

CIVICS AND ECONOMICS REVIEW

Fundamental political principles

Separation of Powers – establishes the 3 branches of government

Popular Sovereignty- The people have power over the government

Rule of law – Everyone has to follow the law

Checks and Balances – each branch has the ability to check and balance the others to insure that no one branch becomes too strong

Federalism- Division of power between the state and national government

How to become a citizen

• 14th Amendment defines citizenship: "All persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States and the state wherein they reside."

• Immigration and naturalization, particularly in the 20th century, have led to an increasingly diverse society.

Means of obtaining citizenship:


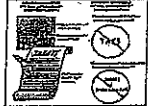
1. Birth
2. Naturalization - must demonstrate knowledge of American history and principles and speak and write English.

Preamble: Purposes of U.S. government

• To form a union; establish justice; ensure domestic peace and to provide defense.

The Preamble to Constitution of United States of America begins, "*We the people*," which establishes that the power of government comes from the people.

Influence of earlier documents on Constitution of the United States of America

Document	Influence
The Virginia House of Burgesses	The first Representative Form of Government (Representative Democracy)
Mayflower Compact	Established a direct form of government (direct democracy)
Declaration of Independence 	Stated grievances against king of Great Britain Declared colonies' independence from Great Britain Affirmed "certain unalienable rights" (life, liberty, and the pursuit of happiness) Established idea that all people are equal under law
Articles of Confederation 	Established first form of national government for independent states Maintained that major powers resided with individual states Weakness of central government (e.g., no power to tax and enforce laws) - led to the writing of the Constitution of the United States of America
The English Bill of Rights	Served as a model for the Bill of Rights of the Constitution of the United States of America
Constitution of the United States of America, including the Bill of Rights	Establishes the structure of the United States government Guarantees equality under the law with majority rule and the rights of the minority protected Affirms individual worth and dignity of all people Protects the fundamental freedoms of religion, speech, press, assembly, and petition

Duties of responsible citizens

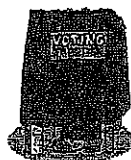
Citizens who choose not to fulfill these civic duties face legal consequences

- Obey laws
- Pay taxes
- Serve in the armed forces if called
- Serve on a jury or as a witness in court if called

Responsibilities of citizens

Civic responsibilities are fulfilled by choice; they are voluntary

- Register and vote
- Hold elective office
- Participate in political campaigns
- Serve in voluntary, appointed positions
- Influence government by communicating with government officials
- Keep informed regarding current issues
- Respect others' rights to equal voice in government election



Personal traits of good citizens

- Trustworthiness and honesty
- Courtesy and respect for the rights of others
- Responsibility, accountability, and Self-reliance
- Respect for the law
- Patriotism



Ways for citizens to participate in community service

- Volunteer to support democratic institutions (e.g., League of Women Voters).
- Express concern about the welfare of the community as a whole (e.g., environment, public health and safety, education).
- Help make community good place to work and live (becoming involved with public service organizations, tutoring, volunteering in nursing homes).

Rights of Citizens R.A.P.P.S

First Amendment freedoms:

Religion - Government may not establish an official religion, nor endorse, or unduly interfere with the free exercise of religion.

Assembly - Individuals may peacefully gather.

Press - The press has the right to gather and publish information, including that which criticizes the government.

Petition - Individuals have the right to make their views known to public officials.

Speech - Individuals are free to express their opinions and beliefs.



Due process of law

The constitutional protection against unfair governmental actions and laws

Due process protections:

- 5th Amendment - Prohibits national government from acting in an unfair manner.
 - 14th Amendment - Prohibits state/local governments from acting in an unfair manner. Extends the due process protection to actions of the states.
- The Supreme Court has extended the due process clauses to protect the guarantees of the Bill of Rights.



Federal Form of Government

The *Constitution of the United States of America* establishes a federal form of government in which the *national government is supreme*.

Primary responsibilities of each level of government

National - Powers of national government are either *enumerated/expressed* or *implied*

- Conducts foreign policy
- Regulates commerce

State - The Powers not given to the national government by the Constitution are reserved for the state.

- Promotes public health, safety, and welfare

- **Denied Powers:** Constitution *denies* powers to both national and state governments.
- **Local Governments:** Powers of local governments in North Carolina are derived from the state.

Branch of Government	Local Government	North Carolina Government	National Government
Legislative	Makes ordinances for community; approves annual budget; limits power to that delegated by the state	Makes laws for NC; approves biennial (two-year) budget; exercises power under the 10th amendment	Makes laws for nation; approves annual budget; approves presidential appointments
Executive	Elected or appointed by the Board of Supervisors or City Council; city or county managers hired by local legislatures	Executes laws of NC; prepares biennial budget for General Assembly; appoints cabinet officers and boards; administers state bureaucracy; grants pardons	Executes law of the land; prepares annual budget for congressional action; appoints cabinet officers, ambassadors, and federal judges; administers federal bureaucracy
Judicial	District courts - Hear cases under the authority provided by state legislation	Supreme Court - Has power of judicial review over state laws Circuit courts - Try civil and criminal cases	Supreme Court - Has power of judicial review Federal courts - Try cases involving federal law and U.S. Constitutional questions

Bicameral Legislature

Bicameral means "two houses"

- *North Carolina General Assembly* (Senate and House of Delegates)
- *United States Congress* (Senate and House of Representatives)

Legislative powers:

- Expressed (specifically listed in constitution)
- Implied (not listed - carry out expressed powers)

How a Bill Becomes a Law (state and national)

- Working in committees
- Debating on the floor
- Voting on a bill by both houses
- Signing bill into law by the President or governor

Elected officials write laws and take action in response to problems or issues.



Executive Branch

Powers of the President are defined in the Constitution of the United States and the Governor in the Constitution of North Carolina.

Executive branch "carries out the law."

Ways the executive influences policymaking

- Appointing officials
- Appealing directly to the people
- Approving or vetoing legislation
- Proposing legislation in an annual speech to the legislature (State of the Commonwealth or State of the Union Address)
- Cabinet departments, agencies, and regulatory groups: interpret and help with carrying out laws.

Ways media play an important role in setting the public agenda

- Focusing public attention on selected issues
- Offering a forum in which opposing viewpoints are communicated
- Holding government officials accountable to the public
- Government officials use the media to communicate with the public.

Mass media roles in elections (CE.5c)

- Identifying candidates and emphasizing selected issues
- Writing editorials, creating political cartoons, publishing op-ed pieces
- Broadcasting different points of view

Lobbying: Seeking to influence legislators to introduce or vote for or against a bill

Amending the Constitution

- Action by Congress or convention

- Ratification by the states
- The amendment process is complex; to date, only 27 amendments have been approved

Separation of Powers

Legislative (makes laws)

Executive (carries out the laws)

Judicial (interprets the laws)

Checks and Balances

Legislative powers over:

The executive branch

- Overrides vetoes
- Impeaches a President

The judicial branch

- Approves federal judges
- Impeaches federal judges

Executive powers over:

The legislative branch

- Vetoes acts of Congress
- Calls Congress into special session

The judicial branch

- Appoints federal judges

Judicial powers over:

The legislative branch declares laws unconstitutional



Judicial Review

Supreme courts of United States and North Carolina determines constitutionality of laws and acts of executive branch of government. *Marbury v. Madison* established the principle of judicial review at the national level.

- The Constitution of the United States is the supreme law of land.

- State laws must conform to North Carolina and United States constitutions.

Influence public policy

Ways Individuals Influence:

- Participating in politics (voting, campaigning)
- Expressing opinions (lobbying, demonstrating, writing letters)

- Joining interest groups
- Lobbying government officials

Ways interest groups influence:

- Identifying issues
- Making political contributions
- Lobbying government officials

Electoral College Process

A slate of electors for each state chosen by popular vote; electors meet to vote for President and Vice President; winner take-all system leads to targeting of large states for campaigning, although candidates must pay attention to small states whose electoral votes may make difference in tight elections.

- ** Number of electors/state is based on state's Congressional representation.
- ** Requirements for majority vote to win in Electoral College favors a two-party system.

Criminal Law

In a criminal case, a court determines whether a person accused of breaking the law is guilty or not guilty of a misdemeanor or a felony.

Civil law

In a civil case, a court settles a disagreement between two parties.

Criminal procedure in felony cases

- A person accused of a crime may be arrested if the police have probable cause.
- The accused may be committed to jail or released on bail.
- The case proceeds to an arraignment where probable cause is reviewed, the defendant may be appointed an attorney, and a plea is entered.
- A court date is set and a trial is conducted.
- A guilty verdict may be appealed to the Court of Appeals or directly to the Supreme Court in certain cases.

Procedure for civil cases

- The plaintiff files a complaint to recover damages or receive compensation.
- Case can be heard by judge or jury.
- Case can be appealed to the Court of Appeals and the Supreme Court.

Procedure for cases involving juveniles

- Judges have greater latitude in handling juvenile cases.
- Juveniles who commit serious crimes can be tried as adults.



United States Supreme Court

(Justices/no jury)

Jurisdiction: Appellate and Limited Original

United States Court of Appeals

(Justices/no jury)

Jurisdiction: Appellate

United States District Court

(Judge with jury)

Jurisdiction: Original



North Carolina Court System

North Carolina, like each of the other forty-nine states, has its own court system whose organization and jurisdiction are derived from North Carolina's constitution and state laws.

North Carolina Supreme Court (Justices/no jury)

- Court of final appeal (Appellate jurisdiction)
- Limited original jurisdiction

Court of Appeals of North Carolina (Judges/no jury)

- Appellate jurisdiction from circuit courts

Circuit Court (Judge and jury)

- Original jurisdiction for felony criminal cases and for certain civil cases

General District Court (Judge)

- Original jurisdiction of misdemeanors
 - Civil cases involving lower dollar amounts
- Juvenile and Domestic Relations District Court** (Judge/no jury) Juvenile and family cases;
Magistrates issue search warrants, subpoenas, arrest

Third parties

- Introduce new ideas or press for a particular issue
- Often revolve around a political personality (T. Roosevelt)

Voter Registration and Participation - Every vote is important!

Only citizens who register can participate in primary and general elections. Registration is closed 29 days before elections.

Qualifications to register to vote in North Carolina

- Citizen of the United States
- Resident of North Carolina and precinct
- 18 years of age by day of general election



How to register in North Carolina

- In person at the registrar's office, at the Division of Motor Vehicles, or at other designated sites and by mail application

Factors in predicting which citizens will vote: Education — Age — Income

Why citizens fail to vote: Lack of interest and failure to register

The percentage of voters who participate in presidential elections is usually greater

Functions of Political Parties

1. Recruiting and Nominating candidates
2. Educating the electorate about campaign issues
3. Helping candidates win elections
4. Monitoring actions of officeholders

Strategies for evaluating campaign speeches, literature, and advertisements for accuracy:

1. Separating fact from opinion; 2. Detecting bias;
 3. Evaluating sources; 4. Identifying propaganda
- Rising campaign costs**
- Require candidates to conduct extensive fund-raising activities
 - Limit opportunities to run for public office
 - Give an advantage to wealthy individuals who run for office
 - Encourage the development of political action committees (PACs)
 - Give issue-oriented special interest groups increased influence
- Campaign finance reform**
- Rising campaign costs have led to efforts to reform campaign finance laws.
 - Limits on amount individuals may contribute to political candidates and campaigning candidates win election



ECONOMICS

How are consumer rights and property rights protected?

- Individuals have right of private ownership, which is protected by negotiated contracts that are enforceable by law.
- Government agencies establish guidelines that protect public health and safety.
- Consumers may take legal action against violations of consumer rights.

Basic types of business ownership

Proprietorship - one owner who takes all risks and all profits.

Partnership - two or more owners who share risks and profits.

Corporation - business organization authorized by law act as a legal person regardless of number of owners. Owners share profits. Owner liability is limited to investment.

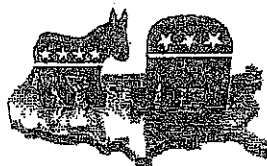
Entrepreneur - person who takes risks to produce goods and services in search of profit. May establish business according to any type of organizational structure.

Similarities between political parties

- Organize to win elections
- Influence public policies
- Reflect both liberal and conservative views
- Define selves in ways that win majority support by appealing to political center

Differences between parties

- Stated in a party's platform and reflected in campaigning



Economic Terms

Scarcity is the inability to satisfy all wants at the same time. All resources and goods are limited. This requires that choices be made.

Resources are factors of production that are used in the production of goods and services. Types of resources are natural, human, capital, and entrepreneurship.

Choice - selecting an item or action from a set of possible alternatives.

Individuals must choose/make decisions about desired goods and services because these goods and services are limited.

Opportunity cost - what is given up when choice is made - highest valued alternative forgone. Individuals must consider value of what given up when making a choice.

Price - amount of money exchanged for a good or service.

Interaction of supply and demand determines price. Price determines who acquires goods and services.

Incentives - things that incite or motivate - used to change economic behavior.

Supply and demand is interaction of supply and demand determines price. Demand is amount of a good or service that consumers are willing and able to buy at a certain price. Supply is amount of a good or service that producers are willing and able to sell at a certain price.

Production is the combining of human, natural, capital, and entrepreneurship resources to make goods or provide services. Resources available and consumer preferences determine what is produced.

Characteristics of private financial institutions
include: banks, savings and loans, credit unions, securities brokerages

Receive deposits and make loans
Encourage saving and investing by paying interest on deposits
The government promotes marketplace competition
Enforcing antitrust legislation to discourage development of monopolies; engaging in global trade; supporting business start-ups
Government agencies that regulate business)
FCC (Federal Communications Commission)
EPA (Environmental Protection Agency)
FTC (Federal Trade Commission)
They oversee way individuals/companies do business

Economic flow

Individual & business
Savings/investment provide financial capital that can be borrowed for business expansion & increased consumption.

Individuals (households) own resources used in production, sell resources, and use income to purchase products.

Businesses (producers) buy resources; make products sold to individuals, other businesses, government - use profits to buy more resources.

Governments use tax revenue from individuals and businesses to provide public goods and services.

Characteristics of public goods and services
includes-interstate highways, postal service, and national defense
provide benefits to many simultaneously
Would not be available if individuals did not provide them

Characteristics of major economic systems

Free market:

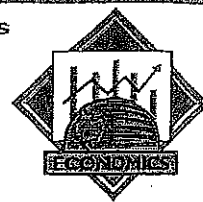
- Private ownership of property/resources
- Profit and Competition
- Consumer sovereignty/individual choice

Command economy:

- Central ownership of property/resources
- Centrally-planned economy
- Lack of consumer choice

Mixed economy:

- Individuals and businesses as decision makers for private sector
- Government as decision maker for the public sector
- A greater government role than in a free market economy
- Most common economic system today



Characteristics of the United States economy

In the United States, private individuals, businesses, and government share economic decision making.

Free markets - are allowed to operate without undue interference from the government.

Private property - Individuals and businesses have right to own personal property as well as means of production without undue interference from government.

Profit - consists of earnings after all expenses have been paid.

Competition - Rivalry between producers/sellers of a good or service results in better quality goods and services at a lower price.

Consumer sovereignty - Consumers determine through purchases, what goods and services will be produced.



The Federal Reserve

Federal Reserve System (Fed) is central bank of U.S. - acts as a banker's bank, issuing currency/regulating amount of money in circulation.

Ways Federal Reserve Bank slows economy - To slow the economy, Fed restricts money supply, causing interest rates to rise.

- Increases the reserve requirement or discount rate
- Sells government securities

Ways Federal Reserve Bank stimulates economy

- Fed increases money supply, causing interest rates to decline.
- Lowers reserve requirement or discount rate
- Purchases government securities

Global Economy

Worldwide markets in which the buying and selling of goods and services by all nations takes place

Reasons that states and nations trade:

- obtain goods/services they can't or produce efficiently themselves
- buy goods and services at a lower cost or a lower opportunity cost
- sell goods and services to other countries - create jobs NC and United States specialize in production of certain goods and services which promote efficiency and growth.

Impact of technological innovations

- Innovations in technology (e.g., Internet) contribute to global flow of information, capital, goods, and services.
- Use of such technology also lowers cost of production.

Ways governments produce public goods and services

- Through tax revenue and borrowed funds

Taxes

16th Amendment to Constitution authorizes Congress to tax incomes (personal and business).

• Government tax increases reduce funds available for private/business spending; tax decreases increase funds for private and business spending.

• Increased government borrowing reduces funds available for borrowing by individuals and businesses; decreased government borrowing increases funds available for borrowing by individuals and businesses.

• Increased government spending increases demand, may increase employment/ production; decreased spending reduces demand, may result in a slowing economy.

• Increased government spending may result in higher taxes; decreased government spending may result in lower taxes.

