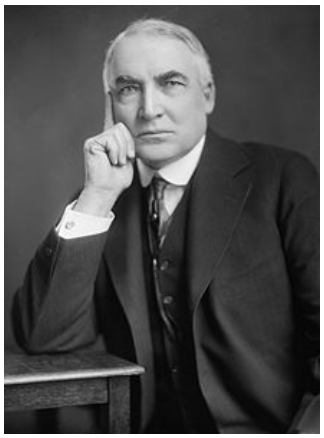

President	Warren G. Harding
Chronological Order	29
Life Span	1865-1923
Home State	Ohio
Elected	1920
Political Party	Republican
Vice President	Calvin Coolidge
First Lady	Florence Kling DeWolfe Harding
Children	1 stepson
Physical Attributes	6' tall, medium build, light hair, gray eyes
Undergraduate Education	Ohio Central College (Journalism)
Military Service	None
Profession	Newspaper Publisher and Editor
Other Political Offices	U.S. Senator
Nickname	Wobbly Warren
Family Lineage:	English, Scottish, Dutch
Religious Affiliation	Baptist

Biographical Notes

1. Harding was not a good president because his administration was one of the most corrupt in American history. Three cabinet members and his Director of Veterans Affairs were involved in four separate scandals that involved bribery, kickbacks, defrauding the federal government, and money laundering. Millions of dollars were involved. These four men were not just high-ranking members of the Harding administration; three of the four were Harding's close personal friends. Two went to prison for their crimes. A third was tried twice, but the jury hung both times.

2. Harding was easygoing, friendly, and reasonable. He wanted people to like him, and usually, they did. Harding was from a small town in Ohio and ran a business there (his newspaper). Consequently, he carried small-town values and a reverence for business with him to the presidency.

Harding was not exceptionally well-prepared to be president. His only previous executive experience was as a small-town newspaper publisher. Harding had no background in foreign affairs before coming to the U.S. Senate (where he served only one term). As president, he genuinely struggled with complex issues like tax policy and relied heavily on the opinions of cabinet members like Charles Evans Hughes, Andrew Mellon, and Herbert Hoover. Harding died of a heart attack after just two years and five months in office.

3. Warren Harding was born in 1865 in Blooming Grove, Ohio. His mother, Phoebe, was a state-licensed midwife. His father, Tryon, farmed and taught school. Then, through apprenticeship, study, and a year of medical school, Tryon became a doctor and started a small practice. In 1870, the family moved to Caledonia, where Tryon acquired *The Argus*, a local weekly newspaper. Harding, from the age of 11, learned the basics of the newspaper business at *The Argus*. Harding enrolled in his father's alma mater, Ohio Central College, at the age of 14. During his final year in college, he and a friend put out a small newspaper, the *Ibena Spectator*, designed to appeal to both the town and the college. Around this time, his family moved to Marion, Ohio, a small town fifty miles north of Columbus, and when Harding graduated in 1882, he joined them there. (N.B. Marion's population was 8,327 in 1890; by 1920, it had increased to approximately 28,000.)

4. After college, Harding tried teaching, the law, and then journalism, where he found his niche. In 1884 he and two friends bought the nearly defunct *Marion Star* newspaper, and Harding became the publisher and

editor. The paper flourished and became a favorite of Ohio politicians of both parties because of its evenhanded reporting. Harding never ran a critical story if he could avoid it.

5. Florence Kling DeWolfe was the daughter of the richest man in Marion, and she was a divorcee with a son when she met Harding in 1890. She was five years older than him, and they were married in 1891. The two were not extremely close – her haughty manner kept an emotional distance between them – but Harding admired his wife's toughness, ambition, and appetite for hard work. His nickname for her was "The Duchess."

Harding's success as an editor took a toll on his health. Five times between 1889 and 1901, he spent time at the Battle Creek Sanitorium, a health clinic, for reasons Harding biographer Andrew Sinclair described as "fatigue, overstrain, and nervous illnesses." While he was at Battle Creek in 1894, the *Marion Star's* business manager quit, and Florence took over the newspaper's business operations. She organized the circulation department, improved distribution, trained the newsboys, and purchased equipment at reasonable prices. Her newsboys became known as "Mrs. Harding's boys" throughout the town. Florence was never given a formal title, but she remained active with the *Star* until her husband was elected to the U.S. Senate, and they moved to Washington.

6. As the *Marion Star* became more successful, Harding became involved in politics. He was elected to the Ohio State Senate in 1899 and re-elected in 1901. Harding was elected lieutenant governor in 1903. In 1905, he decided to withdraw from political life and return to his newspaper because Florence had health problems. In 1910, Harding was the Republican nominee for governor but lost the general election.

7. In 1912, with the Taft-Roosevelt rift widening, Harding, the ultimate party regular, predictably sided with fellow Ohioan Taft. He used his newspaper to criticize Roosevelt harshly. Harding's loyalty, and perhaps his availability when few others wanted the job, led Taft to select Harding to nominate him for president at the 1912 Republican National Convention. This exposure, plus weak opponents, helped Harding get elected to the U.S. Senate in 1914.

6. Harding's Senate career was undistinguished. During his first and only term, he was considered a second-tier senator, a standpat Republican who was amiable and popular with fellow party members. He avoided taking controversial stands. For example, he was absent for crucial debates on the Prohibition and women's suffrage amendments to the Constitution. He failed to vote on forty-six percent of the Senate roll calls. On the League of Nations, he stood solidly with Senator Henry Cabot Lodge in opposing Wilson's version of the League. As a man acceptable to most party members, he served as the keynote speaker and chairman of the 1916 Republican National Convention.

9. The three leading candidates for president at the 1920 Republican National Convention were General Leonard Wood, Illinois Governor Frank Lowden, and California Senator Hiram Johnson. Wood, who was a close friend and disciple of Theodore Roosevelt, was the favorite of the party's progressive wing. The conservative wing favored Lowden. After four ballots, Wood had a slight lead on Lowden, Johnson was third, and Harding was a distant fifth.

As the balloting continued the next day, Wood and Lowden remained in the lead, with little change in the vote totals. Conservatives strongly opposed Wood, while the party's progressive wing adamantly opposed Lowden. Johnson had offended Wood and Lowden supporters, so there was no movement towards him. Party leaders worked to find a candidate acceptable to the party's progressive and conservative wings. Harding emerged as a moderately conservative candidate acceptable to the party's progressive wing, and when the convention remained deadlocked, delegates started to move towards him.

After the eighth ballot, the convention recessed. Wood and Lowden met and discussed a possible Wood-Lowden ticket, but the Illinoisan decided that he did not want to be vice president. Also, he still hoped for a resurgence. However, on the ninth ballot, delegates started to switch to Harding. When Kansas and Kentucky voted strongly for Harding, Lowden released his delegates, and most of them switched to Harding. In addition, Harry Daugherty, Harding's campaign manager, made a deal with Jake Hamon, a wealthy oilman who had purchased scores of delegates; Hamon would deliver those votes in exchange for influence in naming the secretary of the interior. Harding jumped into the lead on the ninth ballot and won on the tenth.

When a reporter mentioned that Harding was barely known outside of Ohio, Senator Frank Brandegee of Connecticut said Harding would be known after being nominated. He also added: "There ain't any first-raters this year. This ain't 1880 or 1904; we haven't any John Shermans or Theodore Roosevelts; we got a lot of second-raters, and Warren Harding is the best of the second-raters."

10. In 1920, the Democrats took forty-four ballots to choose their nominee for president. They chose James M. Cox, a former Ohio newspaperman (like Harding). Cox was a liberal Democrat who had served as the state's progressive governor during the Wilson years. They chose Franklin D. Roosevelt of New York for vice president. The Democratic nominees reflected the party's determination to continue Woodrow Wilson's progressive agenda at home and idealistic involvement abroad.

With his small-town common sense, Harding realized that the majority of the American people were exhausted from the hardships and sacrifices of World War I and were against further extensive involvement in international affairs. In a speech, a few weeks before the Republican National Convention, he said, "America's present need is not heroics but healing; not nostrums but normalcy; not revolution but restoration … not surgery but serenity."

Harding conducted a "front porch" campaign reminiscent of William McKinley. He mostly stayed in Marion and gave speeches from his front porch to reporters and visitors (reportedly 600,000) who came to see him. In contrast, Cox traveled twenty-two thousand miles making over four hundred speeches, and Roosevelt also hit the road to campaign. The country responded positively to Harding's message, and he won handily, 404 to 127 electoral college votes. Cox won only eleven states, all in the South. Harding had long coattails: the Republicans won the House 303 to 113 and the Senate 59 to 37.

During the campaign, the Republican National Committee utilized a broad-based advertising campaign run by Albert Lasker, a Chicago advertising and public relations executive. Lasker used – for the first time in a presidential campaign – techniques that are now standard. Motion pictures, sound recordings, and billboards were used, in addition to newspapers and magazines. Visitors to Marion had their photographs taken with Senator and Mrs. Harding, and copies were sent to their hometown newspapers. The campaign used telemarketers to make phone calls with scripted dialogues that promoted Harding.

11. During the 1920 campaign, one of Harding's themes was "America First." In a speech, he said, "Call it the selfishness of nationality if you will, I think it an inspiration to patriotic devotion –

"To safeguard America first.
"To stabilize America first.
"To prosper America first.
"To think of America first.
"To exalt America first.
"To live for and revere America first."

12. Three of Harding's cabinet choices were impressive. Charles Evans Hughes was an excellent secretary of state. Andrew Mellon, the fabulously wealthy Pittsburgh financier, proved to be a powerful and effective secretary of the treasury. Herbert Hoover transformed the Department of Commerce into an efficient and effective support agency for U.S. businesses at home and abroad.

13. Along with these distinguished men, Harding also surrounded himself with a group of dishonest men, later referred to as the "Ohio Gang." (N.B. Not all the Ohio Gang were from Ohio.) The Gang got involved in four separate scandals. The first involved Harry Daugherty, Harding's friend of twenty years who had been his campaign manager at the 1920 Republican National Convention. Daugherty was well-known as a "fixer" in Ohio politics, someone who would get things done, no matter what methods were required. Despite this reputation, Harding chose him to be his attorney general. Harding also appointed Daugherty's boyhood friend William "Billy" Burns to be the head of the Bureau of Investigation (the precursor of the FBI).

The first scandal involved the violation of Prohibition laws. When Harding came into office, Prohibition was in place, so the sale of alcohol was illegal. However, exemptions were given for medicinal purposes if one obtained an exemption certificate from the Justice Department, which Daugherty now headed. The attorney general and his bagman, Ohioan Jess Smith, took bribes for exemption certificates, charging $1.50 to $2.50 per case of liquor. For example, George Remus of Cincinnati, the so-called "King of the Bootleggers," bought exemption certificates for at least 250,000 cases from Smith. If a bootlegger ran afoul local law enforcement, he could purchase immunity from prosecution, a pardon, or parole from Daugherty and Smith.

Daugherty and Smith collected millions of dollars through these two schemes. They also took bribes in a scheme where the Alien Property Custodian, Thomas W. Miller, defrauded the U.S. government. Smith traveled back to Ohio regularly and deposited the money from their various endeavors in a small-town bank run by Daugherty's brother Mal. And, of course, the Bureau of Investigation looked the other way because Billy Burns ran it.

Shortly after Smith's activities came to Harding's attention in 1923, Jess was found dead with a gun by his side in the apartment he shared with Harry Daugherty. Billy Burns, who lived one floor below, arrived quickly and took control of the crime scene. No autopsy was performed. The death was ruled a suicide, but

Smith's ex-wife – with whom he remained close – and others, including Senator James Thomas Heflin of Alabama, believed that Smith was murdered to keep him quiet.

Harry Daugherty was tried twice his part in the Alien Property Custodian scheme. The first jury deadlocked 7 to 5 in favor of conviction. The second jury deadlocked 11 to 1 in favor of conviction. In 1924, President Coolidge forced Daugherty to resign as attorney general for refusing to give a Senate committee access to Justice Department records relevant to the bootlegging scandal.

14. The second, much larger, scandal involved Harding's friend Albert Fall, a former U.S. senator from New Mexico. When Harding was in the Senate, the desk next to him belonged to Fall, and the two men became good friends and poker buddies. Harding considered him for secretary of state but, instead, chose him for secretary of the interior. As a Westerner involved in mining operations, Interior seemed like the right spot for him, and oil company executives who had donated heavily to the GOP during the 1920 campaign approved.

What Harding did not know was that Fall was in financial distress. His ranch in New Mexico was in disrepair, and he was six years behind on the ranch taxes. To solve his problems, Fall accepted more than $369,000 (about $5.35 million today) in bribes in exchange for signing no-bid contracts with two private oil companies. The agreements allowed the companies to lease the vast Teapot Dome (WY) and Elk Hills (CA) naval oil reserves at low rates. (Teapot Dome contained 135 million barrels of oil, and Elk Hills was similar in size.) Oil companies typically made a profit of one or two dollars per barrel, so the potential profit on each lease was more than a hundred million dollars. Fall was convicted of accepting bribes and went to prison – the first former cabinet officer to do so.

Harding played two roles in this scandal. First, the Department of the Navy initially controlled Teapot Dome and Elk Hills, and Harding signed an executive order to transfer them to the Department of the Interior. Second, according to journalist Laton McCartney, when the Teapot Dome lessee, Harry Sinclair of Marathon Oil, bribed the publisher of the *Denver Post* to suppress the newspaper's coverage of the scandal, Harding encouraged Sinclair to make the payment.

15. The third scandal involved Charles Forbes, Harding's Director of the Veterans Bureau. While Harding was a senator on a junket to Hawaii, where Forbes had a home, the two men and their wives became good friends. Harding appointed him director of the Veterans Bureau, and the two men renewed their friendship in Washington, meeting regularly to play poker and have a few drinks. Forbes embezzled approximately $2 million ($29 million today) by selling hospital supplies intended for veterans and taking kickbacks from contractors building hospitals. When Harding was made aware of the magnitude of Forbes's graft, he was furious and demanded that Forbes resign, which he did in February 1923. Forbes went to prison for his crimes, and one of his aides committed suicide to avoid prosecution.

16. The fourth scandal involved Will Hays, Harding's 1920 general election campaign manager and postmaster general. Harry Sinclair and three other oil executives set up a fraudulent Canadian-based corporation, bought 33.3 million gallons of oil at $1.50 per barrel from a competitor, then sold it to their own companies at $1.75 per barrel, creating a one-day profit of $8.3 million. A little more than $3 million was converted into Liberty Bonds and split by the four men.

Later, Sinclair wanted to donate $185,000 worth of the Liberty Bonds to the Republican National Committee (RNC) to help pay down the 1920 election debt. But there was a problem: the bonds had traceable serial numbers. Will Hays, who was Chairman of the RNC at the time, came up with the solution. He accepted the Liberty Bonds from Sinclair and sold them (off the record) to wealthy Republican donors. That way, if the RNC were audited, the bonds would not trace back to Sinclair. The money would appear to simply be cash from those donors. Hays was questioned about this episode by a Senate committee, but never charged with a crime.

17. Once or twice a week, Harding liked to relax after-hours by playing poker, drinking whiskey, smoking cigars, and telling jokes with members of the Ohio Gang. Some of the sessions were at the White House, some at Harry Daugherty's house. But there is no evidence that Harding benefitted financially from the Gang's illegal schemes. It is, however, interesting that during his last year as president, he sold the *Marion Star* for $500,000 – mostly in Liberty Bonds – when a similar newspaper sold for $115,000. One of the two buyers was Louis H. Brush, the top Republican fundraiser in Ohio and a friend of Harry Daugherty.

18. After his election, Harding hardened his stance on the League of Nations, deciding the U.S. would not join even a scaled-down version of the League. With the Treaty of Versailles unratified by the Senate, the U.S. remained technically at war with Germany, Austria, and Hungary. The Harding administration signed treaties with each country that ended the state of war. The treaties contained many of the non-League

provisions of the Treaty of Versailles; the Senate ratified them in 1921.

19. On most issues related to the economy, Harding's actions favored big business and wealthy Americans. He supported Secretary Mellon, one of the three richest men in America, when Mellon pushed through substantial tax cuts for the rich and for corporations. For example, the top marginal rate for individuals was reduced annually in four stages from 73% in 1921 to 25% in 1925.

Harding supported the Fordney-McCumber Tariff Act, which increased the tariff rate to the highest level in American history, a move strongly favored by industrialists who supported the Republican Party. Harding encouraged the Federal Trade Commission, the Justice Department, and the Interstate Commerce Commission to cooperate with corporations rather than regulate them or instigate antimonopoly actions against them.

20. In 1921, Secretary of State Hughes and Secretary of Commerce Hoover encouraged seven American oil companies to form a consortium, the Near East Development Corporation, to seek participation in Iraqi oil concessions, thus inaugurating an "open door" policy for U.S. investment in energy resources in the Middle East. Standard Oil of New Jersey led the consortium. Until this time, British, Dutch, and French companies sought to dominate the Middle East oil market. By 1928, the Near East Development Corporation, British Petroleum, Royal Dutch-Shell, and Compagnie Francaise des Petroles each owned twenty-four percent of the shares of the new Iraq Petroleum Company.

21. Harding supported the Immigration Restriction Act of 1921, the first in a series of anti-immigrant steps in the 1920s that favored northern and western Europeans (e.g., Irish and Germans) over southern and eastern Europeans (e.g., Italians and eastern European Jews). The act restricted the number of immigrants admitted from any country annually to 3% of the number of residents from that country living in the United States as of the 1910 Census. Since the U.S. had a fairly large number of northern and western European residents in 1910, that meant that people from those regions had a higher quota and were more likely to be admitted to the U.S. than those from southern and eastern Europe or non-European countries. The act drastically limited immigration into the United States. In 1922, only 309,556 people legally came to America, compared with 805,228 the prior year.

22. Harding nominated former president and fellow Ohioan William H. Taft for Chief Justice of the Supreme Court in 1921. Taft streamlined some of the court's antiquated procedures, which significantly improved the delivery of justice throughout the federal court system. He also convinced Congress to build a separate building to house the Supreme Court, the building it occupies today. Taft had been a judge on the Superior Court of Ohio before getting into politics, and he thought of himself as a judge, not a politician. Taft was much happier as chief justice than he had been as president. He retired from the court in 1930 and died one month later. Taft is the only man to have served as president and Chief Justice of the Supreme Court.

23. The Washington Naval Conference was a disarmament conference held in the United States capital from November 1921 to February 1922. Nine nations attended it: the United States, Japan, China, France, Great Britain, Italy, Belgium, the Netherlands, and Portugal. It was the first arms control conference in history and is still studied by political scientists as a model for a successful disarmament movement. Harding chose a well-balanced American delegation: Secretary of State Hughes, Republican Senator Henry Cabot Lodge of Massachusetts, Democratic Senator Oscar Underwood of Alabama, and Nobel Peace Prize winner Elihu Root.

The conference resulted in three major treaties: the Four-Power Treaty, the Five-Power Treaty (a.k.a. the Washington Naval Treaty), and the Nine-Power Treaty. The Five-Power Treaty (the U.S., Great Britain, France, Italy, and Japan) limited the number of battleships, battlecruisers, and aircraft carriers constructed by the signatories. The numbers of other categories of warships, including cruisers, destroyers, and submarines, were not limited by the treaty, but those ships were limited to 10,000 tons of displacement each. In the Nine Powers Treaty, the signatory states guaranteed the territorial integrity of China and an "open door" to trade and investment there.

24. Harding's attitude toward business was that government should aid it as much as possible. He was suspicious of organized labor, viewing it as potentially harmful to business. He felt that "strikes which interfere with the right to work are wrong." His secretary of labor, James J. Davis, was not a strong advocate for the working class.

On July 1, 1922, 400,000 railroad workers went on strike. Harding proposed a settlement that made some concessions, but management objected. Attorney General Daugherty drew up a sweeping injunction, traveled to Chicago, and convinced Judge James H. Wilkerson – a Harding appointee – to issue it. The

injunction affirmed the open shop and the right to work, but it also infringed upon the strikers' freedom of speech and assembly. At the next cabinet meeting, Secretary of State Hughes and Secretary of Commerce Hoover objected to the harshness of the injunction, going on the record to say that it was "outrageous in law as well as morals." Assistant Secretary of the Navy Theodore Roosevelt, Jr., pointed out that it was also bad politics with the midterm elections on the horizon. Harding agreed that the injunction went too far and had Daugherty and Wilkerson amend it. Daugherty, however, ultimately got his way because the injunction killed the strike. Tensions between the railroad workers and management remained high for years.

25. Ever since Harding became president, he and Florence wanted to make a trip to Alaska, but circumstances intervened to prevent it in 1921 and 1922. Warren and Florence began a tour of the West and Alaska in June 1923. In addition to it being a vacation of sorts, he hoped to get out and meet people, shake hands, and explain his policies. But throughout the trip, he seemed easily fatigued.

While on the trip, Harding summoned Herbert Hoover to his cabin. Hoover later described their conversation:

> He plumped at me the question: "If you knew of a great scandal in our administration, would you for the good of the country and the party expose it publicly or would you bury it?" My natural reply was "Publish it, and at least get credit for integrity on your side." He remarked that this method might be politically dangerous. I asked for more particulars. He said that he had received some rumors of irregularities, centering around [Jess] Smith, in connection with cases in the Department of Justice. He had followed the matter up and finally sent for Smith. After a painful session, he told Smith that he would be arrested in the morning. Smith went home, burned all his papers, and committed suicide. Harding gave me no information about what Smith had been up to. I asked what Daugherty's relations to the affair were. He abruptly dried up and never raised the question again.

On the return leg of the trip, Harding died of a heart attack in San Francisco on August 2, 1923. He had served only two years and five months as president.

26. After Harding's death, evidence came to light about his long-term extramarital affair with Carrie Phillips, the wife of his friend, Marion businessman James Phillips. The affair began in 1905 and lasted for fifteen years, even though Mrs. Phillips was a German sympathizer during World War I. In 1920, following his acceptance of the Republican nomination, Harding disclosed the affair to the party bosses and revealed that Mrs. Phillips had more than one hundred love letters from him. Many of them were written on Senate stationery. Afraid of a scandal involving both the affair and Mrs. Phillips' German sympathies, the Republican National Committee bribed Mr. and Mrs. Phillips to ensure their silence. They received $20,000 plus $2,000 per month to be paid as long as Harding was in office, plus an all-expenses-paid trip around the world, providing they both took the trip right away and stayed out of the country until the election was over, which they did. Carrie lived until 1960, and the affair became public knowledge only in 1963 when the love letters were discovered.

See the next page for a list of references.

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