Business Law 12th edition Cheeseman Test Bank

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***Business Law, 12e* (Cheeseman)**
Chapter 1 Legal Heritage and Ethics

1) Which of the following refers to rules that citizens must adhere to, with potential sanctions or legal repercussions for noncompliance?
A) morality
B) philosophy
C) law
D) religion
Answer: C
Diff: 1
LO: 1.1 Define law.
AACSB: Analytical thinking
Classification: Concept

2) Law may be defined as _____.
A) a body of rules of action or conduct prescribed by controlling authority, and having binding legal force
B) a study of fundamental problems, such as those connected with existence, knowledge, and language
C) a system that builds and organizes knowledge in the form of testable explanations and predictions
D) a group of hypotheses employed to explain a phenomenon
Answer: A
Diff: 1
LO: 1.1 Define law.
AACSB: Analytical thinking
Classification: Concept

3) Which of the following laws would be considered an example of shaping and influencing moral standards?
A) laws granting freedom of speech and religion
B) laws discouraging drug and alcohol abuse
C) laws providing rights to peaceful protest
D) laws preventing overthrow of a government
Answer: B
Diff: 2
LO: 1.1 Define law.
AACSB: Analytical thinking
Classification: Concept

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4) What function is served by establishing laws that prohibit workplace discrimination?
A) keeping the peace
B) providing a basis for compromise
C) maintaining the status quo
D) promoting social justice
Answer: D
Diff: 2
LO: 1.1 Define law.
AACSB: Analytical thinking
Classification: Concept

5) Halfrond, a county in the state of Halizona, is earthquake prone. The governor of Halizona established a committee to investigate the impact of previous earthquakes on Halfrond and explore potential methods to reduce damage and save lives. The committee discovered that incorporating steel reinforcements in building columns could significantly lessen overall damage. These findings were debated at a local town hall meeting, where a majority of Halfrond residents agreed with the proposal. Subsequently, the state government enacted a law requiring the use of steel-reinforced columns in all new construction in Halfrond. Which function of the law did the Halizona state government demonstrate in this situation?
A) promoting social justice
B) maximizing individual freedom
C) shaping moral standards
D) facilitating orderly change
Answer: D
Diff: 2
LO: 1.1 Define law.
AACSB: Application of knowledge
Classification: Application

6) What role does the law fulfill when enacting laws to safeguard the U.S. government from the threat of being forcefully overthrown?
A) maintaining the status quo
B) shaping moral standards
C) facilitating orderly change
D) promoting social justice
Answer: A
Diff: 2
LO: 1.1 Define law.
AACSB: Analytical thinking
Classification: Concept

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7) What essential function of law does the U.S. Constitution serve by allowing U.S. citizens to practice the religion of their choice?
A) facilitating orderly change
B) maintaining the status quo
C) maximizing individual freedom
D) facilitating planning
Answer: C
Diff: 1
LO: 1.1 Define law.
AACSB: Analytical thinking
Classification: Concept

8) Sonja Sinha was involved in a car accident where the airbag of the vehicle did not deploy. Sonja filed a lawsuit against the car manufacturer, alleging the airbags were defective. However, during the legal proceedings, both Sonja and the car company decided to settle the case outside of court. What key legal function was served in this situation?
A) promoting social justice
B) maximizing individual freedom
C) providing a basis for compromise
D) maintaining the status quo
Answer: C
Diff: 2
LO: 1.1 Define law.
AACSB: Application of knowledge
Classification: Application

9) The American legal system is designed to be one of the fairest and most democratic systems ever created. When our system of law fails, it is often because of human failure — abuses of discretion, mistakes made by judges and juries, or inconsistent application of the law.
Answer: TRUE
Diff: 2
LO: 1.1 Define law.
AACSB: Analytical thinking
Classification: Concept

10) Which term is defined as the science or philosophy of law?
A) morality
B) ethics
C) justice
D) jurisprudence
Answer: D
Diff: 1
LO: 1.2 Summarize the schools of judicial thought.
AACSB: Analytical thinking
Classification: Concept

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11) Philosophers from the _____ School of jurisprudence focus on a moral theory of law, asserting that laws are grounded in morality and ethics, and are determined through human reasoning and the choice between good and evil.
A) Sociological
B) Analytical
C) Historical
D) Natural Law
Answer: D
Diff: 1
LO: 1.2 Summarize the schools of judicial thought.
AACSB: Analytical thinking
Classification: Concept

12) The Analytical School of jurisprudence asserts that law is _____.
A) shaped by logic
B) based on social behavior
C) set by the ruling class
D) based on morality
Answer: A
Diff: 1
LO: 1.2 Summarize the schools of judicial thought.
AACSB: Analytical thinking
Classification: Concept

13) Which school of jurisprudence views law as an evolving process, where current societal norms are reflected in legal changes?
A) the Natural Law School of jurisprudence
B) the Sociological School of jurisprudence
C) the Analytical School of jurisprudence
D) the Historical School of jurisprudence
Answer: D
Diff: 1
LO: 1.2 Summarize the schools of judicial thought.
AACSB: Analytical thinking
Classification: Concept

14) Implementing a ban on public smoking exemplifies a law that aligns with the _____ School of jurisprudence.
A) Command
B) Sociological
C) Law and Economics
D) Analytical
Answer: B
Diff: 1
LO: 1.2 Summarize the schools of judicial thought.
AACSB: Analytical thinking
Classification: Concept

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15) Philosophers of the Command School of jurisprudence assert that the law is _____.
A) developed, communicated, and enforced by the ruling party
B) a means to achieve and advance sociological goals
C) a reflection of the society's morality, history, and logic
D) based on human reasoning, and humans' choosing power between what is good and evil
Answer: A
Diff: 1
LO: 1.2 Summarize the schools of judicial thought.
AACSB: Analytical thinking
Classification: Concept

16) Which school of jurisprudence bases its principles for solving legal disputes on broad notions of fairness, and subjective judicial decision making?
A) the Natural Law School of jurisprudence
B) the Analytical School of jurisprudence
C) the Critical Legal Studies School of jurisprudence
D) the Sociological School of jurisprudence
Answer: C
Diff: 1
LO: 1.2 Summarize the schools of judicial thought.
AACSB: Analytical thinking
Classification: Concept

17) Which school of jurisprudential thought highlights the use of law as a means to achieve market efficiency in resolving legal disputes?
A) the Critical Legal Studies School of jurisprudence
B) the Command School of jurisprudence
C) the Sociological School of jurisprudence
D) the Law and Economics School of jurisprudence
Answer: D
Diff: 1
LO: 1.2 Summarize the schools of judicial thought.
AACSB: Analytical thinking
Classification: Concept

18) Which school of jurisprudential thought suggests that law is "discovered" by humans through reason and deciding between good and evil?
A) the Natural Law School
B) the Historical School
C) the Sociological School
D) the Analytical School
Answer: A
Diff: 2
LO: 1.2 Summarize the schools of judicial thought.
AACSB: Analytical thinking
Classification: Concept

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19) During the Vietnam War, the U.S. government enacted draft laws requiring men of a certain age to serve in the military if they met specific physical criteria. Which school of jurisprudential thought do these draft laws most closely align with?
A) the Historical School of jurisprudential thought
B) the Natural Law School of jurisprudential thought
C) the Sociological School of jurisprudential thought
D) the Command School of jurisprudential thought
Answer: D
Diff: 2
LO: 1.2 Summarize the schools of judicial thought.
AACSB: Analytical thinking
Classification: Concept

20) What was a consequence of the development of English common law?
A) the advancement of forensic science in case resolution
B) the supremacy of a ruler and their intervention in case decisions
C) the use of precedent from past cases for judges to decide present similar cases
D) the subjective decision-making of judges when it came to similar cases
Answer: C
Diff: 1
LO: 1.2 Summarize the schools of judicial thought.
AACSB: Analytical thinking
Classification: Concept

21) The Law and Economics School of jurisprudential thought believes that the primary objective of legal decision-making should be to enhance market efficiency.
Answer: TRUE
Diff: 1
LO: 1.2 Summarize the schools of judicial thought.
AACSB: Analytical thinking
Classification: Concept

22) The Critical Legal Studies School argues that legal rules are unnecessary and serve as tools for the powerful to maintain the status quo.
Answer: TRUE
Diff: 1
LO: 1.2 Summarize the schools of judicial thought.
AACSB: Analytical thinking
Classification: Concept

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23) The Critical Legal Studies School of jurisprudential thought aims to limit the subjective decision-making authority of judges.
Answer: FALSE
Diff: 1
LO: 1.2 Summarize the schools of judicial thought.
AACSB: Analytical thinking
Classification: Concept

24) The Command School of jurisprudence asserts that the law consists of rules established, communicated, and enforced by the ruling party.
Answer: TRUE
Diff: 1
LO: 1.2 Summarize the schools of judicial thought.
AACSB: Analytical thinking
Classification: Concept

25) Sociological philosophers are unlikely to adhere to past law as precedent.
Answer: TRUE
Diff: 1
LO: 1.2 Summarize the schools of judicial thought.
AACSB: Analytical thinking
Classification: Concept

26) The Analytical School of jurisprudence focuses on the process by which a case's outcome is determined, rather than the reasoning behind the outcome itself.
Answer: FALSE
Diff: 1
LO: 1.2 Summarize the schools of judicial thought.
AACSB: Analytical thinking
Classification: Concept

27) The Natural Law School of jurisprudence highlights the importance of formulating laws based on moral and ethical principles.
Answer: TRUE
Diff: 1
LO: 1.2 Summarize the schools of judicial thought.
AACSB: Analytical thinking
Classification: Concept

28) Looking to legal precedent as a method of solving contemporary problems is a key feature of the Historical School of jurisprudence.
Answer: TRUE
Diff: 1
LO: 1.2 Summarize the schools of judicial thought.
AACSB: Analytical thinking
Classification: Concept

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29) The Law and Economics School asserts that legal decision-making should be directed toward promoting market efficiency.
Answer: TRUE
Diff: 1
LO: 1.2 Summarize the schools of judicial thought.
AACSB: Analytical thinking
Classification: Concept

30) When the American colonies were first settled, the English system of law was adopted as the system of jurisprudence.
Answer: TRUE
Diff: 1
LO: 1.2 Summarize the schools of judicial thought.
AACSB: Analytical thinking
Classification: Concept

31) All of U.S. states base their legal systems primarily on English common law.
Answer: FALSE
Diff: 1
LO: 1.2 Summarize the schools of judicial thought.
AACSB: Analytical thinking
Classification: Concept

32) Differentiate between the Social Justice School of jurisprudence and the Sociological School of jurisprudence.
Answer: The Social Justice School of jurisprudence focuses on addressing issues of fairness and equality within the legal system. It advocates for laws that promote social justice and protect the rights of marginalized groups. This school emphasizes the moral and ethical implications of legal decisions and seeks to create a more equitable society by highlighting injustices and advocating for reforms that benefit the disadvantaged. The Sociological School of jurisprudence asserts that the law is a means of achieving and advancing certain sociological goals. The followers of this philosophy, known as realists, believe that the purpose of law is to shape social behavior. Sociological philosophers are unlikely to adhere to past law as precedent.
Diff: 2
LO: 1.2 Summarize the schools of judicial thought.
AACSB: Analytical thinking
Classification: Concept

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33) Why was the U.S. Supreme Court's decision in *Brown v. Board of Education* significant?
A) It demonstrated the use of affirmative action policy.
B) It demonstrated the flexibility of the law.
C) It upheld state supremacy over federal rulings.
D) It emphasized the importance of following precedent.
Answer: B
Diff: 2
LO: 1.3 Describe the sources of law in the United States.
AACSB: Analytical thinking
Classification: Concept

34) What is regarded as the supreme law of the land in the United States?
A) judicial decisions issued by the state courts
B) the Constitution of the United States of America
C) the federal statutes passed by the U.S. Congress
D) the Declaration of Independence of the United States of America
Answer: B
Diff: 1
LO: 1.3 Describe the sources of law in the United States.
AACSB: Analytical thinking
Classification: Concept

35) Which branch of the federal government in the United States has the power to interpret the law?
A) judicial
B) legislative
C) executive
D) commissary
Answer: A
Diff: 1
LO: 1.3 Describe the sources of law in the United States.
AACSB: Analytical thinking
Classification: Concept

36) What is the function of the executive branch of the federal government in the United States?
A) It has the power to interpret and determine the validity of the law.
B) It has the power to enact the law.
C) It has the power to enforce the law.
D) It has the power to act as a liaison between the legislative and executive branches.
Answer: C
Diff: 1
LO: 1.3 Describe the sources of law in the United States.
AACSB: Analytical thinking
Classification: Concept

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37) Which branch of the federal government has the power to enact laws?
A) legislative
B) judicial
C) consulate
D) executive
Answer: A
Diff: 1
LO: 1.3 Describe the sources of law in the United States.
AACSB: Analytical thinking
Classification: Concept

38) Which of the following legal documents establishes the U.S. federal government and specifies its powers?
A) federal statutes
B) the U.S. Constitution
C) the combined list of state statutes
D) the set of codified laws called ordinances
Answer: B
Diff: 1
LO: 1.3 Describe the sources of law in the United States.
AACSB: Analytical thinking
Classification: Concept

39) A(n) _____ is a compact made between two or more nations.
A) amendment
B) treaty
C) charter
D) statute
Answer: B
Diff: 1
LO: 1.3 Describe the sources of law in the United States.
AACSB: Analytical thinking
Classification: Concept

40) A(n) _____ is a written law passed by the legislative branch of federal and state governments that outlines specific behaviors that the affected parties must follow.
A) charter
B) treaty
C) executive order
D) statute
Answer: D
Diff: 1
LO: 1.3 Describe the sources of law in the United States.
AACSB: Analytical thinking
Classification: Concept

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41) Which of the following is an example of codified law in the United States?
A) judicial rulings
B) federal statutes
C) treaties
D) executive orders
Answer: B
Diff: 2
LO: 1.3 Describe the sources of law in the United States.
AACSB: Analytical thinking
Classification: Concept

42) Ordinances are codified laws that are issued by _____.
A) the president
B) the state legislature
C) the Supreme Court judges
D) local government bodies
Answer: D
Diff: 1
LO: 1.3 Describe the sources of law in the United States.
AACSB: Analytical thinking
Classification: Concept

43) Which of the following are empowered to enforce and interpret statutes enacted by the U.S. Congress and state legislatures?
A) commissaries
B) state courts
C) administrative agencies
D) councils
Answer: C
Diff: 1
LO: 1.3 Describe the sources of law in the United States.
AACSB: Analytical thinking
Classification: Concept

44) What is a judicial decision?
A) a decision issued by the executive branch in a state of emergency
B) a decision about an individual lawsuit issued by a federal or state court
C) a codified law passed by the state legislature
D) a decision issued by the legislative branch to establish courses of conduct to which covered parties must adhere
Answer: B
Diff: 2
LO: 1.3 Describe the sources of law in the United States.
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45) The Food and Drug Administration, created by the U.S. Congress to protect public health by regulating and overseeing the safety, efficacy, and security of various products, is an example of a(n) _____.
A) intelligence agency
B) congressional body
C) judicial body
D) administrative agency
Answer: D
Diff: 1
LO: 1.3 Describe the sources of law in the United States.
AACSB: Analytical thinking
Classification: Concept

46) According to the priority of law rules in the United States, which of the following statements is true?
A) State regulations take precedence over state statutes.
B) Valid state laws take precedence over any conflicting federal laws.
C) Valid state laws take precedence over local laws.
D) State laws take precedence over the U.S. Constitution within that state.
Answer: C
Diff: 1
LO: 1.3 Describe the sources of law in the United States.
AACSB: Analytical thinking
Classification: Concept

47) *Stare decisis* is the doctrine of _____.
A) providing proof to assert a fact in court
B) adhering to precedent
C) separating powers between state and religion
D) ensuring all legal rights are provided to a person when otherwise deprived of them
Answer: B
Diff: 1
LO: 1.3 Describe the sources of law in the United States.
AACSB: Analytical thinking
Classification: Concept

48) How is legal precedent utilized among courts of different states?
A) Courts in a state cannot cite the judicial decisions of courts of another state in its rulings.
B) Courts in a state must follow precedent from courts of another state for similar cases.
C) Courts in a state can use precedent from courts of another state as a form of guidance.
D) Courts in a state cannot challenge the precedent of courts of another state.
Answer: C
Diff: 2
LO: 1.3 Describe the sources of law in the United States.
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