

## Checking the Checking Value in the Teapot Dome Scandal

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*This article examines the history of journalism in the initial reporting of the Teapot Dome scandal to argue that the press falls short in fulfilling the checking value of the First Amendment. Similar arguments have been made about the press in other major scandals (e.g., Watergate, Iran-Contra, etc.). But this article exclusively focuses on the key journalistic agents in Teapot Dome including Frederick G. Bonfils and H. H. Tammen of the Denver Post, John C. Schaffer of the Rocky Mountain News, Carl Magee of New Mexico, and Paul Y. Anderson of the St. Louis Post-Dispatch, to demonstrate how they were more protagonists in the scandal, rather than members of the fourth estate.*

### INTRODUCTION

Political scandals reveal the worst and also the best of our democracy. The worst is that our public leaders have transgressed some norm or rule. The best is that the presence of scandals also suggests that a free press was able to enact what noted First Amendment scholar Vincent Blasi called “the checking value.” The checking value is “that free speech, a free press, and free assembly can serve in checking the abuse of power by public officials.”<sup>1</sup> Furthermore, Blasi believes that free speech was a central and critical principle for the drafters of the First Amendment to “guard against breaches of trust by public officials.”<sup>2</sup> As such, the American press is often dubbed the “watchdogs of democracy.”<sup>3</sup>

Given the press’s status in our democracy, its reputation sometimes reaches an undeserved mythic status. As a result, Edward Jay Epstein has argued that there is a free press myth, which is a “sustaining myth of journalism [which holds] that every great government scandal is revealed through the work of enterprising reporters who by one means or another pierce the official veil of secrecy.”<sup>4</sup> Epstein argues that the press’s role in scandals is greatly magnified, and consequently the press is credited with breaking and resolving the scandal while governmental investigations, which typically carry the burden of the work, are marginalized if not completely overlooked. Building on Epstein’s argument, I have argued elsewhere that the journalist is the agency through which governmental investigations publicize their findings of wrongdoing.<sup>5</sup>

In my research on scandals, I have found that the role of journalism in Watergate and the Clinton/Lewinsky scandals was well documented (e.g., Woodward and Bernstein’s *All the President’s Men* and Michael Isikoff’s *Uncovering Clinton: A Reporter’s Story*). The Iran-Contra

scandal began with a report by a Lebanese weekly, not the American press with the First Amendment on its side, which resulted in some critical self-reflection by the news media of the time.<sup>6</sup> While there was a great deal of information about the Teapot Dome scandal itself, very little focused exclusively on the role of journalism in the scandal, and what I did find was scattered across primary and secondary sources. Consequently, this paper offers a historical analysis of journalism in Teapot Dome to explore how, if at all, the checking value of the press presented itself in the scandal. While some have said that “the role of the press in uncovering Teapot Dome was neither crucial nor was it uplifting for the reputation of the fourth estate,” this paper argues that this is only partly true.<sup>7</sup> There were journalists who were just as involved in the cover-up as the politicians, but there were also journalists who played a role in uncovering the scandal. Nevertheless, the role they played was not exactly in line with Blasi’s checking value of the First Amendment.

To make this argument, I first present an overview of the Teapot Dome scandal followed by four specific accounts of the major journalistic players in the scandal, those being Frederick G. Bonfils and H. H. Tamm of the *Denver Post*, John C. Schaffer of the *Rocky Mountain News*, Carl Magee of New Mexico, and Paul Y. Anderson of the *St. Louis Post-Dispatch* and the *Nation*.

### THE SCANDAL BREAKS

On July 12, 1921, the Interior Department under Secretary of the Interior Albert Fall granted a lease to Naval Reserve No. 1 in Elf Hills, California, to Edward Doheny, a multimillionaire and a friend of Albert Fall. The lease, which was “duly reported in the press,” resulted from “open competitive bidding and elicited little comment.”<sup>8</sup> But soon thereafter, “rumors circulated that other leases, secret and noncompetitive, were granted in Elk Hills and on Naval Reserve No. 3, near Salt Creek Wyoming, commonly called Teapot Dome.”<sup>9</sup> These rumors suggested that Edward Doheny and Harry Sinclair—multimillionaire oilmen and longtime friends of Fall—benefited professionally from their friendships with the secretary. But Fall also seemed to benefit.

Before becoming the secretary of the interior, Fall was a senator from New Mexico and was not making much money. He was contemplating leaving public office to find new ways of generating cash to pay his outstanding debts and improve his dilapidated ranch. With the election

of a friend, Sen. Warren G. Harding, to the presidency, Fall soon found himself with more power by becoming a member of Harding's cabinet. But he still had little money.

After the leases, however, Fall had been seen spending more and more money. Fall paid all his back taxes, made numerous improvements to his property, and purchased nearby land. Fall also bought a great deal of quality livestock from Harry Sinclair, who also included a former prize-winning racehorse as a gift to Fall's ranch manager.<sup>10</sup> Soon the question was, where did Fall get the money? Rumors spread quickly in Wyoming, and people on Wall Street were buying stock in the New Mammoth Oil Company, owned by Harry Sinclair.<sup>11</sup> A Wyoming senator, John Kendrick, began to hear these rumors, and he began to investigate.

### *The Wall Street Journal*

Sen. John Kendrick asked the Interior Department about the rumors and leases. Getting no response, he initiated a congressional inquiry on April 15, 1922. On the day before, April 14, the *Wall Street Journal* reported the lease. The *Journal* quoted an Interior Department's spokesman, who praised the lease: the lease "marks one of the greatest petroleum undertakings of the age and signalizes a noticeable departure on the part of the government in seeking partnership with private capital for the working of government-owned natural resources."<sup>12</sup> At the time it may not have been clear, but in retrospect, the *Wall Street Journal* had revealed to the nation what would become the biggest scandal in U.S. history until Watergate came along fifty years later. It would seem that the press was fulfilling the checking value of the First Amendment, but there is more to the story.

The *Wall Street Journal* found out about the lease from Harry A. Slattery, who is credited for "bringing Teapot Dome to the attention of the public . . . [He was] a Washington, D.C. lawyer and a hardworking conservationist. Slattery became worried when Edwin Denby, a foe of conservation, became secretary of the navy."<sup>13</sup> Slattery became even more worried when Fall, who was even more anticonservationist than Denby, was able to gain control of the two oil fields in Wyoming and California from the Department of the Navy. Up against two anticonservationists, Slattery, a staunch conservationist, was clearly concerned.

Fortunately, Slattery had friends throughout the government and quickly learned of Fall's plans to lease out the oilfields.<sup>14</sup> Slattery then leaked this information to the *Wall Street Journal*, and a week later the *Journal* announced the lease.<sup>15</sup> If the press is to serve as a check on the

government, the *Wall Street Journal* failed to do so with respect to Teapot Dome. It was not the press checking the government; it was a lawyer, who had differing values regarding the environment, who used the press to get the word out to the public at large. But the *Wall Street Journal* was not the only paper to report the leases; the *Denver Post* also announced the lease on the same day.<sup>16</sup>

## THE DENVER PRESS

### Bonfils and Tammen of the *Denver Post*

While the *Wall Street Journal* got word of the scandal from a Washington lawyer working to protect the environment, the *Denver Post* got its information from sources with far less reputable intentions. First, there was a Wyoming oilman, Leo Stack, who had a stake in part of the oil fields in and around Teapot Dome. Stack stood to make a great deal of money if he could get the Teapot Dome oil fields. Then Pioneer Oil—a company also headed by Sinclair—contracted Stack to help them get the oil fields, which would make Stack even richer by working with the powerful and rich Sinclair. But Stack’s efforts to get the leases for Pioneer Oil ultimately failed. Another company, Mammoth Oil, was ultimately awarded the rights to drill on the oil fields. Interestingly enough, Harry Sinclair also owned Mammoth Oil.

By hiring Stack with one company, Sinclair was able to stack the deck in his favor and remove the Wyoming oilman as someone who might bid against him. By bringing his competitors to Pioneer Oil under the auspices of making money, he stood to get all the profits from his new oil company, Mammoth Oil, which was created with the purpose of drilling Teapot Dome, with a little help from his friend, Albert Fall. Understandably, Stack believed the rug had been pulled out from under him.

Since Stack was an “uninfluential individual” and “could not put pressure on anyone . . . he turned to the press of Denver, who had a reputation.”<sup>17</sup> But it was not a good reputation. At the helm of the *Denver Post* were Frederick G. Bonfils and H. H. Tammen, who found that they had a lot to gain alongside Stack.

Bonfils and Tammen were not the archetype of a journalist. They were “picturesque and unscrupulous blackmailers for many years; Bonfils was a flamboyant, stingy character whose main asset was a colossal nerve, and his partner Tammen was a ribald, mischievous person who enjoyed profiting at the expense of anyone so long as there was fun and money to be made out of it.”<sup>18</sup>

Moreover, Tammen was an ex-circus performer and a former professional gambler who was convicted of running a lottery under a pseudonym.<sup>19</sup> Bonfils and Tammen “brought the methods of the circus and the underworld into journalism,” and people did not like it.<sup>20</sup> In fact, there was “popular approval” of a gunman who had “shot up” both Tammen and Bonfils; the wounds were not fatal to either, and the gunman’s actions were widely lauded and went unpunished, for “no jury could be found to convict him.”<sup>21</sup>

Leo Stack felt he had the perfect partners to get even with Sinclair. But Bonfils and Tammen had a secret. They already knew about the leases and the secret dealings between Fall and his rich oilmen friends. In the summer of 1922, an ex-aide of Fall’s was in a sanatorium after falling ill while working day and night for her boss. The aide believed that she was “neglected and forgotten by those in whose ranks she had sacrificed her health.”<sup>22</sup> The ex-aide decided to unburden her mind and write a longtime friend in Denver about her situation. The letter included details about her working on some oil leases, which Fall was giving out to friends, as she described, like “kisses at a wedding.”<sup>23</sup> The letter was simple and “contained no hint that the woman knew Fall’s acts to have been contrary to the public good.”<sup>24</sup> The aide’s Denver friend was touched and shared the letter with her husband, who just happened to be a subeditor at the *Denver Post* under Bonfils and Tammen. Startled, he immediately left the breakfast table and ran to tell Bonfils, who told him not to worry and also not to tell anyone else about the matter.<sup>25</sup>

Bonfils had long kept his eye on the naval reserves, from as far back as 1920, when “underground activity on the part of [many] oil men to obtain concessions from the government” was occurring—one of those oilmen being Stack.<sup>26</sup> After reading the letter, Bonfils sent one of his best reporters, D. F. Stakelbeck, to New Mexico to do some detective work on Fall.<sup>27</sup> Stakelbeck “came away with enough information to convince Bonfils and Tammen that a number of important people would pay significant money to ensure that the [*Denver*] *Post* didn’t publish what it had learned about the leases.”<sup>28</sup> Stakelbeck stayed in New Mexico for a month interviewing locals and was “cautioned not to quote his informants and not to reveal his identity, as to do so might result in bodily harm,” as Albert Fall had a reputation for a nasty temper.<sup>29</sup> Stakelbeck came back with, as Bonfils later explained, “a shocking and astounding statement” about what he had found, but Bonfils and Tammen did not publish it due to their fear of libel suits, which they had rarely feared before.<sup>30</sup>

Bonfils locked up Stakelbeck's reports in a safe just as Leo Stack entered in the *Post's* offices looking for his share of Teapot Dome.<sup>31</sup> With the information Bonfils had obtained, he had a considerable amount of background on those behind the Teapot Dome leases. But Bonfils listened to Stack. Stack told Bonfils that he wanted the money he believed was stolen from him by Sinclair's Mammoth Oil. Stack's story provided the money-hungry, blackmailing editors extra leverage to go after the very rich Harry Sinclair.<sup>32</sup> Stack, Bonfils, and Tamm, with their lawyer, H. H. Schwartz, all looked at the situation and "decided that it offered an opportunity for all of them to make a lot of money."<sup>33</sup> Stack found value in a "newspaper unhampered by considerations of journalistic ethics."<sup>34</sup> It is clear that the men running the *Post* were interested only in money and not anything related to checking governmental abuse.

Armed with inside information—from Fall's former aide, Stack, Stakelbeck, and their own research—Bonfils and Tamm "began a vigorous onslaught in the *Denver Post* on the Teapot Dome lease."<sup>35</sup> An April 15 editorial began with the ominous title, "So the People May Know," in large red letters.<sup>36</sup> The April 15 editorial, written by the financial editor, was subtitled "Teapot Dome Oil Lease Blunder Brings Feeble Attempt from Washington to Justify Oil Deal." The article stated, "A few such arbitrary and autocratic deals as this . . . will set the country aflame with protest against these kinds of methods, these kinds of deals, and this kind of favoritism of the Government for the powerful and already completely entrenched oil monopoly."<sup>37</sup> Moreover, "It is beginning to look as [if] the present administration is heart and soul in harmony with all the big corporation interests in the United States, and the common everyday fellow is to get very little except the pleasure of paying enormous taxes and help make the corporations of the United States so rich and powerful as to dominate our officials and to pass and construe our law."<sup>38</sup> The next day the attacks continued; the *Denver Post* claimed that the lease "will consummate one of the baldest public-land grabs of a century."<sup>39</sup>

The *Post* continued attacking the leases in twenty-two articles from April 15 to 30, while the *New York Times*, *New York World*, and *St. Louis Post-Dispatch* carried only a few. Bill Hosokawa claimed, "up to this point the nation's press had paid only desultory attention to the Teapot Dome situation. But as *The [Denver] Post* hammered away with details, other newspapers began to perk up."<sup>40</sup> Not only did the editors speak their minds, but they also made sure they were heard.

Bonfils and Tammien sent copies of the editorials to President Harding, every cabinet official, every senator, and select members of the House of Representatives.<sup>41</sup> To the public, who just saw the *Post's* reporting, the press was living up to the free press myth. The *Denver Post* was piercing the veil of governmental secrecy and revealing a major scandal. But the myth was just that. The reality was that if a member of the government was up to no good, so too were members of the press. In retrospect, Albert Fall as well as Bonfils and Tammien seemingly just wanted to make money. What happened next only confirms Bonfils's greed.

Bonfils believed that the *Denver Post* could be a friend or a foe to Sinclair, who would have a great bit of business dealings in the west in the future and could use good publicity. Consequently, Bonfils was ready to make arrangements to help Sinclair "secure the friendly cooperation of the *Post*."<sup>42</sup> Sinclair's lawyer went to Denver in order to invite Bonfils and Tammien to New York City to meet with Sinclair and work out a deal. But Sinclair broke the appointment, and another appointment was scheduled. Now Sinclair showed up "brusque and angry" and said to the newspapermen, "I don't know why you gentlemen came here at all." Bonfils and Tammien went back to Denver "angry and determined to make further trouble for Sinclair."<sup>43</sup> Upon their return, "the attacks [resumed] with enhanced virulence" throughout the summer of 1922.<sup>44</sup> Then in September 1922, Sinclair's lawyer invited Bonfils and Tammien back to New York City, but the two refused. Instead they all met with Stack's lawyer, Karl Schuyler, in Kansas City to discuss Stack's lawsuit against Sinclair.

Eventually it was agreed that Sinclair would pay Stack and offer him some of the profits from drilling on Teapot Dome. Tammien and Bonfils wanted to get a million dollars but actually received only around \$250,000.<sup>45</sup> Sinclair paid some money—a small bit of his vast fortune and a slim margin of what he would make with Teapot Dome. What he received in return was the silence of the *Denver Post*.

With the agreement, the attacks ceased, and there was no further notice of Teapot Dome in the *Denver Post*. While the checking value suggests that the press would expose the truth of governmental corruption, the reality was that the truth was silenced in exchange for money. But Sinclair also got something extra. After the contract was signed, a new weekly column, "The Great Divide," appeared. Published by Bonfils and Tammien, the new column coincidentally enough featured a "highly laudatory article on Harry F. Sinclair."<sup>46</sup> It told "the gripping story of the

sensational rise to fame and fortune of Harry F. Sinclair, one of the most spectacular men of the present day.”<sup>47</sup>

Moreover, after the payoff from Sinclair, the newspaper owner became one of Harding’s most ardent admirers. He attended Harding’s last trip to Alaska and even brought Mrs. Harding a sealskin coat.<sup>48</sup> After Harding’s sudden death during a presidential visit in California, Bonfils attended the trip with Harding’s body. He “went along officially as the *Denver Post’s* press representative, though he didn’t file a single work regarding the trip. After the president’s death, he headed up a committee in Denver to build a monument to Harding.”<sup>49</sup>

Once the congressional investigations into Teapot Dome began, senators interrogated Bonfils for his apparent position change in the *Post* once the contract was signed between Stack and Sinclair.<sup>50</sup> Sen. Irvine Lenroot inquired as to why the change in tone, and Bonfils quite forcefully responded, “They did not cease! They have not ceased! They never shall cease!”<sup>51</sup> Bonfils maintained that there never was a change and that the initial reports by Stakelbeck were never published out of fear of a libel lawsuit. But the fact remains that the *Post* had yet to attack the leases for over a year after the contract was signed.<sup>52</sup>

While the *Wall Street Journal’s* work on Teapot Dome was not crucial to breaking the scandal (as they simply served as an outlet for Slattery), the role of the *Denver Post* in the scandal was egregious, and there were consequences. The American Society of Newspaper Editors found Bonfils “guilty of gross violation of the association’s code of ethics,” and he resigned from the organization.<sup>53</sup> But Bonfils was not the only Denver newspaperman in trouble.

#### John Schaffer of the *Rocky Mountain News*

On the other side of Denver, John C. Schaffer published the *Rocky Mountain News*. Schaffer “was more respectable than his competitors at the [*Denver*] *Post*, and probably more powerful,” as he also owned the *Chicago Evening Post*, the *Denver Times*, and other dailies.<sup>54</sup>

Schaffer was familiar with the oil business and, like Leo Stack, owned land next to Teapot Dome. Moreover, Schaffer, just like Stack, contacted Pioneer Oil for a share of their potential stake at Teapot Dome. However, while Stack had some stake in Teapot Dome, Schaffer had no claim whatsoever to the land or oil. But he did have a newspaper and some common goals with Stack: to make money or to cause trouble in the press. Schaffer tried to contact Karl Schuyler, Stack’s attorney in Kansas City, to get information but was denied by attorney-client privacy.<sup>55</sup>

Schaffer then went to Sinclair's Pioneer Oil and, according to a secretary at the company, presented "himself as a man of nation-wide means and ability, who could be of service to us in representing [the company] to get the lease."<sup>56</sup> After some off-the-record discussions, Schaffer, the newspaper publisher and oilman who, again, had no legal claim to any land or money in the Teapot dealings, suddenly got a loan from Pioneer Oil for \$62,500 without interest.<sup>57</sup> Schaffer, ever the opportunist, asked for \$62,000 more but settled for \$30,000 more—for a total of \$92,500.<sup>58</sup>

The agreement between Pioneer (and by extension Sinclair) and Schaffer was strange because Schaffer "performed no services, invested no money," but clearly he got the money because "any further publicity would have been disadvantageous both to Mr. Sinclair and to Secretary Fall."<sup>59</sup> The timing of the loan, however, might reveal what happened. The loan to Schaffer came right around the time that the *Denver Post* stopped attacking Sinclair, Fall, and the leases. The American Society of Newspaper Editors found Schaffer, as they did with Bonfils, guilty of violating the association's code of ethics. Schaffer, who was not a member, was only reprimanded.<sup>60</sup> Schaffer, like Bonfils and Tammien, was not driven by First Amendment principles or the checking value to reveal scandal. Rather, they were after money and the money they received kept them quiet.

### THE "GOOD" AMID THE BAD

It would be inaccurate to characterize all of the newspapermen who played an active role in the Teapot Dome scandal as nothing more than a journalistic outlet for others or as being motivated only by greed and self-interest. There were other journalists who played a major role in the scandal, such as Carl Magee, who ran several newspapers in New Mexico (e.g., the *Albuquerque Morning Journal*, *Magee's Independent*, and the *New Mexico State Tribune*), and Paul Y. Anderson, who was a freelancer and also worked at the *St. Louis Post-Dispatch* and *Kansas City Star*. Like journalists in other major scandals (e.g., Bob Woodward and Carl Bernstein in Watergate), Magee and Anderson were praised for their efforts in Teapot Dome. Carl Magee was credited for "unearthing the scandal when he followed his feud with Secretary Fall out of New Mexico."<sup>61</sup> And then later, after the scandal had died down, Paul Y. Anderson gave the scandal "air after the Ohio gang had succeeded in silencing the first reports of vast corruption."<sup>62</sup> Nevertheless, close attention to history reveals that Carl Magee and Paul Y. Anderson were not exactly aligned with notions of the press serving as a checking value in terms of scandals.

Carl Magee

Carlton “Carl” Magee had made his fortune as a lawyer and had always wanted to get into journalism. With no experience whatsoever as a journalist, he bought his first paper, the *Albuquerque Morning Journal*, in 1920. Magee acquired the paper from the previous owner, who just happened to be Albert Fall, the man who would later be at the center of the Teapot Dome scandal. Fall found the paper business to be a necessity for those in politics in order to get favorable information out to the public easily and quickly. Even though Fall had been elected to the Senate, he still wanted to receive favorable treatment from the press, but he also needed money as he was nearing financial ruin. Fall achieved the latter by selling the paper to Magee. He attempted to achieve the former by giving Magee some unsolicited advice: avoid attacking Republicans. Naturally, Fall named himself as one of the most important persons to avoid attacking, and Magee would have good reason to listen to Fall’s advice.

Fall was quick tempered and quick with a gun. Fall had once disarmed the notorious outlaw and gunfighter John Wesley Hardin in El Paso, and Fall was widely believed to be behind the complete disappearance of Albert Fountain and his son.<sup>63</sup> Fall “liked to boast that he had run any number of uncooperative newspapermen out of the state, even threatening to kill one editor if he ever mentioned Fall’s name in his paper again.”<sup>64</sup>

While Magee listened to Fall’s advice, he did not follow it. By the summer of 1920, shortly after acquiring the *Albuquerque Morning Journal*, Magee began attacking Fall (and other state Republicans) daily for their corruption and mismanagement of New Mexico. Fall felt betrayed by Magee, who initially claimed to be a Republican but later changed to the Democratic Party. Consequently, Fall would visit Magee a number of times, and each visit was more argumentative and hostile than the last. Eventually, Fall visited a few banks that had loaned Magee the money he used to buy the paper. Not surprisingly, Magee soon had money troubles and was forced to sell the paper. Magee eventually bounced back and started another paper, but he knew that he would have similar problems with his new paper, the *Magee Independent*. Magee later said what kept him going was the principle of truth.<sup>65</sup>

Magee later explained that his primary purpose in getting into the newspaper business was that he would be able “to tell the whole truth about everything as near as I could get the truth” about New Mexico.<sup>66</sup> One observer noted that his paper published charges against bankers and

judges that “if put into legal form, would have caused court proceedings.”<sup>67</sup> I mention Magee’s motivation and the observation of his accusations because it is telling with respect to the argument of this paper: that the drive to expose the truth and journalism are not exactly synonymous. As Walter Lippmann once said, “the function of news is to signalize an event; the function of truth is to bring to light the hidden facts, to set them into relation with each other, and make a picture of reality on which men can act.”<sup>68</sup> Lippmann recognizes that journalism and truth seeking may overlap, but such overlaps are rare, especially in the “complex and ambiguous recesses of political life” such as political scandals.<sup>69</sup> In other words, Magee did try to seek the truth about Republicans in New Mexico, but, following Lippmann’s argument, he did so not necessarily as a journalist or reporter.

We can better see Magee as a source of truth, rather than a journalist, when the Teapot Dome scandal first became known. Magee knew that Fall had been short of money, but then he heard rumors of Fall making grand improvements at his ranch, including a \$40,000 hydroelectric plant, and purchasing nearby lands for over \$125,000. People in New Mexico started “asking where Fall had gotten the money—after all, how could such improvements be made on a \$12,000 a year salary?”<sup>70</sup> By this point, Magee was accustomed to attacking Republicans such as Fall. However, by his own admission, Magee had only heard rumors, which he could not confirm as the truth, so he did not publish his findings. At best, Magee, as he said himself, “hinted as much as I could, but I couldn’t get the facts to work with.”<sup>71</sup> This is where Magee’s story intersects with Bonfils and Tammen’s star reporter, D. F. Stakelbeck.

After Stakelbeck had completed a month long investigation and found a great deal of information, he reported back to his bosses, who were eager to make money for themselves rather than to check governmental abuse and so did not publish the results of the investigation. When Bonfils and Tammen locked the reports away, Stakelbeck was in a dilemma. He had “uncovered the greatest scoop of his career, only to have it spiked by his blackmailing bosses. Yet he still needed his job, which meant that he couldn’t be seen to be talking [to Congress] voluntarily.”<sup>72</sup> He was eager to help but reluctant to jeopardize his livelihood. Stakelbeck did not testify before Congress but provided invaluable information to Sen. Thomas Walsh of Montana. Stakelbeck gave Sen. Walsh the results of his investigations and key evidence documenting Albert Fall’s sudden increase in wealth.<sup>73</sup> Furthermore, Stakelbeck gave the senator a list of potential witnesses from New Mexico who knew much about Fall. One of those was Carl Magee.

Carl Magee testified before the United States Senate Committee on Public Lands and Surveys in late 1923. He testified about what he had experienced and heard in New Mexico but could not confirm those rumors. In his congressional testimony, he was specifically asked, “You know nothing about the senator’s financial condition, do you, except by hearsay?” Magee replied, “No Sir, I know nothing at all about it . . . I know by rumors, but nothing competent.”<sup>74</sup>

Magee has been characterized as a key figure in bringing down Fall. To some extent, this is true. He provided damaging testimony against Fall during the congressional investigation. As a result, some, such as famed investigative journalist George Seldes, credited Magee for “unearthing the scandal.”<sup>75</sup>

However, we must be careful of falling victim to the free press myth. It is a romantic idea that an enterprising journalist revealed a great scandal, but, again, close attention to history suggests that this was not the case with journalists in Teapot Dome. That is, other than his “hinting” in his paper, Magee’s disclosures happened as a witness before a congressional investigation, not as a journalist. Certainly, Magee did provide damaging testimony, but there were many others who also provided key testimony that was not based on hearsay. However, none of the testimony brought the scandal to a close. Not long after the hearings ended in 1924, Teapot Dome slipped into “obscurity.”<sup>76</sup>

Years later in 1927, with the next election looming, a second round of hearings on the scandal began, but the public was uninterested, as “the steady passage of time made the later investigation seem like a washing of very ancient dirty linen.”<sup>77</sup> The economy and stock market were at all-time highs, and Charles Lindbergh had just flown solo over the Atlantic.<sup>78</sup> The future was bright and promising, and the scandal no longer seemed interesting. But for others there still “were serious gaps in the public knowledge of the oil cases,” which had been unfolding for over three years.<sup>79</sup>

#### Paul Y. Anderson

While most people had moved on since the first round of investigations had ended years earlier, one journalist did not stop. Although Magee dubiously was credited with unearthing the scandal, it is clear that Paul Y. Anderson reopened the investigation.<sup>80</sup> Nevertheless, like Magee, Anderson provides a troubling example of Blasi’s checking value during Teapot Dome.

Anderson certainly was hailed as a journalistic hero not only in Teapot Dome but in other areas as well, and many consider him one of the “finest investigative reporters in the history of American journalism.”<sup>81</sup> He consistently was described as dogged, fearless, brilliant, and dynamic in his work. He “went beyond his eyewitness account of the violence and delved into its causes,” not only in Teapot Dome but in other areas as well.<sup>82</sup> As such, Anderson was more involved in Teapot Dome than Magee was. If Magee was a witness who happened to be a journalist, then Anderson was more an investigator who was a journalist than an investigative journalist. Moreover, Anderson did not just participate in the investigations into Teapot Dome; he initiated them.

Paul Y. Anderson worked at the *St. Louis Post-Dispatch*, which was a national newspaper committed to exposing corruption and not merely publishing the news.<sup>83</sup> Anderson himself was so insistent in uncovering wrongdoing that when the *Post-Dispatch* refused to send him to Washington, he quit and became a freelance political writer.<sup>84</sup> Anderson had a “slash-and-burn” style of journalism that mocked the “journalistic statesmen of the Washington press corps.”<sup>85</sup>

Anderson earned quite the reputation as a newspaperman. He was “credited with injecting muckraking into Washington journalism . . . and always identified with the underdog.”<sup>86</sup> He was the man who stood up when government or big business tried to bully the little guy around. This was an attitude he carried throughout his life, partly because he was the little guy. He liked to tell the story that when he was little, his mom saved up enough money to buy him a present for the holidays, and when she asked him what he most wanted in the world, he just said a banana because they were so poor.<sup>87</sup> He never finished high school, but what he lacked in technical knowledge he made up for with intensity and determination. One columnist explained, “What made Anderson a great newspaperman was the anger with which he wrote. The flair, the fury, the frustration inside him ran out his fingers into his copy.”<sup>88</sup> Nothing would stop him. After attending the funeral of William Jennings Bryant, he did not even dry off after coming out of the rain before he began typing up his work. When he covered the St. Louis riots, he entered the office with wounds still bleeding, went directly to his typewriter and began to write.<sup>89</sup>

When he quit the St. Louis *Post-Dispatch* to become a Washington freelancer, he brought his intensity with him.

Anderson would not be alone in D.C. as he had some close supporters in powerful positions. Anderson “had quit his job at the *Post-Dispatch*, largely on the advice from Sen. Robert

La Follette Sr. that Anderson's talents would flourish along the Potomac."<sup>90</sup> Sen. La Follette and other congressmen would soon benefit greatly from having Anderson in town.

After the first round of investigations determined that the oil leases Albert Fall had given to Sinclair and others were invalid, there was still a question about what happened to Sinclair's profits made from the drilling that occurred between when the leases were signed and when they were invalidated. Those profits totaled \$3 million, which was transferred into Liberty Bonds. Albert Fall had received around \$230,000, which left an unaccounted for and ill-gotten \$2,770,000 in Liberty Bonds floating around. Anderson tried to find that money.<sup>91</sup>

Anderson first called up Attorney General John G. Sargent to see if the Department of Justice had tried to locate the bonds.<sup>92</sup> Sargent refused to say anything.<sup>93</sup> Undeterred, Anderson then went to Sen. Thomas Walsh, who was "sixty-eight years old, in good health, but still he knew all too well how exhausting, all-consuming, and thankless a task this was" in reopening the Teapot Dome investigation.<sup>94</sup> Sen. Walsh was reluctant to begin another round of investigations with a strong Republican president—especially since his involvement in the earlier investigations were characterized as furthering "the Democratic political agenda and his own ambitions" as he was seeking to be the Democratic presidential nominee, and "he couldn't be seen as using the renewed probe toward that end."<sup>95</sup> Sen. Walsh indicated that he would be part of an investigation but could not lead it. Walsh then suggested that Anderson go speak with Sen. George Norris.

The conversation between Anderson and Norris went extremely well. When Anderson told the senator about the attorney general's dismissive attitude, "Norris was surprised and amazed that President Coolidge had not ordered the Justice Department to investigate."<sup>96</sup> After some discussion (in which there is no doubt that Anderson was intensely persuasive and determined) and with the statute of limitations approaching, Sen. Norris "introduced a resolution on January 4, 1928, calling upon the Senate Committee on Public Lands and Surveys to continue its investigation and trace all of the bonds."<sup>97</sup> Anderson then persuaded Sen. Burton Wheeler and Sen. La Follette into joining the investigation. Sen. Walsh now felt comfortable and joined in.

As the inquiry started, Anderson reported on the proceedings like many other journalists, but he did much more. Anderson participated in the congressional investigation. He sat with the investigators and drafted questions. In one example, Sen. Walsh was questioning one of Sinclair's associates, Robert Stewart. Anderson was upset that Stewart was not being forthright and that Walsh was not being tough enough. Anderson was astonished and later revealed his thoughts

about the questioning: “Great God! They are letting him off without asking him just the things I wanted them to ask.”<sup>98</sup> True to his devotion to protecting the underdog from powerful oilmen, Anderson “hastily scribbled two questions on a slip of paper and passed them along the table to Sen. Gerald Nye. Without a moment’s hesitation, Nye put the two questions directly to Stewart.”<sup>99</sup> The questions addressed what Stewart knew about the bonds. Stewart continued to be evasive and ultimately declined to answer the questions.<sup>100</sup> This is just one example of Anderson’s involvement in Teapot Dome, but it is not the only example.

Anderson was a “quintessential participatory journalist of his day.”<sup>101</sup> His “questioning by proxy was not an isolated practice, but it was not the usual modus operandi of Washington correspondents.”<sup>102</sup> It was his active participation that “became a hallmark of his reporting.”<sup>103</sup> But “the classic instance of Anderson’s participation with public officials in seeking evidence was the exposure of the intricate payoff pattern in the Teapot Dome case.”<sup>104</sup>

Sen. Norris credited Anderson as being the one “who had been most active in assembling facts and in gathering information pointing to the guilt of other large oil companies and magnates robbing the government of its oil reserves.”<sup>105</sup> Paul Y. Anderson was one of the few reporters who “not only attract national attention, but set congressional investigations into motion to explore all angles of situations thus revealed.”<sup>106</sup> Anderson worked “persistently and with such telling effect that he was credited, as much as any single individual, with exposing the malefactors who had abused the public trust.”<sup>107</sup> Anderson was more than reporting; he was engaged in “years of persistent crusading to break the Teapot Dome scandals.”<sup>108</sup>

Compared to Bonfils and Tammien of the *Denver Post*, John Schaffer of the *Rocky Mountain News*, and even Carl Magee, Paul Y. Anderson was the gallant investigative reporter, and his 1929 Pulitzer Prize for his work on Teapot Dome confirms this. But he was not without criticism.

Critics described him as an investigator rather than a reporter. He was seen as “an important ally” to members of the congressional investigations, La Follette and Walsh, and was “a fact finding agency in his own person.”<sup>109</sup> Others claimed he possessed a “prosecutorial complex.”<sup>110</sup> And whatever reporting Anderson did do on the second round of investigations, it focused on his “own story,” what he did in the investigation rather than what was going on.<sup>111</sup>

The second round of investigations into Teapot Dome never reached the “fevered intensity” of the earlier investigation.<sup>112</sup> But it is clear that Paul Y. Anderson was heavily involved in

uncovering the fate of the Liberty Bonds in the Teapot Dome scandal.<sup>113</sup> Returning to the central argument of this paper, Anderson seems to be a fine example of the free press myth, which holds “that every great government scandal is revealed through the work of enterprising reporters who by one means or another pierce the official veil of secrecy.” Anderson was enterprising, and it might even seem that the word “enterprising” fails to capture his intensity and dedication. He pierced the veils of secrecy to locate the Liberty Bonds and help bring Teapot Dome to a conclusion. But the free press myth is just that, a myth.

The concern addressed in this section, as with all the others, is how the checking value of the press holds up in Teapot Dome. Anderson worked as a journalist and was awarded the Pulitzer Prize in 1929 for his reporting on Teapot Dome. The award was for two articles. One dealt with posing the question, where are the Liberty Bonds? The other explained his role in the scandal. One cannot argue that Anderson was not an example of Blasi’s checking value; he certainly did check government abuse. But, at the same time, one cannot argue that Anderson was a perfect example of it either.

Blasi’s argument is that the checking value of the First Amendment was to be fulfilled by “well-organized, well-financed, professional critics to serve as a counterforce to government”—namely, the press. Blasi did leave open the possibility that speech and assembly could serve as a means to check the government. But the point is that to check the government you have to be a member of the fourth estate. In other words, you cannot be a member of the other three estates—the government itself. Otherwise you have a situation where the government and those working with it are investigating themselves, which is not ideal under any circumstances.

Anderson was a member of the press, but a close eye on history reveals that Anderson’s major work on the scandal was done as an initiator and member of the congressional investigation, not necessarily as a journalist. If the press is the fourth estate and we can understand Anderson as being a member of it as well as a member of the “third estate,” the congressional investigation, this is troubling for the checking value, which, as this paper suggests, may be more theoretical and abstract in some scandals than others.

## CONCLUSION

There is never anything pretty about a political scandal. Someone with the public’s trust has transgressed or has been alleged to transgress some public, moral, or legal standard. One may speculate that the scandal is the cause of the people’s apathy and antipathy toward government and

politics. But there is hope. The treasured fourth estate stands alongside its three-estate counterpart to watch over the government and report the good, the bad, and the ugly. This is a romantic ideal.

Yet we must be careful about turning journalists into heroes to counterbalance the villainous deeds that brought about a scandal in the first place. This is the free press myth. The best known example of the free press myth is the romanticization of Bob Woodward and Carl Bernstein's role in Watergate in *All the President's Men*, which strongly suggests that the press alone brought down Nixon. However, others, including Bob Woodward himself, have argued that the reality of Watergate was different, and that the press was not directly responsible for uncovering the scandal.<sup>114</sup>

The argument presented here is that journalism in Teapot Dome is not unlike that in Watergate—except for the role of journalists in Teapot Dome has not made its way into popular culture. The argument presented here is that in our free society there is a free press, which is to check the wrongdoing of our public officials. Certainly, there are many examples of the press fulfilling their checking value, but in the Teapot Dome scandal, the press did not uncover government malfeasance. If anything, the press (e.g., the *Wall Street Journal*) simply relayed information from sources, and members of the press (e.g., Magee and Anderson) were more part of the investigation than investigative journalists, or, worse yet, they were engaged in wrongdoing almost as bad as Albert Fall (e.g., Bonfils, Tamm, and Schaffer).

This paper's focus on the checking value in Teapot Dome demonstrates that we need to pay attention to the press as much as the government during political scandals. This is because political scandals not only reveal when politicians fail to live up to the high standards of democracy, but the press as well.

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Start studying Teapot Dome Scandal. Learn vocabulary, terms and more with flashcards, games and other study tools.Â Oilman involved in the Teapot Dome scandal; he bribed Albert Fall with about \$300,000, but was not convicted with this. He was sentenced to several months in jail for "shadowing" jurors and for refusing to testify before a Senate committee. Edward L. Doheny. Oilman who bribed Fall \$100,000 in the Teapot Dome scandal; he was acquitted in court. William Harding. president during teapot dome scandal, out of office in 1923 because he dies of heart attack. Teapot Dome, Elk Hills, and Buena Vista Hills. The three oil reserves involved in the scandal. Thomas Walsh. Senator from Montana that