. It sometimes leads to trade wars, in which nations set up even bigger trade barriers.

Many countries today support the idea of free trade. They want to get rid of tariffs and other barriers. The North American Free Trade Agreement (NAFTA) is gradually removing all trade barriers between the United States, Mexico, and Canada. The World Trade Organization (WTO) is working to remove tariffs among more than 150 nations and to eliminate import quotas.

9. What are some benefits of global trade?

• **Global Problems and American Interests** (page 612)

A global problem in the world today is the growing split between the rich and poor nations of the world. Countries such as the United States, Japan, Canada, and Germany are called developed countries. These countries have a way of life that is based on highly developed business and industry. There are about 25 developed countries in the world. These countries have natural resources and many large industries. The people in these countries are generally well educated and healthy. Most work in business and industry. These countries produce most of the manufactured goods sold around the world. They also use much of the world's natural resources.

There are about 165 poorer and less developed nations. Many of these countries have high death rates because of starvation or disease. These countries are called developing nations. They are trying to develop industrial economies. Some of these countries are very poor. They have few natural resources and cannot produce enough food to feed their people. Other developing countries have valuable natural resources. However, they have few industries and do not have health and educational facilities to develop human resources.

Developed and developing nations need each other. Developed nations get much of the raw materials they need from developing nations. Developing nations need the food, technology, and money of

Study Guide



Chapter 28, Section 1 (continued)

the developed nations. Many developed nations try to help developing nations. Some give financial and technical help. For example, American businesses help by investing money in poor countries to build factories. The factories provide people there with jobs and training.

Another global problem is the destruction of the environment. Wastes from industries have polluted the air and water. Factories that burn coal release sulfur dioxide gas into the air. There the gas mixes with water and vapor, which falls to the earth as **acid rain**. The sulfur dioxide from factories in the United States may fall as acid rain in Canada, where it damages forests and kills fish in Canadian lakes. The United States and Canada have formed a commission to find solutions to the problem of acid rain.

To help save the environment, countries around the world have to work to stop pollution. One way to reduce it is through **conservation**, or limiting the use of polluting resources. For example, when people conserve gasoline, they can cut back on the amount of gases that pollute the air. By conserving natural resources, people will be more likely to have these resources available for the future.

Some people are opposed to conserving resources. They believe that it will slow economic growth. Others believe that not addressing problems today will lead to larger problems in the future. For example, not dealing with air pollution may lead to changes in climate around the world. It may also lead to more serious health problems as people breathe polluted air.

Poor nations believe that many anti-pollution laws are unfair to them. They believe that following these laws would make it more difficult for them to build their own industries. They say that today's pollution problems are the result of the developed nations polluting the environment while they were getting rich, and they do not want the poorer nations to do the same.

10. What are two global problems today?

Study Guide



Chapter 28, Section 2

For use with textbook pages 617–621

The United Nations



KEY TERMS

internationalism the idea that nations should cooperate to promote common aims (page 617)

veto to reject (page 618)

globalization individuals and nations working internationally across barriers of distance, culture, and technology (page 621)

multinational types of firms that do business or have offices or factories in many countries (page 621)

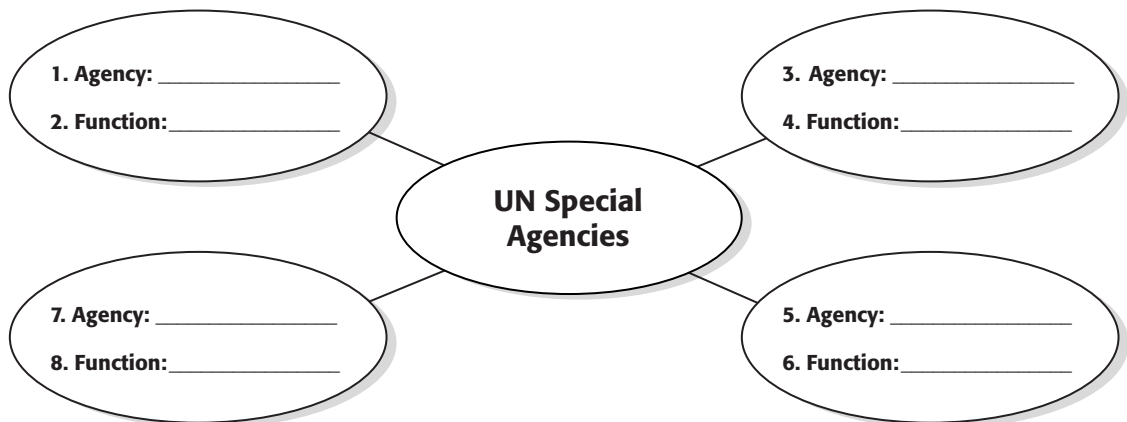
DRAWING FROM EXPERIENCE

Do you think the United States has a responsibility to help poorer nations? What kind of help should it provide?

The last section described the ways nations are interdependent. This section discusses the function of the United Nations.

ORGANIZING YOUR THOUGHTS

Use the diagram to help you take notes. Several agencies help the United Nations do its job. List the agencies and their functions in the diagram.



Study Guide**Chapter 28, Section 2 (continued)****READ TO LEARN****• The Purpose of the United Nations** *(page 617)*

Internationalism is the idea that nations should cooperate to promote common aims. Many nations do this through membership in the United Nations (UN). In 1945, 50 nations signed a charter that started the UN. The main goal of the organization is to keep international peace, develop friendly relations among nations, promote cooperation, and find solutions to global problems.

The UN today has 190 members. Its main headquarters is in New York City. It is organized into several parts. All members belong to the General Assembly. Each nation has one vote. The assembly holds meetings to debate international issues. Decisions are made by majority vote.

The Security Council is the peacekeeping arm of the UN. It has five permanent members. They are the United States, Great Britain, Russia, France, and China. It also has 10 nonpermanent members. These members are elected by the General Assembly for two-year terms. Each member has one vote. All decisions require nine “yes” votes. However, any one of the five permanent members can **veto**, or reject, a motion. This makes it possible for the permanent nations to stop actions that they are against. The Security Council has regular meetings, but it holds emergency meetings when there is a crisis in the world. It tries to get nations who have disputes with each other to solve the problems peacefully. It can send UN troops to try to prevent a war.

The Secretariat conducts the day-to-day business of the UN. The secretary-general is the chief executive officer of the UN. The General Assembly appoints the secretary-general to a five-year term.

The judicial arm of the UN is the International Court of Justice. It is also known as the World Court. Its headquarters is in The Hague, the Netherlands. The court is made up of 15 justices. They hear disputes between nations. They base decisions on international law. However, the court has no power to enforce its decisions.

The Economics and Social Council is an agency that works to better living conditions around the world. It tries to help countries make improvements in health, education, and human rights.

The Trusteeship Council had helped several territories around the world become independent nations. When the last of these territories became independent in 1994, the council stopped operations. However, it is still part of the UN structure.

Study Guide



Chapter 28, Section 2 (continued)

The UN has many special agencies that do a variety of work. One such agency is the World Health Organization (WHO). It works to bring improved health to people around the world.

The United Nations Children’s Fund (UNICEF) works to help children in developing nations. The goal of UNICEF is to give children the care they need in their early years. The agency works to encourage families to educate both girls and boys, to reduce childhood illness, and to protect children who are in the middle of wars or natural disasters.

The World Bank is an agency that makes loans to developing countries at low interest rates. The International Monetary Fund (IMF) was set up to provide international financial and technical help, particularly to developing countries. In general, the UN agencies try to fight hunger, disease, poverty, and other problems of developing nations. They do so by providing money and help in areas such as health, industrial development, and education.

9. What is the purpose of the Security Council?

• **Recent Activities of the United Nations** (page 620)

The United Nations has been successful in several ways. It has been a place where representatives from nations can discuss problems. It has helped to settle wars between some small nations. UN agencies have helped fight sickness, poverty, and ignorance around the world.

The UN has taken on the role of keeping peace in the world. For example, in 1990 when Iraq invaded Kuwait, the Security Council voted to condemn Iraq. It voted to place trade sanctions on the country. It also gave Iraq a deadline for getting out of Kuwait. When Iraq did not stick to the deadline, a UN coalition of nations led by the United States attacked and defeated Iraq. Since that time, the UN has sent peacekeeping troops to other places in the world.

Study Guide



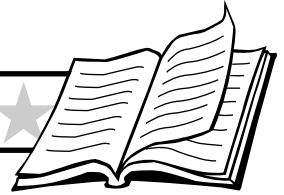
Chapter 28, Section 2 (continued)

Today many global problems are being addressed through **globalization**, or individuals and nations working internationally across the barriers of distance, culture, and technology. Many nations have become more concerned about the environment. In 1992 a major conference on the environment was held in Brazil. Representatives from 178 nations discussed ways of protecting the environment.

The United Nations has addressed the problem of economic inequality. It has suggested a “Global Compact” between the United Nations and the world’s **multinationals**. These are corporations that do business or have offices or factories in many countries. The compact would ask leaders of private corporations to respect human rights. It would also ask them to play a part in providing a fairer distribution of wealth throughout the world.

10. In what ways has the United Nations been successful?

Study Guide



Chapter 28, Section 3

For use with textbook pages 622–627

Democracy and Human Rights



KEY TERMS

international tribunal court with authority from the UN to hear cases and make judgments about violations of international human rights law *(page 624)*

genocide the deliberate killing of a racial or cultural group *(page 624)*

apartheid a legalized policy of racial separation between blacks and whites in South Africa *(page 625)*

sanctions measures that countries take to end their economic relations with a particular country to try to get that country to change its policies *(page 625)*

satellites countries that are politically and economically dominated or controlled by another more powerful country *(page 626)*

Cold War the conflict that started after World War II that involved a clash between American ideas of democracy and Soviet ideas of communism *(page 626)*

DRAWING FROM EXPERIENCE

Do you think that all people have basic human rights? What rights do you think all people in the world should have?

The last section described the purpose and organization of the United Nations. This section discusses the actions being taken to protect human rights throughout the world.

ORGANIZING YOUR THOUGHTS

Use the diagram to help you take notes. The United Nations has worked to promote human rights throughout the world. Describe the ways it does so in the diagram.



1. _____
2. _____
3. _____

Study Guide**Chapter 28, Section 3 (continued)****READ TO LEARN****• Standards for Human Rights** (*page 622*)

Human rights are the basic freedoms and rights that all people should have. They include the right to safety, to food, and to shelter. They also include the right to speak freely and to worship as one pleases. In recent years, human rights' groups have pointed to governments that still abuse people for practicing free speech. Today human rights' abuses are being more carefully watched. National commissions in some countries have investigated abuses of past governments. International groups have called some individuals to account for their war crimes.

In 1948 the United Nations adopted the Universal Declaration of Human Rights. It is a statement of the way things should be regarding human rights. The articles say that all human beings are born with equal rights. They list many of the rights that are included in the U.S. Constitution. They also include other rights, such as freedom of movement, the right to a nationality, the right to work, and the right to have adequate health and well being.

The UN High Commissioner for Human Rights oversees programs that promote human rights. The Commission reports on violations of rights around the world. It hopes to stop the abuses by drawing attention to them.

The Security Council has set up **international tribunals** to punish human rights violators. These are courts with authority from the UN to hear cases and make judgments about violations of international human rights law. The UN has used the tribunal to try cases related to the breakup of Yugoslavia. Several government officials have been tried, and many of them have been found guilty and punished.

During the 1990s, ethnic tensions in the African nations of Rwanda and Burundi led to violence. The Hutu-led Rwandan government fought Tutsi-led guerrillas. In a **genocide**, or the deliberate killing of a racial or cultural group, Hutu forces killed more than 500,000 people. The International Criminal Tribunal Court for Rwanda began trying cases of people accused of taking part in the genocide.

Study Guide ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ 

Chapter 28, Section 3 (continued)

4. What is the Universal Declaration of Human Rights?

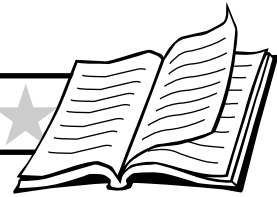
• **Spread of Democracy and Liberty** (page 624)

The United Nations and the United States have encouraged the spread of democracy and human rights throughout the world. By 2001 nearly 60 percent of the world’s people lived under democratic conditions. There were 86 countries with free and democratic governments. There were 58 “partly free” countries. Of these, 34 countries met the minimal standards for democracy. They held free and fair elections, but they did not guarantee a range of personal liberties. Twenty-four of these countries did not meet the minimal standard for democracy. In 2001, 48 countries were not democracies. These countries often violated human rights.

In South Africa, white leaders set up a policy of racial separation between blacks and whites called **apartheid**. Laws stated where blacks could eat and go to school. Blacks did not have the right to vote or own property. People both in and outside of South Africa protested against apartheid. The United States and other nations ordered economic **sanctions**, or measures that countries take to end their economic relations with a particular country to try to get that country to change its policies. These pressures and the anti-apartheid movement brought a gradual end to apartheid. In April 1994, South Africa had its first election that was open to everyone. Nelson Mandela was elected the first black president.

In Afghanistan in the mid-1990s, the Taliban, a group educated at strict Islamic schools in Pakistan, took control of most of the country. They set up strict laws. Thousands of women were physically abused and their freedoms were restricted. In late 2001, the United States accused the Taliban of supporting terrorists. It began bombing Taliban forces. After the Taliban government collapsed, the United Nations began to work with Afghanistan’s new leaders to protect human rights.

Study Guide



Chapter 28, Section 3 (continued)

During the twentieth century, the United States worked to spread democracy throughout the world. It fought World War I and World War II for democracy and freedom. After World War II, the Soviet Union dominated eastern Europe. It forced these countries to become Soviet **satellites**, or countries politically and economically dominated or controlled by another more powerful country. The United States and other countries believed that the Soviet Union wanted to expand its influence around the world. Most of the world divided into two sides: the free nations of the West and the Communist nations. The conflict between the two sides became known as the **Cold War**. It was a conflict between ideas of democracy and Soviet ideas of communism.

After the Soviet Union collapsed in 1991, American presidents promoted democracy in the former Soviet Union and in other countries in eastern Europe that were once controlled by the Soviet Union. The spread of democracy throughout the world continued to be a goal of the United States foreign policy.

After the September 11, 2001, terrorist attacks on the United States, President George W. Bush repeated America's commitment to democracy and liberty around the world. A world that is democratic and free allows other nations an easier time to maintain peace, prosperity, and security. Thus, it is in the national interest to support the advancement of democracy and liberty.

5. What is a goal of U.S. foreign policy?
