Name:_____ Date:_____

The Great Depression and the New Deal: End-of-Topic Test

Instructions:

- **Time Allowed:** 45 minutes.
- Answer **ALL** questions.
- Write your answers clearly in the spaces provided.
- Base your extended responses on historical evidence from the unit.

Section 1: The Economic Collapse

1. What does it mean when investors buy stocks "on margin"?

a) Buying stocks with government funds

b) Buying stocks using borrowed money

c) Buying stocks only from profitable companies

d) Buying stocks with gold

2. Which term describes a long and severe recession in an economy?

a) Speculation

b) Relief

c) Regulation

d) Depression

3. In the context of the 1930s, what was "Relief"?

a) Immediate aid, such as food or money, given to the poor

b) Long-term loans given to large corporations

c) The feeling of happiness when the stock market rises

d) Rules that control how businesses operate

4. Which of the following best defines the term "Speculation"?



a) Saving money in a secure bank account

b) Investing in risky stocks in the hope of a quick profit

c) Government regulation of the stock market

d) Building shantytowns during a crisis

5. Which two factors contributed significantly to the Great Crash of 1929?

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a) High wages and low unemployment

b) Government over-regulation and high taxes

c) Overproduction and excessive use of credit

d) World War II and the Dust Bowl

Section 2: Leadership and Responses

6. President Herbert Hoover believed in the concept of "rugged individualism." Define this concept.

7. Explain why the shantytowns built by homeless people during the early 1930s were mockingly called "Hoovervilles."



8. In 1932, Franklin D. Roosevelt won the presidency by promising a "New Deal." What were the three main goals (often called the "Three Rs") of this plan?

Section 3: The Alphabet Agencies

Word Bank: CCC | PWA | SEC | Social Security Act

Read the descriptions below. Write the correct New Deal agency or law from the word bank in the right-hand column.

Description	**Agency / Law**
9. Regulated the stock market to prevent future financial crashes.	
10. Provided pensions for the elderly and insurance for the	

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unemployed.	
11. A public works administration that built dams, bridges, and schools.	

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12. Provided forestry and park work specifically for young men.	

Section 4: The Dust Bowl



13. Look at the image of the massive dust storm. Was the Dust Bowl disaster caused **solely** by natural weather events like drought?

a) True b) False

14. Justify your answer to question 13 by explaining the specific causes of the Dust Bowl.

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15. Who were the "Okies" and what significant challenges did they face?

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Section 5: Criticisms and Legacy

16. The New Deal faced opposition from both sides of the political spectrum. What was the main criticism of the New Deal from the political **Right**?

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17. What was the main criticism of the New Deal from the political **Left**?

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18. Did the New Deal successfully end unemployment in the United States? If not, what specific event finally eliminated it?

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19. "The Social Security Act is still one of the most significant legacies of the New Deal today." Based on your knowledge of what this act provides, explain why this statement is considered true.

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20. Evaluate the overall impact of the New Deal. To what extent did it transform how the American government functions? Provide at least two specific examples from the unit to support your evaluation.

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