

### **Six Days that Shook America**

The USA stock market of 1929 suddenly collapsed in October. For six days, it had been in agony. Everything went out of control. People could feel the consequences of the catastrophe for at least the following 4 years but the most effect lasted for a decade. The Wall Street crisis – from 24-th of October to 29-th of October 1929 – became the beginning of the Great Depression.

With the Federal Reserve System, which was so highly praised by Keynes and Fisher, it was difficult to believe that a similar thing could happen to America. F.Roosevelt reacted to the situation on behalf of the nation with the words about uncontrolled actions of the bankers and financiers, about how much they were blamed in public opinion. He felt that the money-changers had to be put out of “civilization’s temple”, the way it had been done by Christ.

The causes for the Wall Street crash of 1929 were seriously considered by Roosevelt: The USA were short of money and rich in goods, that entailed deflation. The economy was full of money but the public were still investing their savings; that was due to the stock market activities. The Government policy was ineffective in rising prices on import goods, monetary policy of the Federal Reserve System and in their attitude to the crisis of the overproduction.

All these problems had stayed unsettled for many years and, in the end, led to the grave failure. The life in America was getting terrible then. By journalist R. Cairo’s evidence, New-York in 1932 was a very gloomy sight with half built or deserted skyscrapers, house-wives searching for some food left-overs under the counters, huge crowds waiting next to the Riverside’s Park dump and hoping for a new truck to bring in new rubbish with something for them. New-York of those years knew free soup served from military trucks on Times Square. Some of those standing in the line for charity food were dressed in Chesterfield’s coats and felt hats; their faces were unhappy and eyes blankly staring at the ground. People were depressed. And even bigger lines were of those who looked for a place to stay, at least, for a night. The desperate ones headed for the underground stations because lodgings for homeless were full. All those sufferings were realized in economic figures of the Gross Domestic Product falling down 1, 85 times and of the number of unemployed people that grew to 17 million, which was almost 33 %.

Eventually, America managed to get out of the crisis but through the stock market activities the whole world experienced the impact. W. Bonner’s current idea about achieving business success these days is connected with the deep knowledge of history. The world is changeable. And it is reasonable that people should know which way things appeared in the world. Stock markets work for hundreds years. Everything has already happened to them. But some things, who knows, can happen more than once.