

Business and Personal Law Chapter 1 Test

Ethics and the Law

Name:

Select the best answer. Circle the answer, *and* write it to the left of the question. (2 points each)

1. Ethical decisions can be made by relying on
 - a. Opinions and feelings
 - b. By applying the greatest good principle
 - c. Following the Golden Rule
 - d. All of the above*
 - e. What your friends tell you is right

2. Applying the greatest good principle (choosing an action that will create the most good for the greatest number of people) always brings about ethical actions.
 - a. True
 - b. False*

3. The Golden Rule principle is only used in Christianity.
 - a. True
 - b. False*

4. Why does the Golden Rule usually lead to an ethical decision?
 - a. Everybody is familiar with the Golden Rule.
 - b. It requires that people are treated with respect.
 - c. It requires a person to put the interests of others ahead of personal interests.
 - d. Both b and c*
 - e. None of the above

5. Sue refuses to work on Sundays because of her religious beliefs. Which ethical character trait is she displaying?
 - a. Honesty
 - b. Integrity*
 - c. Justice
 - d. Confidentiality
 - e. Compassion

6. Bill watches Sarah struggle with a task at work. Sarah has worked very hard all day, and is having one problem after another. Bill goes to talk to Sarah about her task, and offers to help her with the problems she is encountering. Which ethical character is Bill displaying?
 - a. Honesty
 - b. Integrity
 - c. Justice
 - d. Confidentiality
 - e. Compassion*

7. Ethics are subjective (one person may think an action is ethical, while another person thinks the same action is unethical).
 - a. True*
 - b. False

8. What is one of the main reasons we have laws?
 - a. To give legislatures something to do
 - b. People do not always know what they should do*
 - c. To give citizens something to vote on
 - d. The government wants to control as much as possible

9. Ethics and the law never conflict.
 - a. True
 - b. False*

10. The United States Constitution...
 - a. Defines the limits within which federal and state governments may pass laws
 - b. Gives citizens fundamental rights

- c. Describes the functions of the branches of the national government
- d. All of the above*
- e. Only a and b

11. How many articles and amendments make up the United States Constitution?

- a. 12 articles and 27 amendments
- b. 7 articles and 27 amendments*
- c. 7 articles and 17 amendments
- d. 5 articles and 17 amendments
- e. 5 articles and 10 amendments

12. A body of cases called common law originates from

- a. England* b. France c. Spain d. Germany e. Mexico

13. Individuals as well as businesses should act ethically.

- a. True* b. False

14. What is the doctrine of precedent?

- a. A judge is required to follow an earlier court decision when deciding a case with similar circumstances.*
- b. Legislatures make laws based on past court decisions.
- c. The president suggests new laws based on past laws that need to be changed.
- d. Throwing out laws that are not effective in society.
- e. None of the above

15. What is a legislature?

- a. The president's closest advisors
- b. A body of lawmakers*
- c. A regulatory agency
- d. A group of judges
- e. None of the above

15. Which is true about statutory law?

- a. A statute can be created to declare the law on a particular issue
- b. Statutes may order people to do something
- c. Statutes can forbid people from doing something
- d. Statutes are created according to precedent
- e. a, b, and c*

16. In what ways do courts make law?

- a. Common law tradition
- b. Interpreting statutes
- c. Deciding issues of constitutionality
- d. All of the above*
- e. None of the above

17. In each state, court decisions made by which court become the law in that state?

- a. Circuit courts b. Appellate courts c. Supreme Court* d. Judges make the laws e. Legislatures

18. Why do legislatures create regulatory agencies?

- a. Legislatures are experts in all fields.
- b. Legislatures are not experts in all fields.
- c. Legislatures do not have time to focus on only one activity.
- d. Both a and c
- e. Both b and c*

Short Answer:

19. How can ethics and law sometimes conflict? (4 points)

*Because law is made by people, it is imperfect. Legislators and judges bring their personal views on ethics and morality to the law-making process. As a result, ethics and law will sometimes conflict.

20. What is the supreme law of our country? (2 points)

*The Constitution

21. Why do we have laws? (2 points)

- *because people do not always do what they should.*
 - Defines legal rights and duties of people
 - Defines enforcement of these rights and duties
 - Has the power to punish for doing wrong

22. What is the difference between ethics and law? (2 points)

- Ethics tell us what we should do, and laws are needed *because people do not always do what they should.*
- Ethics are the means for determining what a society's values ought to be.
- Law is the system of rules of conduct established by the government of a society to maintain stability and justice.

23. List the five main sources of U.S. law. (5 points)

*common law, court law, statutory law, administrative regulations, Constitutional law

24. Lucy Demps wants to quit high school. However, a state law forbids minors from dropping out of school. The same statute gives juvenile court judges the right to suspend the driver's license of any minor who has dropped out of school. Lucy argues that statutes passed by the legislature may be able to forbid certain acts, such as stealing, but they cannot order her to attend school. Is she correct? Explain your answer.

Part 2: Essay

You have been introduced to a variety of ethical principles and how ethics are related to the law. Ethical principles differ among people and nations. Laws and sources of law also differ among different nations. Your task is to compare and contrast specific rights/ethics and sources of U.S. law with rights/ethics and sources of law in a country of your choice. The essay is worth 25 points. Choose ONE of the following topics for your essay:

1. For the United States and a country you select, research rights that employees of businesses have. List at least five rights for each country and then give an explanation comparing and contrasting the rights of employees in the two countries. What similarities and differences do you see? What do you think accounts for any differences? What do the country's ethical standards have to do with the rights of their employees?
2. List the sources of U.S. law, and then research about your selected country's sources of law. Compare the sources of law in the U.S. and in your chosen country. If there are major differences, explain why you think these differences are present. If the sources are similar, explain why you think the similarities exist.

*To earn the full 25 points on your essay, you must give thorough details and explanations! Make sure to answer each aspect of the questions.

5 points.....Each aspect of the question has been answered.

5 points.....Thorough details have been given to back up statements.

5 points.....Explanations are clear and easy to follow.

5 points.....Grammar/Structure

5 points.....Effort