TOEFL EXERCISE 11: Study each of the passages and choose the best answers to the questions that follow.

PASSAGE ONE (Questions 1–3)

The *piece of eight* was the nickname of the Spanish *peso*, which was the rough equivalent of the American dollar in early America; the peso was accepted coin in much of the Americas, particularly during the period when the stores of Spanish ships were regularly stripped by pirates on the waters off the Americas and "redistributed" throughout coastal towns. The nickname *piece of eight* derived from the fact that the peso was equal to eight *reals* and therefore had the numeral 8 stamped on it. The piece of eight was sometimes actually cut into pieces, or bits, and one popular size was one-quarter of a piece of eight, or two bits. As a consequence, the U.S. quarter of a dollar is sometimes referred to today as two-bits, particularly in the western part of the country. A visitor to that area, if told "It'll be two-bits," should take it that the price of an item is being given.

1. The word "rough" in line 1 is closest in meaning to

   (A) unsmooth
   (B) mean
   (C) approximate
   (D) heavy

2. "Stores" in line 3 are probably

   (A) departments
   (B) markets
   (C) shops
   (D) supplies

3. The word "take" in line 9 could best be replaced by

   (A) hold
   (B) understand
   (C) possess
   (D) grab

PASSAGE TWO (Questions 4–6)

Although the *Wealth of Nations* by Adam Smith appeared in 1776, it includes many of the ideas that economists still consider the foundation of private enterprise. The ideas put forth by Smith compose the basis of the philosophies of the school of thought called classical economics.

According to Smith's ideas, free competition and free trade are vital in fostering the growth of an economy. The role of government in the economy is to ensure the ability of companies to compete freely.

Smith, who was himself a Scot, lived during the period of the revolutions in America and in France. During this epoch, the predominant political thought was a strong belief in freedom and independence in government. Smith's economic ideas of free trade and competition are right in line with these political ideas.

4. A "school" in line 3 is

   (A) a common belief
   (B) a college
   (C) a university
   (D) an educational institution

5. Which of the following is closest in meaning to the word "free" in line 4?

   (A) Cheap
   (B) No cost
   (C) Uncontrolled
   (D) Democratic

6. The word "line" in line 9 could best be replaced by

   (A) straightness
   (B) directness
   (C) file
   (D) agreement

LIVEWORKSHEETS