

### ON THIS DAY IN WEST VIRGINIA HISTORY OCTOBER 3



Run at The Citizens Bank of Weston, October 3, 1931

**On October 3, 1931, a bank run at The Citizens Bank of Weston led to its closing a short time later.**

**CSO: SS.8.7, SS.8.10, SS.8.24, ELA.8.1**

**Investigate the Document:** (*The Weston Independent*, October 7, 1931)

1. What adjective do the officials of The Citizens Bank of Weston use to reassure the community that the ‘unfounded rumors’ about the bank’s future were in jeopardy? What does it mean?
2. What does L. R. Charter, Jr., State Commissioner of Banking plead for the public to do instead of withdrawing all their funds?

**Think Critically:** What is a ‘bank run?’ Does the date of the newspaper give you a suspicion about what could have caused two other financial institutions in the area to fold under the economic burden of the 1930s? What was the primary source of revenue for local government limited by the ongoing financial crisis? (Hint: it taxes real estate)

## The Weston Independent

A practical Exponent of the Political Principles of Lincoln, Garfield and McKinley.

WESTON, WEST VIRGINIA, WEDNESDAY, OCT. 7, 1931.

### Bank Safe Says State Commissi'nr

**Institution is Solvent and  
Sound, L. R. Charter, Jr., tells  
People; Will Continue to Serve  
the People; Bank an Essential**

Following the closing of the Bank of Weston on Monday and the National Exchange Bank here Friday evening, and due to the circulation of false and malicious rumors, the Citizens Bank of Weston was subjected to a run here Saturday. The unfounded and untruthful rumors spread like wildfire, and a large crowd was present at 9 o'clock when the bank opened.

Upon entering the bank the people were told by State Commissioner of Banking L. R. Charter, Jr., that the institution was safe, sound and solvent and in a position to meet every demand made upon it. He told the crowd that he had examined the bank and knew it to be absolutely sound. Despite these reassuring words, several terrified depositors and holders of checks kept in line. However, it was not all withdrawals. Many prominent citizens made substantial deposits during the day. When it was all over it was found that the deposits far exceeded the withdrawals. The excitement dwindled down in the afternoon and, after fifteen minutes in the evening, business returned to normalcy.

#### Normal Business Monday

Monday the storm was over and many who had at first become frightened returned and redeposited their money. Many new accounts were opened and business has continued as usual with the bank this week. Hundreds of Weston business men and prominent farmers expressed their absolute confidence in the institution and showed no fear while the run was on.

The State banking commissioner asked that the customers continue to transact their business in the usual way. He said that it was the patriotic duty of every citizen to assist in maintaining the high standing and unbounded confidence which the institution has enjoyed. He prepared a statement which was posted in the banking house before it opened for business Saturday morning. This statement follows:

"October 3, 1931.

"To the Citizens of Weston and Lewis County:

"For forty years the Citizens Bank of

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### Citizens Bank Safe Says Commissioner

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Weston has served the people of this community satisfactorily and well. . .

"The Citizens Bank of Weston is solvent and is a perfectly safe place in which to deposit money. During its existence it has been able to meet all demands of depositors in the regular transaction of business. It is still able to do this and will continue to do so if the customers continue to transact their business with it in the normal way that they have been accustomed to do. It is necessary for the welfare of the community that the bank be maintained. It is the duty of every patriotic citizen to lend every possible assistance in maintaining the high standing and unbounded confidence which this bank has always enjoyed.

"It is unthinkable that the people of this community should allow this splendid bank to be destroyed by lack of confidence and by idle rumors. We trust that you will continue to support this institution.

L. R. CHARTER, JR.,  
Commissioner of Banking for  
West Virginia."

This statement came from the State official whose duty it is to protect the interests of depositors of banks in the State.

The excitement at the time is understandable. In times of stress and excitement and frightened by untrue rumors, people oft times become panicky. Now that the excitement is over and normal conditions have returned, it is hoped that the advice of the statement will be observed. Weston cannot afford to be without a bank. At the present nothing is more essential to its present as well as its future.

The Citizens Bank today, as in the past, stands first in West Virginia. As shown by its statement, it is in excellent condition and is in a position to continue to serve the people of this community. No one questions the fact that a live, wideawake county needs a strong banking institution.

If we are to keep our place at the top of the business world in West Virginia we must have a bank that can take care of our financial needs. The Citizens Bank merits the confidence of every citizen. We need a strong bank in Weston and with the continued support of its thousands of depositors, the Citizens Bank will serve in the future as efficiently as it has served us in the past.