

# Black Thursday

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On October 24, 1929, the American stock markets collapsed, plunging the world into global depression.

The causes of the Great Depression are debated even today. At the time, most of the blame was placed on the free enterprise system. America and the rest of the world turned to central control and government planning. President Herbert Hoover laid the foundation for Franklin Roosevelt's New Deal by organizing a long series of White House Conferences for business and labor leaders.

When the Depression began, 75% of Americans lived on farms. When American troops returned from Europe 15 years later, they came back to a nation that was 90% urban.

In October of 1929, America was still enjoying the "Roaring Twenties." We quickly adjusted to the "Thrifty Thirties."

Government revenues plunged. The quantity of new coinage shrank. In 1931, the US mint struck no quarters. No half dollars were made in 1930 or 1931. No silver dollars came from the mint until 1934. By that time, it was illegal to own gold. Gold was still used in international transactions between governments and the dollar was devalued in 1933 from \$20 to the ounce to \$32 to the ounce, a loss of 60%.

In March of 1933, President Roosevelt closed all of America's banks. One result of this was that local communities created their own money. Most issued paper scrip. The town of Tenino, Washington, issued the first wooden nickels. Today, wooden nickels, local tokens and scrip, and the coinage of the 1930s are collectible reminders of Black Thursday, October 24, 1929.