



FURTHER REVIEW

HARDING AND THE TEAPOT

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THE SPOKESMAN-REVIEW

What did hardworking Americans deserve after months of world war? They deserved *peace*. Peace and *quiet*.

They did *not* deserve the administration-shattering scandal that was set in motion on May 31, 1921 — 105 years ago today.



THE TEAPOT DOME SCANDAL

Ohio Senator and newspaper publisher Warren G. Harding celebrated his 55th birthday on Nov. 2, 1920, by winning a presidential election.

Americans were weary of world war and weary of the sacrifices that had been required of them. “America’s present need is not heroics, but healing,” Harding had said during his campaign. “Not nostrums, but normalcy.” He won with the financial backing of oil interests who were promised oil-friendly Cabinet picks if Harding won.

Harding took office in March 1921 but it took only a year for a major scandal to strike his administration. Harding’s Secretary of the Interior, Albert B. Fall, had been a senator from New Mexico and was known for partying hard and drinking hard — even in the middle of Prohibition.

The Navy had begun converting from coal-powered ships to oil-powered ships in 1909. Eager to ensure there would be enough fuel on hand in case of war, President William Howard Taft had set aside federal lands found to contain abundant oil as emergency reserves.

Shortly after taking office, Fall asked Harding to transfer oversight of the petroleum reserves from the Navy to his Department of the Interior. Harding complied on May 31, 1921.

But in 1922, Fall leased exclusive drilling rights at Teapot Dome to the Mammoth Oil Company, which was owned by his longtime pal Harry Sinclair. Fall leased the two California reserves to another friend, Edward Doheny, who owned the Pan-American Petroleum Company.

Both deals were made with no competitive bidding or any public announcement. The three sites contained hundreds of millions of gallons of high-grade oil. In return, the oil men promised to fulfill what would be minor needs — such as building a new oil storage facility at the naval base at Pearl Harbor.

By April 1922, locals began talking about trucks they had seen bearing

THREE OIL FIELDS

The oil reserves set aside in 1922 for use by the Navy were the Teapot Dome oil field in Wyoming — so named because of a nearby rock formation — and the Elk Hills and Buena Vista oil fields in Kern County, California, west of Bakersfield.

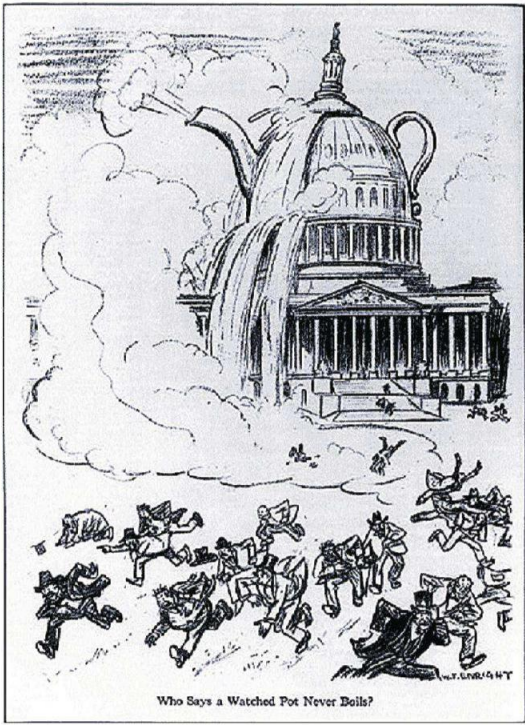
Oil tycoon Edward L. Doheny, second from right, testifies before a Senate committee investigating the scandal in 1924.

the Sinclair oil logo hauling drilling equipment to Teapot Dome. On April 14, the Wall Street Journal broke the news about the secret deal.

The next day, Wyoming Sen. John Kendrick — a Democrat — introduced a resolution to open a Senate investigation into the matter. The resulting investigation would last two years and civil and criminal litigation involving the oil reserves would dragged on for the next six years.

Harding was skeptical of the allegations. “If Fall isn’t an honest man,” he told reporters, “then I’m not fit to be President.”

But the scandal was broadening. James Darden — another oil man who was also a Harding supporter — claimed *he* had



dibs on Teapot Dome. Fall then asked an increasingly suspicious Harding to send the U.S. Marines to halt Darden from taking over the Teapot Dome drilling site.

Reporters of the Denver Post learned about the growing conflict and published articles about it. The publishers of the Post then blackmailed Sinclair, threatening to write editorials about the conflict unless he paid them \$1 million.

As the Senate investigated, it became clear that Fall couldn’t explain how, on an annual salary of \$12,000, he was able to afford \$170,000 in improvements to his ranch in New Mexico. Sinclair had given Fall \$269,000 in Liberty Bonds and cash and Doheny had his son deliver \$100,000 in cash to Fall “in a little brown satchel.” Fall had lied to the senate committee about both transactions.

When Fall’s guilt became apparent, Harding changed his tune. “I guess there’ll be hell to pay,” he said. Fall resigned on March 4, 1923.

“My God, this is a hell of a job” Harding said. “I have no trouble with my enemies ... my goddamn friends — they’re the ones that keep me walking the floors nights.”

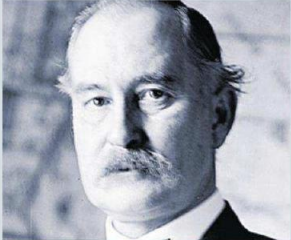
Eager to get away from the bad press surrounding Washington, Harding and his wife embarked in June 1923, on trip to the West Coast and to Alaska.

On Aug. 2, Harding’s wife was reading to him a favorable news article about his scandal-ridden administration when he fell back onto his pillow. She called for help, but it was too late. Harding was dead at age 57. Doctors said he died from a cerebral hemorrhage but it was later determined Harding had most likely died of a cardiac arrest. Florence Harding declined to have her husband autopsied.

Vice President Calvin Coolidge was sworn in as president. “I think the American public wants a solemn ass as a President,” he said, “and I think I’ll go along with them.”

BRINGING OFFICIALS TO JUSTICE

President Coolidge was determined to bring all Harding’s corrupt officials to justice. “There are only three purgatories to which people can be assigned,” he said. “To be damned by one’s own fellows, to be damned by the courts and to be damned in the next world. I want these men to get all three — without probation.”



ALBERT FALL
SECRETARY OF THE INTERIOR

Escaped conviction on charges of conspiring to defraud the government. Instead, he was fined \$100,000 and spent a year in prison for accepting a bribe, becoming the first Cabinet official in U.S. history to go to prison. His assistant, Charles Cramer, committed suicide.



HARRY DAUGHERTY
ATTORNEY GENERAL

Refused to investigate the Teapot Dome Scandal. He advocated for using questionable injunctions to break labor strikes. Daugherty refused to testify for concern he might implicate himself. He escaped imprisonment.



JESS SMITH
ATTORNEY GENERAL'S OFFICE

Daugherty and Smith were found to be living for free in a house lent by the owner of the Washington Post. They were selling influence with Harding. When Harding ordered him to resign, Smith committed suicide.



CHARLES FORBES
VETERANS' BUREAU

Skipped and pocketed \$200 million intended for veterans. When exposed, he fled to Europe and his assistant committed suicide. Forbes later returned, stood trial and was sentenced to two years in prison.



THOMAS MILLER
ALIEN PROPERTY CUSTODIAN

Miller’s job was to oversee property belonging to those the U.S. was fighting. Miller had accepted a bribe from a friend of Daugherty to pass along some of that property and spent time in prison.

Sources: “The American Nation: A History of the United States” by John A Garraty, “Chronicle of America” by Dorling Kindersley, “Dark History of the American Presidents” by Michael Kerrigan, “Don’t Know Much About the American Presidents” by Kenneth C. Davis, “The American President” by Kathryn Moore, U.S. Senate Historical Office, the American Presidency Project of UC Santa Barbara, Potus-Geeks.LiveJournal, TeachDemocracy.org, WyoHistory.org, History.com

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