**AP Government Questions for Chapters 15-17**

*Chapter 15*

1. Who wrote the book: Wealth of Nations and what was its influence?

2. Explain the difference between a laissez-faire capitalist economy and a regulated capitalist economy.

3. Describe the differences between communism, socialism, and capitalism.

4. What is regulation and why is it used? Describe a specific regulation.

5. Describe deregulation. What ideology would support this?

6. Describe the difference between a depression and a recession.

7. Case study p 452: What caused the recession of 2007-2009?

8. How does the federal government promote economic equity?

9. What are externalities that economists refer too? (Be specific and use examples)

10. Describe the difference between demand-side economics and supply side economics.

11. Describe the difference between a budget deficit and the national debt.

12. Figure 15-4: what President(s) are responsible for our enormous debt? Why do you think?

13. Describe the following: Capital gains taxes, graduated income taxes.

14. Describe the difference between the monetary policy and fiscal policy.

15. When was the Federal Reserve Board created? What does it do?

16. What causes inflation?

*Chapter 16*

1. What is a progressive income tax? What is its purpose?
2. Figure 16.2: what has happened to US incomes? Are all income brackets going in the same direction?
3. Figure 16.3 why did the top 1% get most of the benefits from the “Bush Tax Cuts”?
4. What is the poverty line in the US? Why is there a poverty line in the US?
5. What is the difference between negative government and positive government? What ideology supports each idea?
6. What are entitlement programs?
7. Describe the difference between social insurance programs and public assistance programs, and provide an example of each. How does a means test apply to these programs?
8. Explain the difference between equality of opportunity and equality of result. What ideology supports each of these philosophies?
9. Page 493: How is this chart an example of political polarization?
10. What is the federal government’s role in public education? Who has the primary responsibility for education policy and policy implementation?

*Chapter 17*

1. Describe the difference between an isolationist and an internationalist.

2. What was the cold war and containment?

3. What is the difference between multilateralism and unilateralism?

4. What started America’s aggressive war on terrorism?

5. What 20th Century event marked the beginning of modern terrorism (research this question)

6. Why did the US invade Afghanistan in 2001 and Iraq in 2003?

7. Describe the preemptive war doctrine? Who developed it?

8. What is transnational terrorism?

9. Describe the difference between nuclear war, conventional war, and guerrilla war.

10. What is the Military Industrial Complex and who coined it as such?

11. Describe protectionism and why it would be used? What is the negative impact of protectionism?