

Office Correspondence

FEDERAL RESERVE
BOARD

Date February 28, 1935.

To Governor Eccles

Subject:

From Mr. Clayton

GPO 16-852

I have digested the reports of proceedings with reference to Orman W. Ewing, and report as follows:

The proceedings show the introduction of affidavits and oral testimony by six different individuals who claim to have been solicited by a Mr. B. Krause to purchase stock in the Westland Oil Company, in each case after having applied to Ewing for appointive government positions in Utah. In no case does any affidavit or testimony claim that Ewing urged any stock purchases in order to assure appointment for positions applied for. In one case, the affidavit states that Ewing and Krause were both present in Ewing's office and that Ewing came out into the corridor in order to have some privacy and told the affiant that Krause was his friend and that "if you help my friend, I will, of course, do all I can to help you", or words to that effect.

The affidavits are amply convincing to me and would be, I am sure, to anyone who knows Ewing, as to his partnership with Krause in promoting these fake stock sales. However, the matter is clearly libelous and if placed before any third party, such as a committee, would subject you to civil action and the only defense would be the truth of the matter, which I don't think can be proved through the evidence at hand. I also doubt that any stranger to Ewing would feel the same conviction that people do who know Ewing and would be impressed by the fact that the proceedings were entirely ineffective and inconclusive, inasmuch as the only body authorized to try a national committeeman for misconduct is the National Democratic Committee, and this committee has taken no action other than to receive the reports of which you have been furnished copies.

In a pinch, and if you could be absolutely certain that the individual or individuals concerned would not betray the confidence, the papers would be helpful in upsetting any unfavorable report made by Ewing which would otherwise be given sufficient credence to make your confirmation doubtful. I cannot conceive of this happening.

LC/lem

Dr. H. H. Toward (Oregon Physician)

- He applied by letter 1/28/33, ^{mailed 1/30/33} to Ewing for position as Surgeon, Public Health Service, Wash. D. C. 1/27 B. Krause asked him to buy Westland Oil stock. Subscribed for 20 shares @ \$10. down.

Preiland Tammert, Airways Engineer, ^{PHC}
approached by Krause, same story as above.
Preil checked with Ewing, ^{at his office} who told him
that the stock from Krause & the Ewing,
would fit things, ~~with Jim Tammert~~.

Gilbert Trechman, Chief of Police, Utah,
had asked Ewing for support as Marshall.
Krause called in ~~him~~ at Toward re stock.

Mrs. Waldron, Fremont, farmer,
applicant for Postmaster, same stuff.
Ewing & Krause in same office in
Wells Bank Bldg.

J. D. Doyle, Twitnam, & E applicant for
bailliff, U.S. Dist Court.

Le from Ewing cleaning.

Re Ewing.

3/1/35

In case of need, look up A. R. Taylor at R. F. C., son of Tom Taylor of Provo, Bro. of Sterling Taylor. He has some good dope on O.W. E. in connection with the Virginia indictment. Do not mention any one having referred us to him, ex that we heard he was rather active in politics in Utah & hence probably knew Ewing. He will then talk.