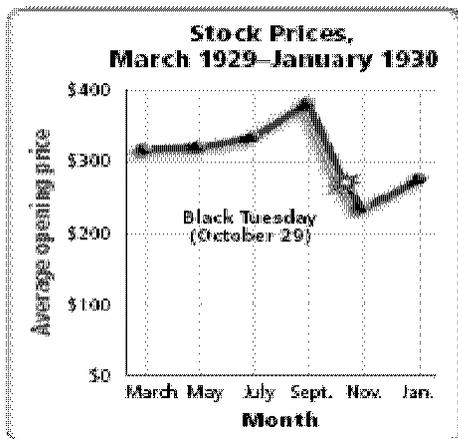


GDPpractice

Multiple Choice

Identify the choice that best completes the statement or answers the question.

- ___ 1. Why did the drop in stock prices in October 1929 ultimately lead the stock market to crash?
- Investors who feared that they would fail to pay off loans panicked, selling off all their stocks.
 - Business leaders began selling off shares in their own companies, panicking investors.
 - Banks refused to issue credit to middle-class investors, causing demand for stocks to plummet.
 - The stock market shut down for one week, leading furious investors to cash in their stocks.
- ___ 2. Study the graph below and answer the question that follows.



People who invested in which month would have been hurt most by Black Tuesday?

- May
 - July
 - September
 - November
- ___ 3. Why did Americans turn to the federal government for aid after the first year or so of the Depression?
- Americans held the government responsible for the Depression.
 - Private charities could not meet the huge demand for relief.
 - Americans were too proud to accept charity from local organizations.
 - Hoover promised to deliver federal aid to help end the Depression.
- ___ 4. “Buying on margin” means buying stocks
- during a bull market at an inflated price.
 - during a bear market in hopes of selling at a higher price.
 - with borrowed money, which must be repaid with interest.
 - directly at the stock market, instead of through a stockbroker.

- ___ 5. The up-and-down pattern of the economy is known as the
 - a. see-saw effect.
 - b. business cycle.
 - c. trade gap.
 - d. peak-trough model.
- ___ 6. The banking system collapsed as an effect of the stock market crash because banks
 - a. had to pay all the businesses insured against bankruptcy.
 - b. ran out of cash to pay all the investors who needed ready money after the crash.
 - c. had lent huge sums to foreign banks that could not repay the loans after the crash.
 - d. were already in a crisis, and the stock market crash made them run out of money.
- ___ 7. How did the stock market crash cause a business crisis?
 - a. Businesses lost their savings in failed banks and had to close or cut back.
 - b. Businesses that had lent money to foreign countries were not paid back.
 - c. Businesses could afford supplies but had no workers to make the goods.
 - d. Businesses were forced to cut back production but could not fire workers.
- ___ 8. The Bonus Army consisted of
 - a. troops led by General MacArthur who distributed military bonuses to U.S. war veterans.
 - b. veterans of World War I and their families who went to Washington D.C. to demand bonuses be paid early.
 - c. troops led by General MacArthur who scattered dwellers in a Washington D.C. shantytown using tanks and teargas.
 - d. veterans of World War I and their families who sabotaged President Hoover's reelection campaign.
- ___ 9. Who did President Hoover believe should lead the relief effort during the Great Depression?
 - a. the federal government
 - b. foreign allies
 - c. state and local governments
 - d. private individuals and institutions
- ___ 10. Which of Hoover's actions went against his ideas about the role of government in providing aid?
 - a. his creation of the Reconstruction Finance Corporation
 - b. his treatment of war veterans in Washington D.C.
 - c. his decision to campaign for a second term
 - d. his use of the Temporary Emergency Relief Administration
- ___ 11. What helped Franklin Roosevelt beat Herbert Hoover in the 1932 election?
 - a. Roosevelt was dedicated to women's liberation.
 - b. As governor of New York Roosevelt had taken active steps to provide aid for citizens.
 - c. Roosevelt was a more well-known candidate.
 - d. As a presidential candidate Roosevelt promised to prosecute those responsible for the stock market crash.
- ___ 12. What was the outcome of the election of 1932?
 - a. Roosevelt won by a landslide and Democrats won strong majorities in both houses of Congress.
 - b. Roosevelt won by a small margin and the balance in both houses of Congress

stayed the same.

- c. Roosevelt won in the electoral college but Hoover won the majority of popular votes.
- d. Roosevelt won after Hoover, having said that his prospects of winning were dark, forfeited the race.

- ___ 13. In 1932 Herbert Hoover warned Americans that the Democrats' promises of government aid would lead to the
 - a. introduction of socialism to the United States.
 - b. continuation of the Depression.
 - c. weakening of Americans' spirit of self-reliance.
 - d. weakening of the United States in the eyes of its allies.
- ___ 14. Americans regained faith in the banks after President Roosevelt signed the Emergency Banking Relief Act into law because the act
 - a. allowed only healthy banks to remain open, so people believed that banks that passed the act's requirements really were sound.
 - b. gave people the right to withdraw all their money at any time without a penalty or waiting period.
 - c. authorized the federal government to immediately deposit \$1 billion in banks to guarantee peoples' deposits.
 - d. required the federal government to pay back in full the customers of any bank that failed.
- ___ 15. The Tennessee Valley Authority was a government project to
 - a. help poor farmers in the Tennessee River Valley refinance their mortgages and keep their farms.
 - b. build dams and generators, bringing electricity and jobs to poor communities in the Tennessee River Valley.
 - c. eliminate unfair business practices and competition between powerful mining companies in the Tennessee River Valley.
 - d. put more than 4 million Americans to work building roads and airports in the poor and undeveloped Tennessee River Valley.
- ___ 16. As an historical figure, what was Frances Perkins' significance?
 - a. She was the nation's first Secretary of Labor.
 - b. She was the nation's first female cabinet member.
 - c. She solved the unemployment problem by developing the New Deal.
 - d. She brought the nation close to the president by developing the fireside chats.
- ___ 17. Critics who thought the New Deal went too far claimed which of the following?
 - a. The government ought to nationalize the country's wealth and natural resources.
 - b. The new laws gave the president too much authority.
 - c. The enormous expansion of the federal government was a step toward communism.
 - d. The high cost of the new programs would lead to higher taxes on the poor.
- ___ 18. New Deal critic Huey Long proposed
 - a. taxing rich Americans to aid the poor.
 - b. having the government take over the country's wealth and resources.
 - c. abolishing the guaranteed minimum wage.

- d. encouraging charities and private donors to solve the nation's economic troubles.
- ___ 19. Of the following, who publicly criticized the New Deal for not going far enough?
- a. Father Charles Edward Coughlin of Detroit
 - b. First Lady Eleanor Roosevelt
 - c. members of the conservative American Liberty League
 - d. Huey Long's assassin, Carl Weiss
- ___ 20. Which New Deal program marked the first time the federal government took direct responsibility for its citizens' economic well-being?
- a. the Farm Credit Act
 - b. the Federal Deposit Insurance Corporation
 - c. the Social Security Act
 - d. the Emergency Banking Relief Act
- ___ 21. The National Labor Relations Act of 1933
- a. allowed women to take positions of power in unions, and established the National Labor Relations Board to oversee union activities.
 - b. allowed workers to join labor unions and take part in collective bargaining, and established the National Labor Relations Board to oversee union activities.
 - c. allowed minority workers to join labor unions, and established the National Labor Relations Board to stop discrimination in unions.
 - d. allowed strikes only in times of non-emergency, and established the National Labor Relations Board to mediate between workers and owners during strikes.
- ___ 22. Which program of the Second New Deal did Eleanor Roosevelt convince President Roosevelt to create?
- a. Works Progress Administration (WPA)
 - b. National Youth Administration (NYA)
 - c. Civil Works Administration (CWA)
 - d. National Industrial Recovery Act (NIRA)
- ___ 23. Whom did the government tax in order to pay for the Social Security Act?
- a. the elderly
 - b. workers and employers
 - c. doctors and lawyers
 - d. the rich
- ___ 24. How did the AFL and the Congress of Industrial Organization (CIO) differ?
- a. The CIO was organized by skill level.
 - b. The AFL began the strategy of sit-down strikes.
 - c. The CIO was organized by industry.
 - d. The AFL welcomed minorities, women, and immigrants.
- ___ 25. Roosevelt's Judicial Procedures Reform Act attempted to
- a. require each justice to take a loyalty oath to the president before they could be confirmed.
 - b. allow the president to appoint a new Supreme Court justice for every justice 70 years old or older.
 - c. give the president the right to overturn Supreme Court rulings in a time of national emergency.
 - d. allow the president to replace Supreme Court justices without congressional

approval.

- ___ 26. What did critics charge against Roosevelt's attempt to "pack the court"?
 - a. He was going to put every New Deal law in jeopardy.
 - b. He was violating the Judiciary Act of 1789.
 - c. He was blurring the separation of powers required in a democratic republic.
 - d. He was trying to shift the balance of power defined in the U.S. Constitution.
- ___ 27. What problems did President Roosevelt have with the Supreme Court?
 - a. The court would not give him adequate funding for the New Deal programs.
 - b. He directly accused the Supreme Court of causing the stock market crash.
 - c. The court issued a bill declaring many New Deal programs unconstitutional.
 - d. He was not given the chance to nominate new Supreme Court justices.
- ___ 28. The Dust Bowl stretched from
 - a. North Dakota to Texas.
 - b. Texas to Florida.
 - c. Tennessee to Arizona.
 - d. North Dakota to Kansas.
- ___ 29. What created the Dust Bowl?
 - a. loose topsoil that was blown away by hurricanes
 - b. a severe drought that hit the Great Plains and lasted almost ten years
 - c. severe rains that flooded the soil and washed away many crops
 - d. major problems with irrigation systems throughout the Midwest
- ___ 30. Which group suffered most in the Dust Bowl?
 - a. scientists
 - b. farmers
 - c. industrial workers
 - d. unskilled laborers
- ___ 31. What was one way in which many families coped with the Great Depression?
 - a. They split up while individual members roamed the country in search of work.
 - b. They had their children take after-school jobs.
 - c. They left the country in search of a better life in Europe.
 - d. They inflated the prices of goods produced on their farms.
- ___ 32. Many Mexican workers, and their American-born children, were deported during the Great Depression to
 - a. protect American jobs.
 - b. enforce labor laws.
 - c. lower unemployment figures.
 - d. punish illegal immigrants.
- ___ 33. The Roosevelt White House demonstrated its support for equal rights by
 - a. refusing to support the Daughters of the American Revolution (DAR).
 - b. appointing Mary McLeod Bethune and other African Americans.
 - c. paying for Marian Anderson's concert at the Lincoln Memorial.
 - d. allowing First Lady Eleanor Roosevelt to influence policy.
- ___ 34. Federal aid to farmers included
 - a. giving tax-breaks to livestock breeders and cattle ranchers.
 - b. lowering mortgage rates for farmers in the Dust Bowl region.

- c. applying chemicals to prevent dust storms and soil erosion.
 - d. offering loans and helping to stabilize prices for farm products.
- ___ 35. WPA writers contributed to Depression-era culture by
- a. cataloguing information about thousands of American murals and sculptures, and the artists who made them.
 - b. conducting interviews with Americans from different backgrounds and keeping a permanent record.
 - c. presenting their work at public schools across America and influencing the next generation.
 - d. composing poetry to be placed in public buses and on trains, and published by the Library of Congress.
- ___ 36. Which of the following art forms did WPA artists popularize in America?
- a. swing music and movies
 - b. cowboy ballads, folk songs, and spirituals
 - c. beat poetry and short stories
 - d. murals, sculptures, and mobiles
- ___ 37. What was the major theme present in both Woody Guthrie's songs and John Steinbeck's novel *The Grapes of Wrath*?
- a. the hardships of slavery
 - b. the deceit of the upper class
 - c. loss and struggle
 - d. racism and poverty
- ___ 38. The most popular art forms of the Depression era
- a. offered an escape from reality.
 - b. focused on the sadness of the time.
 - c. reminded people of their folk roots.
 - d. portrayed glamour and luxury.
- ___ 39. On which point about the New Deal would people today agree?
- a. It was responsible for ending the Great Depression.
 - b. It weighted the balance of power toward the judiciary.
 - c. It greatly expanded the role of the American government.
 - d. It set African American rights back half a century.
- ___ 40. Which of the following government protections is an effect of the New Deal?
- a. workplace safety
 - b. clean air and water
 - c. the savings of bank costumers
 - d. whistleblowers in corrupt corporations

Completion

Complete each statement.

41. People who could not afford to buy stocks at full price bought them _____, which means they bought the stocks on credit with loans. (on margin/on their honor)
42. The Great Depression was characterized by the longest _____ in the history of the U.S. economy. (inflation/recession)

43. One of the major causes of the Great Depression was the _____ of goods at a time when the market for goods was shrinking. (overproduction/aggressive advertising)
44. President Hoover authorized \$1.2 billion in aid to _____ in the first year of the Depression, but refused to give direct assistance to _____. (financial institutions, individual Americans/individual Americans, financial institutions)
45. The _____ and Roosevelt's _____ helped restore Americans' faith in banks in 1933. (Social Security Act, work programs/Emergency Banking Relief Act, fireside chats)
46. Father Charles Edward Coughlin eventually opposed Roosevelt's New Deal and proposed that Roosevelt _____ the country's wealth and natural resources. (nationalize/privatize)
47. The _____ employed more than 8.5 million people from 1935 to 1943, building roads, bridges, and airports. (Works Progress Administration/Civilian Conservation Corps)
48. Grass and trees were planted in Dust Bowl areas to try to stop _____. (soil erosion/tornadoes)
49. Local leaders and unions in California convinced the government to deport many _____ workers. (Asian/Mexican)
50. John Steinbeck's famous novel _____ tells the story of a family of farmers forced to move west in search of work. (*The Grapes of Wrath/Of Mice and Men*)

True/False

Indicate whether the statement is true or false.

- ___ 51. Economics depressions were common occurrences in the United States before 1929.
- ___ 52. Several veterans were killed when General MacArthur used force to evict the Bonus Army from its shantytown.
- ___ 53. The Bonus Army demanded that Hoover authorize early payment of their military bonuses to help ease the effects of the Depression.
- ___ 54. One of Roosevelt's first goals upon taking office was to restore the American public's faith in the stock market.
- ___ 55. The New Deal created jobs by giving federal money to businesses so they could hire workers again.
- ___ 56. The passage of the Social Security Act was the first time the federal government took direct responsibility for many citizens' economic well-being.
- ___ 57. After the Supreme Court blocked several New Deal programs, President Roosevelt tried to pass an act that would allow him to appoint six new Supreme Court justices immediately.
- ___ 58. The Second New Deal was made up of programs the Roosevelt administration had to introduce when the Supreme Court struck down programs of the first New Deal.
- ___ 59. WPA musicians went into the nation's big cities to record the traditional music of hundreds of immigrants.

___ 60. It is generally agreed that the New Deal expanded the role of the federal government.

Matching

Match each item with the correct statement below.

- a. Congress of Industrial Organizations
- b. Eleanor Roosevelt
- c. Frances Perkins
- d. Bonus Army
- e. Hundred Days
- f. John Steinbeck
- g. Dust Bowl
- h. Mary McLeod Bethune
- i. sit-down strikes
- j. Tennessee Valley Authority
- k. Woody Guthrie
- l. Charles Edward Coughlin

- ___ 61. period immediately after Roosevelt's inauguration
- ___ 62. critic of the New Deal who wanted the government to nationalize the country's wealth and natural resources
- ___ 63. African American educator appointed to the Roosevelt administration
- ___ 64. strategy of protest where workers occupy the factories they work in
- ___ 65. organization of veterans and their families who demonstrated in Washington, D.C. in 1932
- ___ 66. wrote songs of loss and sorrow during the Depression
- ___ 67. Secretary of Labor and first female cabinet member
- ___ 68. region of the Great Plains that was hit by a severe drought in the early 1930s
- ___ 69. welcomed African-American and Hispanic members, as well as women and immigrants
- ___ 70. built dams and generators to bring electricity and jobs to poor communities

