The Legal Environment of Business and Online Commerce, 9e (Cheeseman) Chapter 1 Legal Heritage and the Digital Age

1) Law is described 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 like knowledge and language
- C) a legal system that builds and organizes knowledge in the form of testable explanations and predictions
- D) a group of legal hypotheses employed to explain a legal phenomenon

Answer: A Diff: 1

Skill: Legal Concepts LO: 1.1 Define law.

AACSB: Analytical thinking Classification: Concept

- 2) Which of the following would be considered an example of shaping moral standards, as seen as a function of the law?
- A) laws granting freedom of speech and religion
- B) laws discouraging drug and alcohol abuse
- C) laws providing for the right to peaceful protest
- D) laws preventing the overthrow of a government

Answer: B Diff: 2

Skill: Legal Concepts LO: 1.1 Define law.

AACSB: Analytical thinking Classification: Concept

- 3) What function of the law is being served when passing laws that prohibit discrimination at workplaces?
- A) keeping the peace
- B) providing a basis for compromise
- C) maintaining the status quo
- D) promoting social justice

Answer: D Diff: 2

Skill: Legal Concepts LO: 1.1 Define law.

- 4) Halfren, a county in the state of Halizona, is earthquake-prone. The governor of Halizona sets up a committee to explore the possible methods that could be used to minimize damage and loss of life. The committee found that a new technique of using steel reinforcements in building columns would help reduce overall damages. The findings were put to a debate at the local town hall, where it was accepted by a majority of the residents. The state government then passed a law making it mandatory to use the new technique while constructing new buildings in Halfren. Which of the following functions of the law did the state government of Halizona exhibit in this case?
- A) promoting social justice
- B) maximizing individual freedom
- C) shaping moral standards
- D) facilitating orderly change

Skill: Factual Application LO: 1.1 Define law.

AACSB: Application of knowledge

Classification: Application

- 5) What function of the law is being served when passing laws that protect the U.S. government from the risk 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

Skill: Legal Concepts LO: 1.1 Define law.

AACSB: Analytical thinking Classification: Concept

- 6) By allowing the U.S. citizens to practice any religion of their choice, what essential function of the law does the U.S. Constitution serve?
- A) facilitating orderly change
- B) maintaining the status quo
- C) maximizing individual freedom
- D) facilitating planning

Answer: C Diff: 1

Skill: Legal Concepts LO: 1.1 Define law.

- 7) Mark Walton was involved in a car accident in which the airbag of his car failed to deploy. He sued the car manufacturer for installing faulty airbags. But in the course of the case being heard in court, the car company and Mark decided to settle the lawsuit out of court. What important function of the law was served in this case?
- A) promoting social justice
- B) maximizing individual freedom
- C) providing a basis for compromise
- D) maintaining the status quo

Skill: Factual Application LO: 1.1 Define law.

AACSB: Application of knowledge

Classification: Application

- 8) What function of the law is being served when a state legislature enacts a statute making murder a crime?
- A) keeping the peace
- B) providing a basis for compromise
- C) maintaining the status quo
- D) promoting social justice

Answer: A Diff: 2

Skill: Legal Concepts LO: 1.1 Define law.

AACSB: Analytical thinking Classification: Concept

- 9) The City of Hilbert is considering rezoning a part of its downtown so Flatlands University can build a satellite campus there. In accordance with local ordinance, the City Council will first conduct public hearings, then debate the proposed rezoning ordinance during one its regular meetings, and finally vote on the proposed rezoning ordinance at its regular meetings. This would be an example of which function of the law?
- A) keeping the peace
- B) providing a basis for compromise
- C) maintaining the status quo
- D) facilitating orderly change

Answer: D Diff: 2

Skill: Legal Concepts LO: 1.1 Define law.

10) Businesses that are organized in the United States are subject to its laws, but not to the laws of other countries in which they do business.

Answer: FALSE

Diff: 1

Skill: Legal Concepts LO: 1.1 Define law.

AACSB: Analytical thinking Classification: Concept

11) When deciding in which state to start their new business, the founders of Telstar Autos decided to set up shop in the State of Indillowa due to its well-designed commercial laws that allow businesses to plan their activities, allocate their productive resources, and assess the risks they take. This would be an example of the facilitating planning function of the law.

Answer: TRUE

Diff: 2

Skill: Legal Concepts LO: 1.1 Define law.

AACSB: Analytical thinking Classification: Concept

12) Maintaining the status quo is a key function of the law, which includes laws that prevent the violent overthrow of governments.

Answer: TRUE

Diff: 1

Skill: Legal Concepts LO: 1.1 Define law.

AACSB: Analytical thinking Classification: Concept

- 13) The Supreme Court case decision on the case of *Brown v. Board of Education* was important because it exhibited .
- A) the use of the affirmative action policy
- B) the scope of flexibility of the law
- C) the state's supremacy over federal rulings
- D) the importance of following precedence

Answer: B Diff: 2

Skill: Legal Concepts

LO: 1.2 Describe the flexibility of the law.

- 14) In the United States, law evolves and changes along with several other factors. Which one of the following is NOT generally considered one of these factors?
- A) the norms of society
- B) technology
- C) total take-home pay
- D) the growth and expansion of commerce in the United States and the world

Skill: Legal Concepts

LO: 1.2 Describe the flexibility of the law.

AACSB: Analytical thinking Classification: Concept

- 15) The Analytical School of jurisprudence maintains that the law should be _____.
- A) shaped by logic
- B) based on social behavior
- C) set by the ruling class
- D) based on morality

Answer: A Diff: 1

Skill: Legal Concepts

LO: 1.3 List and describe the schools of judicial thought.

AACSB: Analytical thinking Classification: Concept

- 16) Which school of jurisprudence views law as a sort of evolutionary process, where changing norms of society will be reflected in the law?
- 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

Skill: Legal Concepts

LO: 1.3 List and describe the schools of judicial thought.

- 17) Imposing a ban on public smoking can serve as an example of a law that adheres to the _____ School of jurisprudence.
- A) Command
- B) Sociological
- C) Law and Economics
- D) Analytical Answer: B Diff: 1

Skill: Legal Concepts

LO: 1.3 List and describe the schools of judicial thought.

AACSB: Analytical thinking Classification: Concept

- 18) Proponents of the Command School of jurisprudence will 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 collection of a society's traditions and customs that has developed over the centuries
- D) based on human reasoning, and humans' choosing power between what is good and evil Answer: A

Diff: 1

Skill: Legal Concepts

LO: 1.3 List and describe the schools of judicial thought.

AACSB: Analytical thinking Classification: Concept

- 19) Which school of jurisprudence bases its principles, for solving legal disputes, on broad notions of fairness, and subjective decision making by judges?
- 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

Skill: Legal Concepts

LO: 1.3 List and describe the schools of judicial thought.

- 20) Which school of jurisprudential thought emphasizes using law as a tool for market efficiency while solving 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

Skill: Legal Concepts

LO: 1.3 List and describe the schools of judicial thought.

AACSB: Analytical thinking Classification: Concept

21) Which school of jurisprudential thought is reflected in documents such as the U.S.

Constitution, the Magna Carta, and the United Nations Charter?

A) the Natural Law School

B) the Historical School

C) the Sociological School

D) the Analytical School

Answer: A Diff: 2

Skill: Legal Concepts

LO: 1.3 List and describe the schools of judicial thought.

AACSB: Analytical thinking Classification: Concept

- 22) The U.S. government passed draft laws during the Vietnam War decreeing that men of a certain age had to serve in the military if they met specific physical requirements. Which of the following schools of jurisprudential thought does such draft laws adhere to the most?
- A) the Historical School of jurisprudence
- B) the Natural Law School of jurisprudence
- C) the Sociological School of jurisprudence
- D) the Command School of jurisprudence

Answer: D Diff: 2

Skill: Legal Concepts

LO: 1.3 List and describe the schools of judicial thought.

- 23) The _____ School of jurisprudence states that promoting market efficiency should be the central goal of legal decision making.
- A) Historical
- B) Natural Law
- C) Sociological
- D) Law and Economics

Skill: Legal Concepts

LO: 1.3 List and describe the schools of judicial thought.

AACSB: Analytical thinking Classification: Concept

24) The Law and Economics School of jurisprudential thought believes that promoting market efficiency should be the central concern of legal decision making.

Answer: TRUE

Diff: 1

Skill: Legal Concepts

LO: 1.3 List and describe the schools of judicial thought.

AACSB: Analytical thinking Classification: Concept

25) The Critical Legal Studies School proposes that legal rules are unnecessary and are used as an obstacle by the powerful to maintain the status quo.

Answer: TRUE

Diff: 1

Skill: Legal Concepts

LO: 1.3 List and describe the schools of judicial thought.

AACSB: Analytical thinking Classification: Concept

26) The Critical Legal Studies School of jurisprudential thought seeks to restrict the subjective decision-making powers of judges.

Answer: FALSE

Diff: 1

Skill: Legal Concepts

LO: 1.3 List and describe the schools of judicial thought.

27) The Analytical School of jurisprudence lays emphasis on how the result of a case is reached rather than the logic of the result itself.

Answer: FALSE

Diff: 1

Skill: Legal Concepts

LO: 1.3 List and describe the schools of judicial thought.

AACSB: Analytical thinking Classification: Concept

28) The Natural Law School of jurisprudence emphasizes shaping laws based on morals and ethics.

Answer: TRUE

Diff: 1

Skill: Legal Concepts

LO: 1.3 List and describe the schools of judicial thought.

AACSB: Analytical thinking Classification: Concept

29) The Historical School of jurisprudence believes that changes in the norms of society will gradually be reflected in the law.

Answer: TRUE

Diff: 1

Skill: Legal Concepts

LO: 1.3 List and describe the schools of judicial thought.

AACSB: Analytical thinking Classification: Concept

30) The Analytical School of jurisprudence emphasizes shaping laws on the basis of morality and ethics.

Answer: FALSE

Diff: 1

Skill: Legal Concepts

LO: 1.3 List and describe the schools of judicial thought.

AACSB: Analytical thinking Classification: Concept

31) The Natural Law School of jurisprudence maintains that the law is shaped by logic.

Answer: FALSE

Diff: 1

Skill: Legal Concepts

LO: 1.3 List and describe the schools of judicial thought.

32) Differentiate between the Historical School of jurisprudence and the Sociological School of jurisprudence.

Answer: The Historical School of jurisprudence believes that the law is an aggregate of social traditions and customs that have developed over the centuries. It believes that changes in the norms of society will gradually be reflected in the law. To these legal philosophers, the law is an evolutionary process. Historical legal scholars look to past legal decisions (precedent) to solve contemporary problems.

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

Skill: Legal Concepts

LO: 1.3 List and describe the schools of judicial thought.

AACSB: Analytical thinking Classification: Concept

33) Compare the basic tenets of the Law and Economics School of jurisprudential thought with the basic tenets of the Critical Legal Studies School of jurisprudential thought.

Answer: The Law and Economics School of jurisprudential thought, sometimes called the "Chicago School" as it was first developed at the University of Chicago, believes that promoting market efficiency should be the central goal of legal decision making. On the other hand, the Critical Legal Studies School of jurisprudential thought, because it maintains that legal rules are obstacles used by the powerful to maintain the status quo, believes that legal disputes should be solved by applying arbitrary rules that are based on broad notions of what is "fair" in each circumstance.

Diff: 2

Skill: Legal Concepts

LO: 1.3 List and describe the schools of judicial thought.

AACSB: Analytical thinking Classification: Concept

- 34) What was the key factor in the development of the English common law?
- A) the development of forensic science in helping decide cases
- B) the supremacy of the king and his intervening powers when deciding cases
- C) the use of precedence of 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

Skill: Legal Concepts

LO: 1.4 Learn the history and development of American law.

AACSB: Analytical thinking

- 35) What was the key reason for the creation of law courts during the early development of the English common law?
- A) to administer law in a uniform manner
- B) to help merchants form a standardized set of commercial laws
- C) to increase the power of the king in lawmaking
- D) to facilitate legal disputes for the wealthy and influential

Skill: Legal Concepts

LO: 1.4 Learn the history and development of American law.

AACSB: Analytical thinking Classification: Concept

- 36) Which of the following statements best indicates how chancery courts were different from law courts?
- A) Chancery courts emphasized developing merchant laws rather than laws for the common citizen.
- B) Chancery courts inquired into the merits of a case rather than emphasize legal procedures.
- C) Chancery courts emphasized a standard set of remedies across different cases rather than provide equitable remedies.
- D) Chancery courts had lower precedence level over legal decisions than the law courts.

Answer: B Diff: 2

Skill: Legal Concepts

LO: 1.4 Learn the history and development of American law.

AACSB: Analytical thinking Classification: Concept

- 37) _____ courts were allowed to give equitable remedies under the English common law.
- A) Merchant
- B) Law
- C) Chancery
- D) Appellate

Answer: C Diff: 1

Skill: Legal Concepts

LO: 1.4 Learn the history and development of American law.

- 38) What led to the creation of the Chancery Courts?
- A) the insistence for a court system that emphasized legal procedure rather than the merits of a case
- B) the law courts' inability to hear all the cases presented to them
- C) the increase in overseas trade and proliferation of piracy
- D) the unfair results and limited remedies provided by the law courts

Skill: Legal Concepts

LO: 1.4 Learn the history and development of American law.

AACSB: Analytical thinking Classification: Concept

- 39) In countries that follow a civil law system, the adjudication of a case is done simply by applying ______ or parliamentary statutes to the particular set of facts of that case.
- A) judicial decisions issued by the state courts
- B) common law
- C) codes
- D) precedent

Answer: C

Diff: 1

Skill: Legal Concepts

LO: 1.4 Learn the history and development of American law.

AACSB: Analytical thinking

Classification: Concept

40) Equitable orders and remedies of the Court of Chancery took precedence over the legal decisions and remedies of the law courts.

Answer: TRUE

Diff: 1

Skill: Legal Concepts

LO: 1.4 Learn the history and development of American law.

AACSB: Analytical thinking

Classification: Concept

41) The merchant courts were established because of the unfair results and limited remedies available in the chancery courts.

Answer: FALSE

Diff: 1

Skill: Legal Concepts

LO: 1.4 Learn the history and development of American law.

AACSB: Analytical thinking

42) English common law was law developed by judges who issued their opinions when deciding cases.

Answer: TRUE

Diff: 1

Skill: Legal Concepts

LO: 1.4 Learn the history and development of American law.

AACSB: Analytical thinking Classification: Concept

43) The law courts of the English common law could only provide monetary awards for damages.

Answer: TRUE

Diff: 1

Skill: Legal Concepts

LO: 1.4 Learn the history and development of American law.

AACSB: Analytical thinking Classification: Concept

44) In early English common law, equitable remedies were provided by the law courts.

Answer: FALSE

Diff: 1

Skill: Legal Concepts

LO: 1.4 Learn the history and development of American law.

AACSB: Analytical thinking

Classification: Concept

45) Owing to some unfair results and limited remedies available in the law courts, chancery/equity courts were established.

Answer: TRUE

Diff: 1

Skill: Legal Concepts

LO: 1.4 Learn the history and development of American law.

AACSB: Analytical thinking

Classification: Concept

46) The adoption of the English common law led to precedence being an important feature of the American legal system.

Answer: TRUE

Diff: 1

Skill: Legal Concepts

LO: 1.4 Learn the history and development of American law.

AACSB: Analytical thinking

47) Give an account of the Law Merchant in early English common law.

Answer: As trade developed during the Middle Ages, merchants who traveled about England and Europe developed certain rules to solve their commercial disputes. These rules, known as the "law of merchants" or the Law Merchant, were based on common trade practices and usage. Eventually, a separate set of courts was established to administer these rules. This court was called the Merchant Court. In the early 1900s, the Merchant Court was absorbed into the regular law court system of England.

Diff: 2

Skill: Legal Concepts

LO: 1.4 Learn the history and development of American law.

AACSB: Analytical thinking Classification: Concept

48) What is considered 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 United States Congress

D) executive orders passed by the president

Answer: B Diff: 1

Skill: Legal Concepts

LO: 1.5 List and describe the sources of law in the United States.

AACSB: Analytical thinking Classification: Concept

49) The branch of the federal government has the power to enforce the law.

A) judicial

B) legislative

C) executive

D) commissary

Answer: C Diff: 1

Skill: Legal Concepts

LO: 1.5 List and describe the sources of law in the United States.

- 50) What is the function of the judicial branch of the federal government?
- 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.

Skill: Legal Concepts

LO: 1.5 List and describe the sources of law in the United States.

AACSB: Analytical thinking Classification: Concept

51) The _____ branch of the federal government has the power to enact laws.

- A) legislative
- B) judiciary
- C) consulate
- D) executive

Answer: A
Diff: 1

Skill: Legal Concepts

LO: 1.5 List and describe the sources of law in the United States.

AACSB: Analytical thinking Classification: Concept

52) A(n) _____ is a compact made between two or more nations.

- A) amendment
- B) treaty
- C) charter
- D) statute

Answer: B
Diff: 1

Skill: Legal Concepts

LO: 1.5 List and describe the sources of law in the United States.

53) A(n) is a written law enacted by the legislative branch of the federal and state governments that establishes certain courses of conduct to which covered parties must adhere
A) charter
B) treaty
C) executive order
D) statute
Answer: D
Diff: 1
Skill: Legal Concepts
LO: 1.5 List and describe the sources of law in the United States.
AACSB: Analytical thinking
Classification: Concept
54) From the following, identify an example of codified law in the United States.
A) judicial rulings
B) federal statutes
C) treaties
D) executive orders
Answer: B
Diff: 2
Skill: Legal Concepts
LO: 1.5 List and describe the sources of law in the United States.
AACSB: Analytical thinking
Classification: Concept
55) 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
Skill: Legal Concepts
LO: 1.5 List and describe the sources of law in the United States.
AACSB: Analytical thinking
Classification: Concept

56) are established by the legislative and executive branches of the federal
government to enforce and interpret statutes enacted by the Congress and state legislatures.
A) Commissaries
B) State courts
C) Administrative agencies
D) Councils
Answer: C
Diff: 1
Skill: Legal Concepts
LO: 1.5 List and describe the sources of law in the United States.
AACSB: Analytical thinking
Classification: Concept
57) 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
Skill: Legal Concepts
LO: 1.5 List and describe the sources of law in the United States.
AACSB: Analytical thinking
Classification: Concept
Classification Consept
58) The Securities and Exchange Commission (SEC), created by the Congress to enforce federal
securities laws, is an example of a(n)
A) intelligence agency
B) congressional body
C) judicial body
D) administrative agency
Answer: D
Diff: 1
Skill: Legal Concepts
LO: 1.5 List and describe the sources of law in the United States.
AACSB: Analytical thinking
Classification: Concept

59) The	branch of the government has the power to enact laws.
A) legislative	-
B) executive	
C) judicial	
D) administrative	
Answer: A	
Diff: 1	
Skill: Legal Conc	epts
	describe the sources of law in the United States.
AACSB: Analytic	cal thinking
Classification: Co	oncept
60) The	branch of the government has the power to interpret and determine the
validity of the law	•
A) legislative	
B) executive	
C) judicial	
D) administrative	
Answer: C	
Diff: 1	
Skill: Legal Conc	epts
LO: 1.5 List and	describe the sources of law in the United States.
AACSB: Analytic	cal thinking
Classification: Co	oncept
	_ is a compact made between two or more nations and becomes part of the
supreme law of th	e land.
A) statute	
B) ordinance	
C) tariff	
D) treaty	
Answer: C	
Diff: 1	
Skill: Legal Conc	•
	describe the sources of law in the United States.
AACSB: Analytic	
Classification: Co	oncept

62) The _____ is the legislative branch of the U.S. government and has the power to enact the law.

A) Congress

B) General Assembly

C) Duma

D) Security Council

Answer: A Diff: 1

Skill: Legal Concepts

LO: 1.5 List and describe the sources of law in the United States.

AACSB: Analytical thinking Classification: Concept

63) Powers not given to the federal government by the U.S. Constitution are reserved to the states.

Answer: TRUE

Diff: 1

Skill: Legal Concepts

LO: 1.5 List and describe the sources of law in the United States.

AACSB: Analytical thinking Classification: Concept

64) Provisions of federal law are valid as long as they do not conflict with any state law.

Answer: FALSE

Diff: 1

Skill: Legal Concepts

LO: 1.5 List and describe the sources of law in the United States.

AACSB: Analytical thinking Classification: Concept

65) Administrative agencies are created by the judicial branch of government.

Answer: FALSE

Diff: 1

Skill: Legal Concepts

LO: 1.5 List and describe the sources of law in the United States.

AACSB: Analytical thinking Classification: Concept

66) A treaty does not require Senate approval before being passed.

Answer: FALSE

Diff: 1

Skill: Legal Concepts

LO: 1.5 List and describe the sources of law in the United States.

67) Federal statutes take precedence over treaties.

Answer: FALSE

Diff: 1

Skill: Legal Concepts

LO: 1.5 List and describe the sources of law in the United States.

AACSB: Analytical thinking Classification: Concept

68) Treaties are considered to be part of the supreme law of the United States of America.

Answer: TRUE

Diff: 1

Skill: Legal Concepts

LO: 1.5 List and describe the sources of law in the United States.

AACSB: Analytical thinking Classification: Concept

69) Statutes are written laws that establish certain courses of conduct that covered parties must adhere to.

Answer: TRUE

Diff: 1

Skill: Legal Concepts

LO: 1.5 List and describe the sources of law in the United States.

AACSB: Analytical thinking Classification: Concept

70) Federal statutes are organized by topic into code books.

Answer: TRUE

Diff: 1

Skill: Legal Concepts

LO: 1.5 List and describe the sources of law in the United States.

AACSB: Analytical thinking Classification: Concept

71) The authority to enact ordinances lies solely with the state legislatures.

Answer: FALSE

Diff: 1

Skill: Legal Concepts

LO: 1.5 List and describe the sources of law in the United States.

AACSB: Analytical thinking

72) Executive orders are an example of codified law.

Answer: FALSE

Diff: 1

Skill: Legal Concepts

LO: 1.5 List and describe the sources of law in the United States.

AACSB: Analytical thinking Classification: Concept

73) Ordinances are not codified into code books.

Answer: FALSE

Diff: 1

Skill: Legal Concepts

LO: 1.5 List and describe the sources of law in the United States.

AACSB: Analytical thinking

Classification: Concept

74) Federal statutes that are organized by topic into code books are referred to as codified law.

Answer: TRUE

Diff: 1

Skill: Legal Concepts

LO: 1.5 List and describe the sources of law in the United States.

AACSB: Analytical thinking Classification: Concept

75) The legislative and executive branches of federal and state governments are empowered to establish administrative agencies.

Answer: TRUE

Diff: 1

Skill: Legal Concepts

LO: 1.5 List and describe the sources of law in the United States.

AACSB: Analytical thinking Classification: Concept

76) Explain the priority of law in the United States.

Answer: In the United States, the U.S. Constitution and treaties take precedence over all other laws in the United States. Federal statutes take precedence over federal regulations. Valid federal law takes precedence over any conflicting state or local law. State constitutions rank as the highest state law. State statutes take precedence over state regulations. Valid state law takes precedence over local laws.

Diff: 1

Skill: Legal Concepts

LO: 1.5 List and describe the sources of law in the United States.

- 77) Stare decisis is the doctrine of _____.
- A) providing proof to assert a fact in court
- B) adhering to legal precedent
- C) separating powers between state and religion
- D) ensuring all legal rights are provided to a person when otherwise deprived of them

Skill: Legal Concepts

LO: 1.6 Describe the doctrine of stare decisis.

AACSB: Analytical thinking Classification: Concept

- 78) How is legal precedent used between courts of different states?
- A) Courts of a state cannot cite the judicial decisions of courts of another state in its decisions.
- B) Courts of a state must follow precedent from courts of another state for similar cases.
- C) Courts of a state can use precedent from courts of another state as a form of guidance.
- D) Courts of a state cannot challenge the precedence of courts of another state.

Answer: C Diff: 2

Skill: Legal Concepts

LO: 1.6 Describe the doctrine of stare decisis.

AACSB: Analytical thinking Classification: Concept

- 79) How does the doctrine of *stare decisis* help in creating stability in a legal system?
- A) by ensuring that witnesses of a case will be protected by the state
- B) by ensuring that the legal rights of a defendant are preserved
- C) by allowing the use of precedence in deciding future cases
- D) by allowing the use of writs

Answer: C Diff: 2

Skill: Legal Concepts

LO: 1.6 Describe the doctrine of stare decisis.

- 80) Must all federal and state courts in the United States follow the precedents established by U.S. Supreme Court decisions?
- A) federal courts must, but state courts do not have to
- B) state courts must, but federal courts do not have to
- C) yes, both do
- D) no, neither do

Skill: Legal Concepts

LO: 1.6 Describe the doctrine of stare decisis.

AACSB: Analytical thinking Classification: Concept

- 81) Which of these is NOT a consequence of the doctrine of *stare decisis*?
- A) uniformity of law within a jurisdiction is promoted
- B) court systems become less efficient
- C) the law becomes more predictable for individuals
- D) the law becomes more predictable for businesses

Answer: B Diff: 1

Skill: Legal Concepts

LO: 1.6 Describe the doctrine of stare decisis.

AACSB: Analytical thinking

Classification: Concept

- 82) According to the doctrine of *stare decisis*, past court decisions become _____ for deciding future cases.
- A) code law
- B) precedent
- C) regulations
- D) statutory law

Answer: B Diff: 1

Skill: Legal Concepts

LO: 1.6 Describe the doctrine of stare decisis.

AACSB: Analytical thinking

Classification: Concept

83) State courts of one state are not required to follow the legal precedent established by the courts of another state.

Answer: TRUE

Diff: 1

Skill: Legal Concepts

LO: 1.6 Describe the doctrine of stare decisis.

84) The doctrine of *stare decisis* provides that each court decision is independent and should stand on its own.

Answer: FALSE

Diff: 1

Skill: Legal Concepts

LO: 1.6 Describe the doctrine of stare decisis.

AACSB: Analytical thinking Classification: Concept

85) Lower courts must follow the precedent established by higher courts.

Answer: TRUE

Diff: 1

Skill: Legal Concepts

LO: 1.6 Describe the doctrine of stare decisis.

AACSB: Analytical thinking Classification: Concept

86) Due to the doctrine of *stare decisis*, a court may never overrule precedent.

Answer: FALSE

Diff: 1

Skill: Legal Concepts

LO: 1.6 Describe the doctrine of stare decisis.

AACSB: Analytical thinking Classification: Concept

87) Explain the doctrine of *stare decisis* and how it has influenced the legal system.

Answer: Adherence to precedent is called the doctrine of *stare decisis*. The doctrine of *stare decisis* promotes uniformity of law within a jurisdiction, makes the court system more efficient, and makes the law more predictable for individuals and businesses. A court may later change or reverse its legal reasoning if a new case is presented to it and change is warranted. Based on the common law tradition, past court decisions become precedent for deciding future cases. Lower courts must follow the precedent established by higher courts. That is why all federal and state courts in the United States must follow the precedents established by U.S. Supreme Court decisions. The courts of one jurisdiction are not bound by the precedent established by the courts of another jurisdiction, although they may look to each other for guidance.

Diff: 2

Skill: Legal Concepts

LO: 1.6 Describe the doctrine of stare decisis.

- 88) How have courts responded to the fact that the information age arrived before new laws unique and specific to this environment were written?
- A) by enacting new statutes that address this new environment
- B) by applying existing laws to the new digital and technological environment through interpretation and application
- C) by refusing to accept cases involving computers and other electronic devices
- D) by creating administrative agencies to adopt rules and regulations for the new digital and technological environment

Skill: Legal Concepts

LO: 1.7 Describe how existing laws are being applied to the digital environment and how new laws are being enacted that specifically address issues of the information age.

AACSB: Analytical thinking

Classification: Concept

- 89) How has the U.S. Congress responded to the arrival of the information age?
- A) by referring such matters to the courts, asking them to address this new environment
- B) by applying existing laws to the new digital and technological environment through interpretation and application
- C) by leading the way, enacting many new federal statutes to regulate the new digital and technological environment
- D) by leaving it to local governments to enact ordinances addressing computers and electronic devices

Answer: B Diff: 2

Skill: Legal Concepts

LO: 1.7 Describe how existing laws are being applied to the digital environment and how new laws are being enacted that specifically address issues of the information age.

AACSB: Analytical thinking

Classification: Concept

90) Give an account of how the digital age has affected lawmaking in the United States. Answer: In a span of about three decades since their use became worldwide, computers have revolutionized society. Computers, once primarily used by businesses, have permeated the lives of most families as well. The electronic age arrived before new laws were written that were unique and specific for this environment. Courts have applied existing laws to the new digital environment by requiring interpretations and applications. In addition, new laws have been written that apply specifically to this new environment. The U.S. Congress has led the way, enacting many new federal statutes to regulate the digital environment.

Diff: 2

Skill: Legal Concepts

LO: 1.7 Describe how existing laws are being applied to the digital environment and how new laws are being enacted that specifically address issues of the information age.

AACSB: Analytical thinking

- 91) Critical legal thinking consists of performing certain activities with information in order to solve legal issues or cases. Which of these is NOT one of those activities?
- A) investigating
- B) analyzing
- C) manipulating
- D) evaluating

Skill: Legal Concepts

LO: 1.8 Learn what critical legal thinking is and how to apply it to analyzing legal cases.

AACSB: Analytical thinking

Classification: Concept

- 92) Which of these is NOT a component of the intellectually disciplined thinking required of critical legal thinking?
- A) recognizing and identifying problems
- B) engaging in logical inquiry and reasoning
- C) ignoring alternative perspectives
- D) evaluating information and appraising evidence

Answer: C Diff: 1

Skill: Legal Concepts

LO: 1.8 Learn what critical legal thinking is and how to apply it to analyzing legal cases.

AACSB: Analytical thinking

Classification: Concept

- 93) Which of these is NOT a component of the intellectually disciplined thinking required of critical legal thinking?
- A) considering alternative perspectives
- B) adopting popular assumptions
- C) identifying unjustified inferences and irrelevant information
- D) assessing one's own thinking and conclusions

Answer: B Diff: 1

Skill: Legal Concepts

LO: 1.8 Learn what critical legal thinking is and how to apply it to analyzing legal cases.

- 94) Professor Kinsgford uses the Socratic method when discussing a case in his law classes. This means that Professor Kingsford does what with his students?
- A) gives them weekly writing assignments on all cases he has discussed in class
- B) conducts lectures utilizing the Socrates software system for audio-visual presentations
- C) has the students perform mock trials of the cases in the classroom
- D) asks students questions about a case or legal issue to stimulate critical thinking by the students

Skill: Legal Concepts

LO: 1.8 Learn what critical legal thinking is and how to apply it to analyzing legal cases.

AACSB: Analytical thinking Classification: Concept

- 95) Once the facts, law, and legal issue of a case have been stated, critical thinking must be used in applying the law to the facts of the case. This requires the decision maker to analyze, examine, evaluate, interpret, and apply the law to the facts of the case. At this point, the decision maker must do what?
- A) reach a conclusion and state his or her judgment
- B) refer the case to a higher authority
- C) consider additional matters so as to lead to a more popular conclusion
- D) consider irrelevant laws that might lead to an opposite conclusion

Answer: A Diff: 1

Skill: Legal Concepts

LO: 1.8 Learn what critical legal thinking is and how to apply it to analyzing legal cases.

AACSB: Analytical thinking Classification: Concept

- 96) The acronym "IRAC" stands for _____.
- A) independence, reporting, analysis, and capture
- B) initial, repetition, answering, and cooperation
- C) issue, rule, application, and conclusion
- D) inquiry, recognition, ambiguity, and captioning

Answer: C Diff: 1

Skill: Legal Concepts

LO: 1.8 Learn what critical legal thinking is and how to apply it to analyzing legal cases.

AACSB: Analytical thinking

97) Why is it that the nine justices of the U.S. Supreme Court often issue non-unanimous decisions?

Answer: Each justice of the U.S. Supreme Court has analyzed the facts of a case and the legal issue presented, applying critical legal thinking to reason through the case, and developing his or her own conclusion. The key is that each justice applied critical thinking in reaching his or her conclusion.

Diff: 2

Skill: Legal Concepts

LO: 1.8 Learn what critical legal thinking is and how to apply it to analyzing legal cases.

AACSB: Analytical thinking Classification: Concept

98) Why is applying critical legal thinking significant in law courses?

Answer: Critical legal thinking is of significance in law courses because in the law there is not always a bright-line answer; in fact, there seldom is. This is where the famous "gray area" of the law appears. Thus, the need for critical thinking becomes especially important in solving legal disputes.

Diff: 2

Skill: Legal Concepts

LO: 1.8 Learn what critical legal thinking is and how to apply it to analyzing legal cases.

AACSB: Analytical thinking

Classification: Concept

99) A Legal Environment of Business course is only relevant to a student's future career if the student is planning on pursuing a profession in law.

Answer: FALSE

Diff: 1

Skill: Legal Concepts

LO: 1.9 Learn how the materials, cases, and lessons of this book will apply to your future career.

AACSB: Analytical thinking

Classification: Concept

100) Communication, critical thinking, collaboration, knowledge application and analysis, business ethics and social responsibility, and information technology application are key to a successful career today.

Answer: TRUE

Diff: 1

Skill: Legal Concepts

LO: 1.9 Learn how the materials, cases, and lessons of this book will apply to your future career.