

Day 17 Quiz

(Dec. 14th/15th)

1. Some suggest that the Smoot-Hawley tariff and protectionist trade policies were the cause of the Great Depression. Which of the following statements is true?
 - a. A tariff is a tax on an imported good.
 - b. Tariffs lead to a decrease in international trade.
 - c. Tariffs lower the price of imported goods relative to the price of domestic goods.
 - d. a & b only
 - e. a & c only
2. How did the stock market crash, the closing of the Ford Model T plant and the collapse of farming industry contribute to the economic collapse known as the Great Depression?
 - a. These increased unemployment and output.
 - b. These increased unemployment and prices.
 - c. These destroyed jobs, wealth, and people's confidence in the economy.
 - d. a & b only
 - e. a & c only
3. Inflation occurs when:
 - a. there is a sustained increase in the price of gasoline.
 - b. there is a sustained decrease in the price of gasoline.
 - c. there is a sustained increase in the overall price of goods and services.
 - d. there is a sustained decrease in the overall price of goods and services.
 - e. a & c only
4. How did bank panics contribute to the collapse of the nation's banking system during the Great Depression?
 - a. They caused the money stock to decrease.
 - b. They caused additional bank failures and lack of confidence in the banking system.
 - c. They caused businesses to borrow greater amounts of money than they otherwise would have borrowed.
 - d. a & b only
 - e. b & c only
5. Technology that assisted President Roosevelt in conveying messages that restored citizens' confidence in the U.S. economy included:
 - a. radio.
 - b. computers.
 - c. television.
 - d. MP3 players.
 - e. Internet blogs.