

The Crash of 1929

The Great Depression had devastating effects on both the rich and the poor; unemployment rose to 25%; cities suffered because of industry and farmers suffered because the value of crops fell. As a new decade begins in 1940, some improvement is beginning to show.

As it went for the nation so goes the depressions for Zion. It hit Zion really hard in 1931, two years after we completed the Sunday School chapel. Our Pastor L. Ralph Tabor, just 24 years old, ordained just three months prior to his arrival, never dreamed of what he will be facing as his ministry is launched.

On September 3rd, 1931, the Valley Savings Bank, Middletown, a branch of the Central Trust Company of Maryland, in which Zion had all of its funds on deposit, failed to open its doors and the State Bank Commissioner took charge of all of the bank's assets. This was the beginning of one of the most serious financial crisis the area had suffered since the Civil War. On September 7th, 1931, the church council decided to deposit whatever funds the church had on hand in the Middletown Savings Bank as a checking account.



In a letter sent to the President of the Maryland Synod, Pastor Tabor writes: "This is a most depressing communication from the standpoint of Zion, and not at all pleasant news for any of us. All of our church funds were deposited in the Valley Savings Bank, of Middletown, a branch of the Central Trust Company of Frederick. Last week the Central Trust Company closed its doors and the State Banking Commission began work. The examiner at Middletown tells us that all money in church funds will be taken to reduce the principal of the Chapel loan made by this bank to our church. Both general and benevolence accounts are lost to us." This brings a most serious situation for it was not only the church who deposited the money in this bank but also most if the congregations did also. Council could not even see how it could canvas the members for funds and the church was in debt \$20,000 for the chapel building and not knowing the disposition of this debt as it was held in the closed bank.

Adding to the difficulties of the congregation, on October 7, 1931, the Middletown Savings Bank failed to open its doors, thus tying up all of the funds deposited therein since the closure of the Valley Savings Bank on September 3, 1931. The following Day Pastor Tabor sends a letter to the President of the Maryland Synod: "On September 11th, I wrote you concerning the loss of our church funds through the failure of the Central Trust Company. This week our treasurer sent to Mr. Alden a check for \$225.00, representing benevolence that had been received to date from the time of the bank difficulty. Yesterday morning the Middletown Savings Bank, at which we opened an account, failed to open its doors. The check is quite worthless.

In addition we have lost our interest money due on the chapel indebtedness – some \$375 which our people raised at a splendid Rally Day Service. Financial misfortune has stalked our keels to that at the present time we are in worse financial shape than ever.

In spite of pressing congregational bills the council treated benevolence accounts with greatest care, as the check sent to Mr. Alden indicates. I am proud that I am associated with so fair minded and honest group of men.

Some little message from the president of Synod should help to maintain the morals of our congregation, which has suffered unprecedented losses. The Valley is under the cloud of a subtle panic that calls for the crystallizing of personal piety as an up thrust from our churches."

From the time of the closing of the second bank Zion deposited were made in the Citizens National Bank, Frederick and all deposited were to be used for Zion's bills. If the monies were ever received from the Middletown Savings Bank after they reorganized this money was for the Synod Benevolence. The Sunday School organization was granted permission by church council to raise funds through a special campaign in December to raise money to pay the interest on the Chapel loan and they successfully raised \$500. The chapel loan was paid off in 1945.

