

History 474a
Devine
Spring 2022

Study Questions for Burton Folsom, “What Caused the Great Depression?”

1. What were the negative consequences of World War I that contributed to the Great Depression?
2. In what ways did the Smoot-Hawley tariff damage the American economy?
3. How did the poor performance of the Federal Reserve contribute to the Great Depression?
4. What is the “underconsumption thesis” (p. 34) and why has it been discredited? Why did academics at the time find it persuasive?
5. How does Folsom assess FDR’s knowledge of economics? How does he assess Hoover’s handling of the economy?
6. What was the Reconstruction Finance Corporation? Why does Folsom say that it was “politicized”?
7. Why did Hoover’s critiques of FDR’s contradictory campaign promises hold little weight with voters?