GDPractice

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?
   a. Investors who feared that they would fail to pay off loans panicked, selling off all their stocks.
   b. Business leaders began selling off shares in their own companies, panicking investors.
   c. Banks refused to issue credit to middle-class investors, causing demand for stocks to plummet.
   d. 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.

![Graph: Stock Prices, March 1929-January 1930](image)

People who invested in which month would have been hurt most by Black Tuesday?
   a. May
   b. July
   c. September
   d. November

3. Why did Americans turn to the federal government for aid after the first year or so of the Depression?
   a. Americans held the government responsible for the Depression.
   b. Private charities could not meet the huge demand for relief.
   c. Americans were too proud to accept charity from local organizations.
   d. Hoover promised to deliver federal aid to help end the Depression.

4. “Buying on margin” means buying stocks
   a. during a bull market at an inflated price.
   b. during a bear market in hopes of selling at a higher price.
   c. with borrowed money, which must be repaid with interest.
   d. 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.
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

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

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.

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)

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

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.

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)

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