

## **The Teapot Dome Scandal (1920's)**

**Source:** <http://www.montgomerycollege.edu/Departments/hpolscrv/jzeck.html>

**Background:** Origins of the scandal date back to the popular conservation legislation of presidents Teddy Roosevelt, William Taft and Woodrow Wilson, specifically as to the creation of naval petroleum reserves in Wyoming and California. Three naval oil fields, Elk Hills and Buena Vista Hills in California and Teapot Dome in Wyoming, were tracts of public land that were reserved by previous presidents to be emergency underground supplies to be used by the navy only when the regular oil supplies diminished. The Teapot Dome oil field received its name because of a rock resembling a teapot that was located above the oil-bearing land. Many politicians and private oil interests had opposed the restrictions placed on the oil fields claiming that the reserves were unnecessary and that the American oil companies could provide for the U.S. Navy.

**The Scandal:** One of the politicians who opposed the conservation was Senator Albert B. Fall who became Warren Harding's Secretary of the Interior in 1921. Fall, upon becoming the Secretary of the Interior, convinced Secretary of the Navy Edwin Denby to turn the control of the oil fields over to him. Fall then moved to lease the Teapot Dome to Harry Sinclair's Mammoth Oil Company and the Elk Hills reserve to Edward Doheny's Pan American Petroleum Company. In return for leasing these oil fields to the respective oil magnates Fall received "gifts" from the oilmen totaling about \$400,000. Fall attempted to keep actions secret but his sudden improvements in standard of living drew speculation. The scandal was first revealed to the public in 1924 after findings by a committee of the U. S. Senate. The individual within the Senate who took charge of investigating the alleged wrongdoing by Fall was Thomas J. Walsh, a democrat from Montana. Albert Fall had made legitimate leases of the oil fields to the private companies but the taking of money was his undoing.

**Consequences on the Involved:** Lasting throughout the 1920's were a series of civil and criminal suits related to the scandal. Finally in 1927 the Supreme Court ruled that the oil leases had been corruptly obtained and invalidated the Elk Hills lease in February of that year and the Teapot lease in October of the same year. The navy did regain control of the Teapot Dome and Elk Hills reserves in regards to the courts decision. Albert Fall was found guilty of bribery in 1929, fined \$100,000 and sentenced to one year in prison. Harry Sinclair who refused to cooperate with the government investigators was charged with contempt and received a short sentence for tampering with the jury. Edward Doheny was acquitted in 1930 of attempted to bribe Fall.

**Results of the Scandal:** The Teapot Dome scandal was a victory for neither political party in the 1920's, it did become a major issue in the presidential election of 1924 but neither party could claim full credit for divulging the wrongdoing. The concentrated attention on the scandal made it the first true symbol of government corruption in America. The scandal did reveal the problem of natural resource scarcity and the need to protect for the future against the depletion of resources in a time of emergency. Calvin Coolidge, who assumed the presidency after Harding's death, handled the problem very systematically and his administration avoided any damage to their reputation. Overall the Teapot Dome scandal came to represent the corruption of American politics which has become more prevalent over the decades since the scandal.