

ORVAL WEBSTER ADAMS

I. IDENTITY IN BANKING COMMUNITY

Early Banking Associations

First National Bank, Logan, Utah, 1903-1910
Hyrum (Utah) State Bank, Cashier, 1910-1912
Farmers & Merchants Bank, Logan, Utah, 1914-1916
Thatcher Bros. Banking Company, Logan, Utah, 1916-1920

Management Position with Banks

First National Bank and Ogden Savings Bank, Ogden, Utah,
1920-1921 - Vice President
Utah State National Bank, Salt Lake City - Vice President
since 1921
Zion's Savings Bank & Trust Co., Director and Member of
Executive Committee since 1941
Federal Reserve Bank of Salt Lake City - Director since 1941

Affiliations with Banking Associations

American Bankers Association - President, 1937-1938
American Bankers Association - Member
Salt Lake City Clearing House Association since 1941

II. CONSISTENT DISSENTER TO GOVERNMENT ACTIVITY IN FINANCE

Government Finance and Credit Will Cause Disappearance of U.S. Democracy

In an article titled "The Little Red Riding Hoods" published in May 1940 he states as follows:

"Let us dismiss any gay optimism clearly intended to charm and disarm us. The time calls for action -- speedy action, intelligent action, determined action. It calls for organized action, while action is still possible; before we, too, are robbed of our weapons; before we lockstep under the whip of a despotic government that may continue to sing mock praises to a defunct Constitution."

Arouses Public Opposition to Government Expenditures

He made the following proposals to American bankers (1940):

"Create a tax-conscious electorate. Not until the self-reliant army of America's best citizens--those earning \$5,000 per year and less, and holding voting control--are taxed to meet the expenses of a spend-thrift government will the survival of our free country be assured. Hasten the time when this tax-conscious

group will come into being and take their position around the national treasury with bayonets fixed."

Excites Public Opposition to Government Regulations

In 1940 he stated as follows:

"Make government withdraw from the competitive field against its own tax-paying citizens; to continue to regulate and supervise, justly and constructively, but not to participate in the manifold affairs and transactions of business."

Advises Bankers How to Oppose Possible Creation of Federal Credit Bank (1938)

As President of the American Bankers Association Mr. Adams urged that banks submit unacceptable loan applications to the RFC, and keep records of all loans thus submitted in order that accurate statistics might be available in case the United States Congress in that year should seriously consider "proposals for the establishment of additional government credit agencies or 'some kind of Federal Credit bank.'"

Mr. Adams' conviction at the time was that the creation of any new government credit agencies would be detrimental to "the future of chartered banking in America."

Disrupts Public Confidence in All Government Finances

In an article published in August, 1938, Mr. Adams stated:

"By means of borrowed money (money, which according to Mr. Adams' statements, were in principal part borrowed by Government from banks and represented accumulated savings of the millions of depositors) the Federal Government has been enabled to centralize relief, direct and indirect, and thereby to debauch a very considerable part of the electorate, and to encroach upon the rights of the sovereign states. By means of borrowed money it has been enabled to set up agency after agency in competition with the banks, utilities and industries of this country, to establish board after board equipped with unlimited red tape to tie the hands of industry and prevent its progress. Borrowed money has enabled the government to build up a bureaucracy of nearly 1,000,000 people, to finance the Wallace farm program which has destroyed the independence of the farmer, and threatens the destruction of the cotton industry in the South. Borrowed money has led us a long way on the road towards Fascism or Communism."

Disrupts Confidence in Government Administration of Social Security Funds

In a published article in January 1938, he criticized the Government's administration of Social Security funds as follows:

"Can we look with contentment upon what is being done in the field of social security? On the contrary must we not ask ourselves how many expectant beneficiaries of the Social Security Act understand that the moneys they contribute and which their employers contribute for their benefit, are not being saved but spent?

"How many such expectant beneficiaries understand that if they are ever to receive Social Security benefits, these benefits must be paid out of taxes hereafter to be levied, and not out of contributions now being made."

In July 1938 he stated that the Social Security Act was passed not for the purpose of affording social security, but to furnish funds for a market for Government bonds:

"It is time to put a stop to the Government's practice of doing things ostensibly for one purpose but actually for another. For instance, no one can seriously doubt that the moneys collected under the Social Security Act for old age benefits instead of being saved to meet the claims of these beneficiaries, are being spent like other revenues of government-- 'invested' in the obligations of the trustee itself. Nor can one doubt that the act had for its primary purpose not the relief of the aged but the creation of a market for Government bonds. What would the S.R.C. say if private business employed such a practice?"

Opposition to the Postal Savings System and the Federal Deposit Insurance Corporation - 1937-1938

Mr. Adams stated that the American Bankers Association labored consistently to resist an increase in the competitive features of the Postal Savings System and against compulsory membership of all banks in the Federal Deposit Insurance Corporation (F.D.I.C.).

Advocates a Boycott on Government Bonds, 1935

In 1935 Mr. Adams urged his fellow bankers to launch a boycott on government bonds in order to force Mr. Roosevelt to balance the budget.