

Chapter 1—THE NATURE AND SOURCES OF LAW

TRUE/FALSE

1. The pattern of rules that society uses to control the conduct of individuals in their relationships is called law.

ANS: T MSC: AACSB Analytic

2. The law works to cause our society to operate in an inefficient manner.

ANS: F MSC: AACSB Analytic

3. Law is often defined as the body of principles that courts will enforce.

ANS: T MSC: AACSB Analytic

4. Jane asserts she has a legal right. Jane is really saying she has an obligation to perform or refrain from performing an act.

ANS: F TOP: MSC: AACSB Analytic

5. Rights always stand alone, without any duties.

ANS: F MSC: AACSB Analytic

6. Rights guaranteed in the United States Constitution are not accompanied by duties.

ANS: F MSC: AACSB Analytic

7. Court decisions and statutes can take away rights created by the United States Constitution.

ANS: F MSC: AACSB Analytic

8. One of our most important rights is the right of privacy.

ANS: T MSC: AACSB Analytic

9. The right to be secure against unreasonable searches and seizures conducted by the police is guaranteed by state statute.

ANS: F MSC: AACSB Analytic

10. The United States Constitution provides that we have a right to be free from intrusions by others.

ANS: T MSC: AACSB Analytic

11. The private life of a nonpublic citizen is subject to public scrutiny.

ANS: F MSC: AACSB Analytic

12. One advantage of our current legal system is that the growth of technology has not created many new laws.
- ANS: F MSC: AACSB Analytic
13. The right of privacy does not apply to intrusions into our privacy by means of new technology.
- ANS: F MSC: AACSB Analytic
14. Several layers of law are enacted at different levels of government to provide the framework for business and personal rights and duties. At the base of this framework of laws is constitutional law.
- ANS: T MSC: AACSB Analytic
15. A constitution is a body of principles that establishes the structure of a government and the relationship of that government to the people who are governed.
- ANS: T MSC: AACSB Analytic
16. Statutes are the only source of law.
- ANS: F MSC: AACSB Analytic
17. Within each state in the United States, only one constitution is in force.
- ANS: F MSC: AACSB Analytic
18. In addition to state legislatures and the United States Congress, all cities, counties, and other governmental subdivisions have some power to adopt ordinances within their sphere of operation.
- ANS: T MSC: AACSB Analytic
19. State legislatures, not Congress, enact statutory law.
- ANS: F MSC: AACSB Analytic
20. Administrative regulations are a type of law.
- ANS: T MSC: AACSB Analytic
21. Administrative regulations generally do not have the force of a statute.
- ANS: F MSC: AACSB Analytic
22. Courts can create law.
- ANS: T MSC: AACSB Analytic
23. When a court decides a new question or problem, the decision is called a precedent.
- ANS: T MSC: AACSB Analytic

24. The group of time-honored rules that courts have used to solve similar problems for decades is called *stare decisis*.

ANS: T MSC: AACSB Analytic

25. Treaties made by the United States are not deemed part of the law.

ANS: F MSC: AACSB Analytic

26. Uniform State Law generally is not applicable to business.

ANS: F MSC: AACSB Analytic

27. Those uniform state laws that have been adopted by individual states were first written by Congress.

ANS: F MSC: AACSB Analytic

28. Substantive law creates rights and duties.

ANS: T MSC: AACSB Analytic

29. Law may be classified in terms of principles of law and principles of equity.

ANS: T MSC: AACSB Analytic

30. In the United States today, we generally have one law court and one equity court.

ANS: F MSC: AACSB Analytic

MULTIPLE CHOICE

1. Law is:
- a body of religious principles held by all members of society.
 - a body of principles that society establishes to keep things running smoothly.
 - always the result of case-law decisions.
 - derived solely from the United States Constitution.

ANS: B MSC: AACSB Analytic

2. Law consists of:
- principles that govern conduct.
 - mere guidelines.
 - arbitrary rules.
 - none of the above.

ANS: A TOP: MSC: AACSB Analytic

3. The law could best be described as:
- only statutory in nature.
 - only the creation of our courts.
 - a multitude of rights and corresponding duties.
 - none of the above.

ANS: C MSC: AACSB Analytic

4. Our rights flow from:
- a. the Constitution.
 - b. federal statutes.
 - c. city ordinances.
 - d. all of the above.

ANS: D MSC: AACSB Analytic

5. A right can exist:
- a. by itself.
 - b. only if created by a court.
 - c. only if there is a corresponding duty.
 - d. only under local law.

ANS: C MSC: AACSB Analytic

6. A right is defined as:
- a. an obligation.
 - b. a legal capacity to require another party to perform.
 - c. any written promise.
 - d. none of the above.

ANS: B MSC: AACSB Analytic

7. Individual rights guaranteed in the United States Constitution:
- a. have no accompanying duties.
 - b. apply only to a small number of individuals.
 - c. are subject to state legislative laws.
 - d. generally have accompanying duties.

ANS: D MSC: AACSB Analytic

8. Rights guaranteed in the United States Constitution:
- a. cannot be taken away by statutes or court decisions.
 - b. can be taken away by statutes.
 - c. can be taken away by court decisions.
 - d. can be taken away by local ordinances.

ANS: A MSC: AACSB Analytic

9. The right of privacy consists of:
- a. the right to be secure against unreasonable searches by the government only.
 - b. the right to protection against intrusions by others only.
 - c. both the right to be secure against unreasonable searches by the government and the right to protection against intrusions by others.
 - d. none of the above.

ANS: C MSC: AACSB Analytic

10. Sheriff Jane desires to search your home. What law requires that the sheriff obtain a search warrant?
- a. the Fourth Amendment of the United States Constitution
 - b. the Equal Protection Clause
 - c. state statute
 - d. local uniform police ordinances

ANS: A MSC: AACSB Analytic

11. The right to privacy applies to protect you from unreasonable searches:
- to you personally.
 - to your home.
 - to your business.
 - all of the above.

ANS: D MSC: AACSB Analytic

12. Your private life is protected from intrusions by other people by:
- the Fourth Amendment of the United States Constitution.
 - the Equal Protection Clause.
 - court decisions of the United States Supreme Court.
 - local ordinance.

ANS: C MSC: AACSB Analytic

13. Interpretations of aspects of the right to privacy are often found in:
- statutes.
 - customs.
 - societal guidelines.
 - none of the above.

ANS: A MSC: AACSB Analytic

14. Technology:
- has not created situations that require the application of new rules of law.
 - has indeed created situations that require the application of new rules of law.
 - has done away with the right of privacy.
 - has made it easier to identify when one's privacy has been invaded.

ANS: B MSC: AACSB Analytic

15. Several layers of law are enacted at different levels of government to provide the framework for business and personal rights and duties. At the base of this framework of laws is/are:
- statutory law.
 - case law.
 - constitutional law.
 - all of the above.

ANS: C MSC: AACSB Analytic

16. Sources of American law include:
- state constitutions.
 - statutes enacted by state legislatures.
 - court decisions.
 - all of the above.

ANS: D MSC: AACSB Analytic

17. ____ is a body of principles that establishes the structure of a government and the relationship of that government to the people.
- A constitution
 - State statute
 - Stare decisis*

d. The common law

ANS: A MSC: AACSB Analytic

18. Statutory law is created by:

- a. Congress.
- b. state legislatures.
- c. local governments.
- d. all of the above.

ANS: D MSC: AACSB Analytic

19. Administrative regulations:

- a. are essentially industry advisories.
- b. are case-law precedents.
- c. have the force of statute.
- d. are Constitutional principles.

ANS: C MSC: AACSB Analytic

20. Legal principles expressed for the first time in court decisions are called:

- a. statutory law.
- b. *stare decisis*.
- c. common law.
- d. precedent.

ANS: D MSC: AACSB Analytic

21. Statutes which are drafted from Uniform State Laws are often used to regulate:

- a. business.
- b. foreign countries.
- c. criminal behavior.
- d. none of the above.

ANS: A MSC: AACSB Analytic

22. Uniform State Laws are used as a basis for laws by which of the following entities?

- a. Congress
- b. international trade associations
- c. state legislatures
- d. local governmental entities

ANS: C MSC: AACSB Analytic

23. Substantive law:

- a. specifies the steps to follow to enforce legal rights.
- b. concerns equitable relief only.
- c. creates, defines, and regulates rights and duties.
- d. draws solely on English legal principles.

ANS: C MSC: AACSB Analytic

24. Laws can be classified in terms of:

- a. Roman and English law.
- b. substantive and procedural law.
- c. law and equity.

d. all of the above.

ANS: D

MSC: AACSB Analytic

CASE

1. Jacob just won the state lottery. Discuss his right to privacy.

ANS:

Within the context of the Fourth Amendment, Jacob continues to be protected to the same extent he was prior to winning. Regarding his right to be protected from intrusions by others, however, he most likely will have to give up some privacy rights because of his good fortune; that is, although he remains a private citizen, he will not have quite the same degree of privacy protection in this arena as he had before winning the lottery.

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2. A new state law mandates that all employers must prohibit smoking on employer premises. The law further provides that any employer who allows an employee or a client/ customer to smoke on its premises is subject to a court order requiring the employer to enforce the law. Describe this statute in terms of all possible classification methods.

ANS:

The law is substantive because it defines rights and liabilities of business owners. The law is also equitable, based on the remedy of specific performance, since it subjects the employer to a court order requiring the employer to actually do something; i.e., forbid smoking on its premises.

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