

Name _____

Date _____

Class _____

Teacher _____

Quiz: Smarter Than a Politician – Price Gouging

Directions: Select the answer that best completes the sentence.

- 1) Many states have laws that prohibit _____.
 - A) people from buying more supplies than they need during an emergency
 - B) the resale of generators and other emergency equipment
 - C) transporting supplies across state lines in an emergency
 - D) raising prices during a natural disaster or other state of emergency

- 2) “Price gouging” is a _____.
 - A) benefit to no one but big business
 - B) rejection of the basic economic laws of supply and demand
 - C) federal crime
 - D) negative term associated with raising prices beyond what some people see as reasonable

- 3) Milton Friedman, a Nobel Prize-winning economist, said that price gougers _____.
 - A) are greedy, selfish people who should be jailed for hurting others
 - B) provide money until the government can reimburse them
 - C) are heroes because they take risks to bring in goods that people desperately need
 - D) are protected by politicians in exchange for donations

- 4) John Shepperson, who bought 19 generators and drove 600 miles to sell them to people who needed them, _____.
 - A) was greedy and took advantage of his neighbors
 - B) is a government employee who helped people keep power on in their homes
 - C) was forced to close his business because he couldn’t obtain needed goods
 - D) was arrested, jailed, and his generators were taken away

- 5) The main idea of this video is that despite the negative use of the term “price gouging,” raising prices during emergencies _____.
 - A) encourages sellers to bring more products to buyers in troubled areas
 - B) leads to fewer products in troubled areas, not more
 - C) violates the economic principles of supply and demand
 - D) should be illegal in all 50 states

Smarter Than a Politician – Price Gouging – Answer Key:

1. D
2. D
3. C
4. D
5. A