US ECONOMIC COMPETITIVENESS

1. According to the Congressional Budget Office, what will be the 2011 United States budget deficit if current policies remain in place?

A. $100 Billion  
B. $900 Billion  
C. $1.5 Trillion  
D. $7.5 Trillion

From - The Budget Deficit and U.S. Competitiveness  
http://www.cfr.org/economics/budget-deficit-us-competitiveness/p24910

“If current policies remain in place, the Congressional Budget Office (CBO) estimates the U.S. budget deficit for 2011 will be close to $1.5 trillion, or 9.8 percent of GDP. While CBO “benchmark” projections see a short-term, gradual decline in deficits as the economic recovery continues, long-term deficits loom large with ballooning entitlement outlays stemming from an aging population and rising health care costs.”

2. According to the Council on Foreign Relations Backgrounder U.S. Debt Ceiling: Costs and Consequences, how many times had Congress prior to summer 2011 raised the debt ceiling since 1962?

A. 7  
B. 37  
C. 58  
D. 74

From - U.S. Debt Ceiling: Costs and Consequences  
http://www.cfr.org/international-finance/us-debt-ceiling-costs-consequences/p24751

“The debt limit was instituted with the Second Liberty Bond Act of 1917, and Congress has raised the cap seventy-four times since 1962. Some analysts contend that by requiring legislative consent, the debt limit affords Congress some oversight authority and engenders some accountability in fiscal policy. Historically, opposition parties have often used debt-limit negotiations to draw national attention to protests of existing policies.”

3. According to the Great Decisions article “Banks, Governments and Debt Crisis,” what is the relationship between government debt and large-scale bank failure?

A. Large-scale bank failure increases government debt  
B. Government debt default often causes large-scale bank failure  
C. To prevent debt increase the government turns to regulated firms such as banks for help  
D. All of the above

From Great Decisions, 2011
“When governments are short on funds, they often turn to regulated financial firms for help; and when governments default, they may bring down with them large portions of the financial sector. In sum, an increase in government debt is a common by-product of large-scale bank failure, and large-scale bank failure is a common by-product of government debt default.” (p.50)

4. According to the National Academy of the Sciences’ *Rising Above the Gathering Storm*, which economist demonstrated that productivity depends on more than labor and capital and that intangible qualities such as research and development (R&D) are crucial?

A. **Robert Solow**  
B. John Maynard Keynes  
C. Adam Smith  
D. Paul Samuelson

From - *Rising Above the Gathering Storm*  

“Robert Solow demonstrated that productivity depends on more than labor and capital and that intangible qualities—research and development (R&D), or the acquisition and application of knowledge—are crucial.” (p.45)

5. According to the World Economic Forum’s *Global Competitiveness Report*, which country in Asia is ranked the highest on the Global Competitiveness Index?

A. Hong Kong  
B. Taiwan  
C. China  
D. **Singapore**

From - the World Economic Forum’s *Global Competitiveness Report*  

“Singapore maintains its position at 3rd place, still the highest-ranked country from Asia.” (p.14)

6. According the report of the National Academy of Sciences entitled *Rising Above the Gathering Storm*, the culture of the United States has long treated education as a public good. But a recent change has called the belief into question. That change is

A. rising tuition at private universities.  
B. **cutbacks in funding to state universities**.  
C. expanding federal support for changes in K-12 education.  
D. None of the above

From - *Rising Above the Gathering Storm: Energizing and Employing America for a Brighter Economic Future*  
[http://www.nap.edu/catalog/11463.html](http://www.nap.edu/catalog/11463.html)
Higher Education as a Private Good
Our culture has always considered higher education a public good—or at least we have seemed to do so. We have agreed as a society that educated citizens benefit the whole society; that the benefit accrues to us all and not just to those who receive the education. That was a primary reason for the creation in the 1860s of the land-grant college system; it is why early in the 20th century universal primary and secondary schooling was supported; it is why a system of superior state universities was created and generously supported and scholarships were given to needy students; and it is why the Serviceman’s Readjustment Act of 1944—the GI Bill—was established and why the National Defense Education Act was passed in 1958 shortly after the launch of Sputnik. Now, however, funding for state universities is dwindling, tuition is rising, and students are borrowing more than they receive in grants. These seem to be indications that our society increasingly sees higher education as a private good, of value only to the individual receiving it. A disturbing aspect of that change is its consequences for low-income students. College has been a traditional path for upward mobility—and this has been particularly true in the field of engineering for students who were first in their family to attend college. The acceptance of higher education as a personal benefit rather than a public good, the growth of costly private K–12 schooling, and the shift of the cost burden to individuals have made it increasingly difficult for low-income students to advance beyond high school. In the long run, the nation as a whole will suffer from the lack of new talent that could have been discovered and nurtured in affordable, accessible, high quality public schools, colleges, and universities.” (pp.31-2)

7. Thomas Friedman in his book *The World is Flat* asserts that the international economy is a more level playing field because

A. India provides a university education to most of its high school graduates.
B. China’s government controls internet content.
C. **developing countries now have easier access to information technology.**
D. All of the above

From - Rising Above the Gathering Storm: Energizing and Employing America for a Brighter Economic Future
http://www.nap.edu/catalog/11463.html

“In The World Is Flat: A Brief History of the Twenty-First Century, Thomas Friedman asserts that the international economic playing field is now “more level” than it has ever been. The causes of this “flattening” include easier access to information technology and rising technical competences abroad that have made it possible for US companies to locate call centers in India, coordinate the complex supply chains and work flows that enable manufacturing in China, and conduct “back office” service functions abroad. *** Friedman argues that, despite the dangers, a flat world is on balance a good thing—economically and geopolitically.” (p.23)
8. According to Richard Haass in the Council on Foreign Relations article “The Arab Spring Has Given Way to a Long, Hot Summer,” what is one lesson that can be learned from the Arab Spring in order to move forward?

A. Military intervention should always be the first step taken.
B. You cannot negotiate with Islamists even if they claim to eschew violence.
C. It is easier to oust a regime than to help put something clearly better in its place.
D. The price of oil has no relationship to civil unrest.

From - The Arab Spring Has Given Way to a Long, Hot Summer
http://www.cfr.org/middle-east/arab-spring-has-given-way-long-hot-summer/p25426

“Yet the most important lessons from the Arab spring are also the simplest. Military intervention should, as a rule, be avoided. It is easier to oust a regime than it is to help put something clearly better in its place. Iraq, Afghanistan, and Libya all stand as warnings.”

9. At the G8 Summit in Deauville, France, the G8 countries extended a long-term global partnership to all countries of the Middle East region engaging in a transition towards free, democratic and tolerant societies. What two pillars is the Deauville partnership based on?

A. A political process to support democratic transition and an economic process for sustained growth
B. A military process to end all outside intervention and a political process to support transition
C. An economic process for sustained growth and the establishment of a zone free of weapons of mass destruction
D. None of the above

From - the Declaration of the G8 on the Arab Spring
http://www.g20-g8.com/g8-g20/g8/english/live/news/declaration-of-the-g8-on-the-arab-springs.1316.html

“This Partnership is based on two pillars: a political process to support the democratic transition and foster governance reforms, notably the fight against corruption and the strengthening of the institutions needed to ensure transparency and accountable government; and an economic framework for sustainable and inclusive growth. It is designed to support Partnership Countries in the economic and social reforms that they will undertake, particularly to create jobs and enshrine the fair rule of law, while ensuring that economic stability underpins the challenge of transition to stable democracies.”

10. Due to the breaking of United States diplomatic contact with Iran, which embassy in the United States represents Iranian Affairs under the Iranian Interests Section?

A. Saudi Arabia
B. Pakistan
C. Iraq
D. Syria
“On April 7, 1980, the United States broke diplomatic relations with Iran, and on April 24, 1981, the Swiss Government assumed representation of U.S. interests in Tehran. Iranian affairs in the United States are represented by the Embassy of Pakistan, in the Iranian Interests Section, in Washington, DC.”

11. Saudi Arabia’s oil reserves, the largest in the world, account for what percentage of its exports?
A. 50 %
B. 75%
C. 80%
D. 90%

From - State Department Background on Saudi Arabia
http://www.state.gov/r/pa/ei/bgn/3584.htm

“Saudi oil reserves are the largest in the world, and Saudi Arabia is the world’s leading oil producer and exporter. Oil accounts for more than 90% of the country’s exports and nearly 75% of government revenues.”

12. Most Lebanese oppose naturalization and settlement for the nearly half million Palestinian refugees in Lebanon because the refugees

A. would threaten Lebanon’s delicate sectarian balance in politics.
B. are members of Hizbollah.
C. oppose Lebanon’s free market economy.
D. are politically allied with the Iraqi refugees in Lebanon.

From - State Department Background on Lebanon
http://www.state.gov/r/pa/ei/bgn/35833.htm

‘Palestinian refugees, predominantly Sunni Muslims, who numbered 425,640 in 2010 according to UNRWA, are not active on the domestic political scene as they do not have the right to vote or even to reside in Lebanon. Nonetheless, they constitute an important minority whose naturalization/settlement in Lebanon is vigorously opposed by most Lebanese, who see them as a threat to Lebanon’s delicate confessional balance. In 2002, parliament enacted legislation banning Palestinians from owning property in Lebanon. The Labor Ministry opened up professions previously closed to Palestinians in August 2010, but they are still barred from professions requiring association membership, including law, medicine, and engineering. The number of Iraqi refugees is approximately 50,000 and is believed to have stabilized as of 2008.”

13. Iran and Russia share national interests in Central Asia and the Transcaucasus regarding

A. limiting Chinese influence in the region.
B. developing Caspian Sea energy resources.
C. curbing Chechen terrorism.
D. protecting Pakistan from Indian terrorism.
“Both Iran and Russia believe they have important national interests at stake in developments in Central Asia and the Transcaucasus, particularly regarding energy resources in the Caspian Sea.”

14. During the Arab Spring uprisings in neighboring countries, Morocco experienced

A. large and violent protest demonstrations.
B. elections labeled corrupt by international observers.
**C. proposals by the King to strengthen Parliamentary powers.**
D. revolution led by the Islamist Party of Justice and Development.

“As an “Arab Spring” swept the Middle East and North Africa in late 2010 and early 2011, Moroccan officials and the general public watched closely as neighboring countries sustained massive, sometimes violent, protests leading to significant regime change. Protests in Morocco have been smaller, more subdued, and generally peaceful, but continued into spring 2011. The King has taken steps to address some demonstrator demands, and on March 9, 2011, gave a major address calling for constitutional reforms that, if implemented, could have the potential to alter significantly the distribution of power among the monarchy, government, and Parliament.”

**AFGHANISTAN/Pakistan**

15. According to the Center for Strategic and International Studies *The Problem of Pakistan* presentation, which of the following is **NOT** one of Pakistan’s current strategic concerns?

A. Security of nuclear weapons
B. **United States withdrawal from Iraq**
C. India
D. Hostile Afghanistan under the Government of the Islamic Republic of Afghanistan (GIRoA)

From - “The Problem of Pakistan,” p. 5

Slide: “Current Pakistani Strategic Concerns”
In Stephen Biddle’s statement to Congress on May 10, 2011, what does he argue is an acceptable ‘end state’ for Afghanistan that could provide the critical requirement of an Afghanistan that does not threaten us or its neighbors?

A. Decentralized Democracy  
B. Anarchy  
C. Partition of the Pashtun south from the largely Tajik, Uzbek, and Hazara north and west  
D. Centralized Dictatorship

From - Dr. Stephen Biddle Testimony, Hearing on “Steps Needed for a Successful 2014 Transition in Afghanistan” Before the Senate Foreign Relations Committee First Session, 112th Congress.  
http://foreign.senate.gov/hearings/hearing/?id=50dda323-5056-a032-522f-1577e3361280

“A variety of less centralized, and possibly less democratic, alternative end states could still provide the critical requirement of an Afghanistan that does not threaten us or its neighbors. Two such alternatives are decentralized democracy, and internal mixed sovereignty.”(p. 3)

17. According to the Council on Foreign Relation’s U.S. Strategy for Afghanistan and Pakistan report, what is the Haqqani network?

A. An Afghan Taliban affiliate based in Pakistan  
B. The United States backed recruiting arm of the Afghani Army.  
C. Al Qaeda’s main operating cell in Iraq  
D. An Afghani television network
“The Haqqani network—an Afghan Taliban affiliate based inside Pakistan’s FATA—is responsible for a range of attacks on U.S., Afghan, and Indian targets inside Afghanistan.” (p. 7)

18. According to David Kilcullen, in testimony to the United States Senate entitled *Transition in Afghanistan*, the majority of insurgents in Afghanistan are

A. members of Al Qaeda.
B. connected to the Taliban leader Mullah Omar.
C. former members of the Afghan army.
D. local part-time guerillas.

From - Dr David J Kilcullen, Testimony Before the U.S. Senate Foreign Relations Committee, 11 May 2011.TRANSITION IN AFGHANISTAN

http://foreign.senate.gov/hearings/hearing/?id=50dda323-5056-a032-522f-1577e3361280

“The final pathway is Reconciliation. This is a peace-building model, which recognizes that apart from a small committed hard core of full-time insurgents, the majority of people in the insurgency are local part-time guerrillas motivated in part by local abuses, in part by the presence of international forces in their area, and in part by community, ethnic and tribal affiliations and by ties of loyalty forged with members of various insurgent groups over decades of war. Much of the violence in Afghanistan is unconnected to the Quetta Shura, to Mullah Omar, let alone to Al Qaeda. Local peace deals, complemented by a reintegration program to bring less committed members of the insurgency back to their communities, and by a national level reconciliation program to make peace with higher-level leaders of insurgent groups, are already in place.”

19. In testimony to the United State Senate, Seth Jones of the RAND Corporation advised that US objectives in Afghanistan should be

A. aimed at building a democratic Afghanistan as a long term United States ally.
B. focused on countering anti-American sentiment in Afghanistan and Pakistan.
C. limited and tied to narrow United States national security interests.
D. concerned mainly with containing China’s growing influence in Central Asia.

From - Seth G. Jones, The RAND Corporation, Transitioning to Afghan-Led Counterinsurgency Before the Committee on Foreign Relations, United States Senate, May 10, 2011
http://foreign.senate.gov/hearings/hearing/?id=50dda323-5056-a032-522f-1577e3361280

“The U.S. objectives in Afghanistan should be limited and tied to narrow U.S. national security interests. They include:

- Disrupt, dismantle, and defeat al Qa’ida and allied groups in Afghanistan and Pakistan
that threaten the U.S. homeland and its interests overseas

Deny al Qa'ida and its allies a safe haven and an ally in Afghanistan that threaten the U.S. homeland and its interests overseas.”

20. According to the Council on Foreign Relations report U.S. Strategy for Afghanistan and Pakistan, how much did the United States provide in reimbursements and military assistance to Pakistan in fiscal year 2010?

A. $500 million
B. $2 billion
C. $10 billion
D. $50 billion

From - “US Strategy for Pakistan and Afghanistan,”
http://i.cfr.org/content/publications/attachments/Pakistan_Afghanistan_TFR65.pdf

“Washington also provides reimbursements and military assistance to Pakistan, which, in FY 2010, totaled nearly $2 billion.” (p. 9)

21. In October, 2009, the United States Congress passed and the President signed, the Enhanced Partnership with Pakistan Act, which

A. supported the Pakistan Army fighting in Kashmir.
B. **pledged a tripling of United States non-military assistance for Pakistan.**
C. established free trade between the United States and Pakistan.
D. placed Pakistan’s nuclear weapons under United States control.

From - “US Strategy for Pakistan and Afghanistan,”
http://i.cfr.org/content/publications/attachments/Pakistan_Afghanistan_TFR65.pdf

‘ The Obama administration has embarked on a comprehensive approach to building a more effective partnership with Pakistan. It involves an aggressive counterterrorism strategy and a generous aid program. In October 2009, Congress, with presidential approval, passed the Enhanced Partnership with Pakistan Act (Kerry-Lugar-Berman), which pledged $7.5 billion in nonmilitary assistance over the next five years. This amounts to a tripling of assistance from prior levels.” (p. 36)

**CHINA**

22. According to the *Atlantic Monthly* article “The Next Empire,” how is China’s approach to Africa different from that of the West?

A. **Does not make its investments contingent on government reform**
B. Emphasizes loans
C. Supports transition to democracy
D. All of the above

From - *The Next Empire*
“In its recent approach to Africa, China could not be more different from the West. It has focused on trade and commercially justified investment, rather than aid grants and heavily subsidized loans. It has declined to tell African governments how they should run their countries, or to make its investments contingent on government reform. And it has moved quickly and decisively, especially in comparison to many Western aid establishments.”

23. When was the People’s Republic of China formed?

A. October 1, 1950
B. **October 1, 1949**
C. January 1, 1949
D. January 1, 1912

From - State Department Background on China
http://www.state.gov/r/pa/ei/bgn/18902.htm

“In Beijing, on October 1, 1949, Mao Zedong proclaimed the founding of the People’s Republic of China (P.R.C.).”

24. According to the *Great Decisions* article “Sanctions and Nonproliferation,” what was China’s reaction in August 2003 after North Korea expelled all IAEA inspectors and withdrew from the Nonproliferation Treaty?

A. Immediately placed sanctions on North Korea
B. Remained silent
C. **Began Six Party Talks in an attempt to negotiate an end to North Korean nuclear activities**
D. Refused to join the Six Party Talks

From - *Great Decisions*, 2011 “Sanctions and Nonproliferation.” (p. 79)

“In August, 2003, the Chinese, fearing, among other things, a conflict that could send millions of North Korean refugees across their border, began hosting six party talks in an attempt to negotiate an end to North Korean nuclear activities ….”

25. Many United States policymakers have expressed concern over China’s large holding of United States government debt. They see especial risks because these Chinese holdings

A. fund United States federal deficits.
B. **give China leverage in bilateral negotiations with the United States.**
C. help keep United States interest rates low.
D. could force the United States into an extended depression.

From *China-US Trade Issues*
http://fpc.state.gov/documents/organization/166797.pdf
“Many U.S. policymakers have expressed concern over China’s large holdings of U.S. securities, especially U.S. Treasury securities. They argued that although such purchases have contributed to the ability of the United States to meet its investment needs and have helped fund the growing U.S. federal budget deficit (thus helping to keep real U.S. interest rates low), they could give China increased leverage over the United States on major bilateral political and economic issues.” (p. 13)

26. The membership of the Chinese Communist Party constitutes about what percentage of the Chinese population?

A. 98%
B. 75%
C. 52%
D. 6%

From - State Department Background on China
http://www.state.gov/r/pa/ei/bgn/18902.htm

“Chinese Communist Party
The estimated 78 million-member CCP, authoritarian in structure and ideology, continues to dominate government. Nevertheless, China's population, geographical vastness, and social diversity frustrate attempts to rule by fiat from Beijing. Central leaders must increasingly build consensus for new policies among party members, local and regional leaders, influential non-party members, and the population at large.”

“Population (July 2011 est.): 1,336,718,015.”

27. The Romanization of the spelling of Chinese names and places is known as the

A. Western system.
B. European system.
C. Colonial period system.
D. Pinyin system.

From - State Department Background on China
http://www.state.gov/r/pa/ei/bgn/18902.htm

“The Pinyin System of Romanization
On January 1, 1979, the Chinese Government officially adopted the pinyin system for spelling Chinese names and places in Roman letters. A system of Romanization invented by the Chinese, pinyin has long been widely used in China on street and commercial signs as well as in elementary Chinese textbooks as an aid in learning Chinese characters. Variations of pinyin also are used as the written forms of several minority languages.

Pinyin has now replaced other conventional spellings in China's English-language publications. The U.S. Government also has adopted the pinyin system for all names and places in China. For example, the capital of China is now spelled "Beijing" rather than "Peking."
28. Which country, according to 2009 trade information, was the leading supplier of imports into China?

A. Japan  
B. United States  
C. Hong Kong  
D. Germany  

From - State Department Background on China
http://www.state.gov/r/pa/ei/bgn/18902.htm

“Trade: Exports (2010)--$1.506 trillion: electrical and other machinery, including data processing equipment, apparel, textiles, iron and steel, optical and medical equipment. Main partners (2009)--U.S. 20.03%, Hong Kong 12.03%, Japan 8.32%, South Korea 4.55%, Germany 4.27%. Imports (2010 est.)--$1.307 trillion: electrical and other machinery, oil and mineral fuels, optical and medical equipment, metal ores, plastics, organic chemicals. Main partners (2009)--Japan 12.27%, Hong Kong 10.06%, South Korea 9.04%, U.S. 7.66%, Taiwan 6.84%, Germany 5.54%.”

UN MILLENNIUM GOALS: CHILD HEALTH

29. According to the Gates Foundation, what percentage of all worldwide deaths among pregnant women, infants and children under age five occur in developing countries?

A. 99%  
B. 75%  
C. 50%  
D. 20%  

From - Progress Toward Maternal, Newborn, & Child Health

In the column on page 2 labeled: What is Maternal, Newborn and Child Health?: “Of all deaths worldwide among pregnant women, infants, and children under age five, about 99 percent occur in developing countries, with the highest death rates recorded in Sub-Saharan Africa and South Asia.”

30. Why does the Bill & Melinda Gates Foundation emphasize the childbirth and early postnatal period?

A. It is easier to rally the international community around infants and newborns.  
B. The cost of medical treatment is much lower during this phase of development.  
C. Childbirth and the early postnatal period are the times when services are most lacking in poor communities and when most deaths occur.  
D. Frontline workers are more easily recruited to work with infants and newborns.

From - Strategy Overview: Maternal, Newborn, & Child Health
“Given that childbirth and the early postnatal period are the times when services are most lacking in poor communities and when most deaths occur, our strategy emphasizes using existing solutions and developing new tools and treatments to ensure mothers and their infants survive and remain healthy during these crucial periods and beyond. This work complements our other areas of focus, such as nutrition, family planning, vaccine-preventable diseases, and other areas of child health, including diarrhea and pneumonia.” (p. 2)

31. According to UNICEF’s *Progress for Children* report, child mortality is higher among children living in what areas and in what type of households?

A. Rural, richest  
B. **Rural, poorest**  
C. Urban, poorest  
D. Urban, richest

From - UNICEF *Progress for Children* report  

**HOUSEHOLDS**  
Under-five mortality rate (per 1,000 live births) by background characteristics (1998–2006)

![Mortality Rate Chart](image_url)


32. According to the United Nations, how many of the 67 Millennium Goal countries are currently on track to meet the Development Goal target of reducing child mortality?

A. 10  
B. 15  
C. 20  
D. 25

From - UN Fact Sheet  

“Of the 67 countries defined as having high child mortality rates, only 10 are currently on track to meet the MDG target.”
33. According to the World Bank report in 2010 on Maternal and Child Health in sub-Saharan Africa, which country was on track to meet the Millennium Development Goal target for reducing mother and child deaths by 2015?

A. Senegal  
B. Niger  
C. Kenya  
D. Tanzania


“Substantial progress has been made in many countries, including Tanzania, which is on track to meet the MDG targets related to infant and child health; Senegal, which has made great strides forward in improved nutrition; and Niger, where early data shows that modern contraceptives may now be used more widely than before. Also, Malawi, Ethiopia, and the Gambia have all reduced child mortality by 25 to 40 percent in the past ten years, while in Rwanda the decline has been even greater, at 47 percent.”

34. According to the UN Millennial Goal Report 2011, which three diseases account for more than half children death under age five in Africa?

A. Diarrhea, measles, malaria  
B. Malaria, measles, smallpox  
C. Pneumonia, diarrhea, malaria  
D. Pneumonia, smallpox, measles


“Increasing evidence suggests that the MDG target can be reached, but only with substantial and accelerated action to eliminate the leading killers of children. In sub-Saharan Africa, diarrhoea, malaria and pneumonia are responsible for more than half the deaths of children under five. In Southern Asia, over half of all childhood deaths occur in the first 28 days after birth, pointing to the need for better post-natal care. In both regions, undernutrition is an underlying cause of a third of these deaths. Special efforts to fight pneumonia, diarrhoea and malaria, while bolstering nutrition, could save the lives of millions of children.”(p. 25)

35. According to the UN Millennial Goal Report 2011, the following is a powerful determinant to the survival of children under five
A. Free inoculations
B. Mother’s education
C. Family’s religion
D. US foreign aid


“A mother’s education is key in determining whether her children will survive their first five years of life. In all developing regions, children of mothers with some education are at less risk of dying. A child’s chances of surviving increase even further if their mother has a secondary or higher education.”

AZERBAIJAN

36. What is the name of the current President of Azerbaijan?

A. Nikolay Akatyev
B. Ilham Aliyev
C. Rosa Otunbayeva
D. Emomali Rahmon

From - The Washington Post; Azerbaijan wavers between East and West

“Government critics are seizing on Europe’s sudden attention and the leadership’s desire for respect and friendship from it to press for democratic reforms. The government has a long record of arresting journalists and other outspoken opponents, and in March and April, unnerved by the popular uprisings in Tunisia and Egypt, it cracked down hard on youthful demonstrators.

“As you know, rock is the music of free people,” more than 30 civic leaders said in a May 26 letter to President Ilham Aliyev, asking him to release journalists and activists before the Eurovision Song Contest arrives.”

37. Azerbaijan is expected to host which 43-nation pop song contest in May 2012?

A. Euro Prix
B. Euro Challenge
C. X- Factor
D. Eurovision

From – The Washington Post; Azerbaijan wavers between East and West

“U.S. Ambassador Matthew J. Bryza also made the connection. “I hope this is the opening sign of a new era, a new era for Azerbaijan as it deepens its reforms,” he said, commenting on the president’s pardon and release of an opposition newspaper’s editor
jailed for four years. “And what a wonderful way to begin this year of preparation for Eurovision 2012”

38. According to the United States Department of State’s Profile, Azerbaijan was considered the former center of what faith?

A. Zoroastrianism  
B. Baha’i  
C. Jainism  
D. Wicca  

From –State Department Background on Azerbaijan  
http://www.state.gov/r/pa/ei/bgn/2909.htm

“HISTORICAL HIGHLIGHTS: Azerbaijan combines the heritage of two venerable civilizations—the Seljuk Turks of the 11th century and the ancient Persians. Its name is thought to be derived from the Persian phrase "Land of Fire," referring both to its petroleum deposits, known since ancient times, and to its status as a former center of the Zoroastrian faith. The Azerbaijani Republic borders the Iranian provinces of East and West Azerbaijan, which are predominantly populated by ethnic Azeris.”

39. In what year did women first get the right to vote in Azerbaijan?

A. 1878  
B. 1919  
C. 1945  
D. 1969  

From –State Department Background on Azerbaijan  
http://www.state.gov/r/pa/ei/bgn/2909.htm

‘Following the collapse of the Russian Empire in 1917, an independent republic was proclaimed in 1918 after an abortive attempt to establish a Transcaucasian Republic with Armenia and Georgia. The first democratic republic in the Muslim world, it gave women the right to vote in 1919. Azerbaijan received de facto recognition by the Allies as an independent nation in January 1920, an independence terminated by the arrival of the Red Army in April. Incorporated into the Transcaucasian Federated Soviet Socialist Republic in 1922, Azerbaijan became a union republic of the U.S.S.R. (Soviet Union) in 1936. The late 1980s were characterized by increasing unrest, eventually leading to a violent confrontation when Soviet troops killed 190 nationalist demonstrators in Baku on January 19-20, 1990. Azerbaijan declared its independence from the U.S.S.R. on August 30, 1991.”

40. Based on the Great Decisions article,” The Caucasus,” what has been the Azerbaijan approach to the Russian “liberal empire”?

A. It has carefully attempted to secure independence on things that count without unnecessarily alienating Russia.  
B. It has maintained close ties to Russia in order to protect the country from other neighbors.  
C. It has been resistant to Russian aspirations to regional influence and tried to integrate into Western and European institutions.  
D. None of the above.
From Great Decisions, 2011 “The Caucasus”

“Azerbaijan has perceived itself to have been in Russia’s (as well as Armenia’s) victim in the Karabakh conflict and has persistently sought to develop its energy and pipeline sectors independent of Russia. But its view of engagement with Western institutions and political and economic agendas is ambivalent, given its authoritarian government. For the last decade or so, it has carefully attempted to secure independence on things that count, as with energy export, without unnecessarily alienating Russia.”(p. 94)

41. Azerbaijan has been in conflict with which country over the region known as Nagorno-Karabakh?

A. Georgia
B. Russia
C. Iran
D. Armenia

From –State Department Background on Azerbaijan
http://www.state.gov/r/pa/ei/bgn/2909.htm

“Nagorno-Karabakh

42. According to the Azerbaijan National Budget Group, the country’s economy and national budget is beholden to

A. energy price volatility.
B. trade with Russia.
C. defense expenditure.
D. United States foreign aid.

From - The Political Economy of Oil in Azerbaijan
“Oil and Gas Revenues Management in Azerbaijan:
Crude Dependence and Its Consequences
By Kenan Aslanli, Baku”
“According to the last fiscal statement of the National Budget Group (NBG), a Baku-based budget research and advocacy group, there is serious concern that the country’s economy and national budget are not sustainable in the context of the great volatility in energy prices during recent years. The government is not achieving its goal of decreased dependence on oil; to the contrary, Azerbaijan’s dependence has increased. In fact, at the end of 2008, approximately 97% of total exports were crude oil and oil products. Even low oil prices during the global financial crisis did not reduce this dependence. Serious changes in the budget indicated the government’s lack of an effective medium- or longterm budget policy. In other words, when energy prices are high, the government tends to spend more money, and when prices drop, it simply “controls” this appetite. Most countries stimulated their economy through deficit spending during the global financial crisis, while the Azerbaijani government considers reducing spending in most spheres as the only possible remedy.”

**CURRENT EVENTS**

43. Greece has had a change of leadership as a result of its economic crisis. The new Prime Minister is

A. George Papandreou.
B. **Lucas Papademos.**
C. Antonis Samaras.
D. Mario Monti.


"ATHENS — **Lucas Papademos**, a respected economist and former vice president of the European Central Bank, was named Thursday to lead a new Greek unity government that has pledged to abide by the tough terms of a European aid package in the hopes of saving the country from bankruptcy. “

44. President Obama recently spoke about the United States role in the Pacific. He visited an ally and spoke about United States intent to be "here to stay". That speech was delivered in

A. Japan.
B. Singapore.
C. Australia.
D. Malaysia.

From – economist.com, November 19, 2011

“Allies in Asia have complained about only intermittent American attention to their region. But in a speech to Australia’s parliament on November 17th Mr Obama announced that America is back. “Let there be no doubt: in the Asia-Pacific in the 21st century, the United States of America is all in.” It was, he said, a “deliberate and strategic decision”: America was “here to stay”.

45. The Trans-Pacific Partnership is an emerging free trade area that will cover an area 40% larger than the European Union. Name a country that is NOT a member of the negotiations forming the Partnership.

A. Canada
B. Japan
C. Australia
D. Chile

From – economist.com, November 12, 2011

“MOST Americans have not heard of the Trans-Pacific Partnership (TPP), a free-trade area of countries dotted around the Pacific Ocean. They will soon. This weekend it has suddenly emerged as the most promising trade liberalisation initiative since the Doha round of world-trade talks stalled in 2008. On November 11th, Japan, the world’s third-largest economy, announced its intention to join America and eight other countries in negotiating what its advocates hope will emerge as the new gold standard for free trade in the world’s most dynamic economic zone. Reuters reports that if the ten-country deal is concluded, it will cover a market 40% bigger than the European Union. The news has electrified the summit of Asia-Pacific Exporting Countries (APEC) convening in Honolulu this weekend. President Barack Obama, who acts as the meeting’s host, hopes the TPP will be the cornerstone of an APEC-wide free-trade area. With the euro zone in shambles, that would further shift the world’s centre of economic gravity from the Atlantic Ocean to the Pacific.

There are plenty of reasons for the mood of celebration. After less than three months in office, Yoshihiko Noda, Japan’s prime minister, has made one of his country’s boldest policy decisions in years, which could unleash a chain reaction of reforms in the moribund national economy. His decision may spur other big economies, such as Canada, to make renewed efforts to join the negotiations, which currently include America, Australia, Brunei, Chile, Malaysia, New Zealand, Peru, Singapore and Vietnam. If America and Japan can pull off such a deal, the TPP could challenge China’s own free-trade push in the region, which revolves around the Association of
South-East Asian Nations (ASEAN), South Korea and Japan, rather than the Pacific Rim. By joining with America, Japan also hopes to influence global technological standards in industries like electric cars and clean energy, rather than having those heavily swayed by China.”

46. Who heads up the International Monetary Fund?

A. Christine Lagarde  
B. Jens Weidman  
C. Mario Draghi  
D. Paul Volcker

From – BBC news, October 15, 2011
http://www.bbc.co.uk/news/business-15319026

“A European Union summit later this month will agree "decisive" measures to tackle the eurozone debt crisis, the French finance minister has said. The summit would give "clear answers", said Francois Baroin at the end of talks between ministers from the G20 group of nations in Paris.He said central banks "would continue to supply banks with liquidity". The G20 statement also said ministers were "committed that the IMF must have adequate resources". The G20 meeting came amid continuing fears about the EU's debt-related problems spreading. The US has expressed particular concern about the threat to its economy.US President Barack Obama and German Chancellor Angela Merkel spoke by phone on Friday to discuss the crisis.

The head of the International Monetary Fund (IMF) Christine Lagarde said emerging economies - whose growth helped support the world economy during the global crisis - are starting to be affected by weaknesses in the advanced economies. "The main thing is that the situation has got worse rather than having improved over the last three weeks," she said. We heard a lot from the emerging markets that they are very concerned about the risk of contagion," Mrs Lagarde said.”

47. The United Nations Population Division calculates that the world population reached 7 billion in October, 2011. In 2050 the UN projects world population will be

A. 7.5 billion  
B. 8.2 billion  
C. 9.3 billion  
D. 10.7 billion

From - www.economist.com, October 22, 2011

“The United Nations’ population division now says the world will reach 7 billion on October 31st 2011 (America’s Census Bureau delays the date until March 2012). The UN will even identify someone born that day as the world’s 7 billionth living person. The 6 billionth, Adnan Nevic, was born on October 12th 1999 in Sarajevo, in Bosnia. He will be just past his 12th birthday when the next billion clicks over.
That makes the world's population look as if it is rising as fast as ever. It took 250,000 years to reach 1 billion, around 1800; over a century more to reach 2 billion (in 1927); and 32 years more to reach 3 billion. But to rise from 5 billion (in 1987) to 6 billion took only 12 years; and now, another 12 years later, it is at 7 billion (see chart 1). By 2050, the UN thinks, there will be 9.3 billion people, requiring an island the size of Tenerife or Maui to stand on.”

48. Which country recently relaxed restraints on political opposition, and responding to environmental protests, halted dam construction on the Irrawaddy River, backed by Chinese investment?

A. Thailand  
B. Laos  
C. **Myanmar**  
D. Vietnam

From – The Economist, October 8, 2011 (p. 51)

“TheSE days, very few countries dare to offend China, however rich and powerful they may be. Yet that is exactly what one of the world’s poorest countries did on September 30th. The government of Myanmar said it was suspending the construction of an enormous $3.6 billion Chinese-backed dam on the River Irrawaddy in the north of the country.

It was an audacious decision. China is Myanmar’s closest strategic ally, nearest neighbour and biggest investor. Yet the Chinese, who had expected to receive almost all the hydroelectric power generated by the Myitsone dam, were not told in advance. Indeed, they were not even consulted. Lu Qizhou, the head of China Power Investment, which was the lead company on the dam, confessed afterwards that he had only learned of Myanmar’s decision through media reports and that he was “totally astonished.”

49. After several years of delay, in October the United States Congress ratified free trade agreements with three counties. Which of the countries listed below was NOT among the three?

A. South Korea  
B. Colombia  
C. Panama  
D. **Costa Rica**

From – New York Times, October 12, 2011  

“WASHINGTON — Congress passed three long-awaited free trade agreements on Wednesday, ending a political standoff that has stretched across two presidencies. The move offered a rare moment of bipartisan accord at a time when Republicans and
Democrats are bitterly divided over the role that government ought to play in reviving the sputtering economy.

The approval of the deals with South Korea, Colombia and Panama is a victory for President Obama and proponents of the view that foreign trade can drive America's economic growth in the face of rising protectionist sentiment in both political parties. They are the first trade agreements to pass Congress since Democrats broke a decade of Republican control in 2007.

All three agreements cleared both chambers with overwhelming Republican support just one day after Senate Republicans prevented action on Mr. Obama's jobs bill.”

50. President Assad of Syria agreed to proposals from an international organization and then reneged. As a result the organization suspended Syria from membership in November, 2011. Name the organization.

A. United Nations
B. ASEAN
C. Arab League
D. Gulf Cooperation Union

From – The Economist, November 19, 2011 (p. 49)

“IN THE past fortnight, Bashar Assad’s regime has become both lonelier and bloodier. As the isolation of the president and his country have become more stark, you would think that he would become keener to negotiate his way out of his murderous impasse. Yet he seems to be doing the precise opposite. After the Arab League’s offer to mediate, his security forces have sharply increased their rate of killing. Rather than engage seriously with the democratic opposition, Mr Assad seems ever more determined to crush it. As a result, the league took the dramatic step, on November 12th, of suspending Syria from membership. Unless Mr Assad changes course, he risks ending up like Muammar Qaddafi in Libya. Yet even at this late hour it is still worth trying to make him see sense.”

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“On paper, Mr Assad accepted the Arab League’s sensible if optimistic plan to bring the fighting to an end. Under its terms he should have withdrawn his forces from the towns, freed political prisoners (estimated by human-rights groups at between 10,000 and 20,000), let in foreign journalists and a legion of Arab League diplomats and observers, and undertaken talks with the opposition, eventually leading to multiparty elections. In fact Mr Assad let out a few hundred prisoners but ignored the other recommendations.”