

propriety of the operation probably was the greatest problem we had to resolve. Our goals were identical, our proposals of method different.

A complete treatment of our problems which we discussed requires discussion of the ghost of Teapot Dome. This phantom appeared before, during, and after our deliberations. It probably will never entirely go away. It was used to justify government research and to justify "research and development" leases. It was used to justify issuing competitive leases and it was used to justify no leases. A few basic facts about the Teapot Dome controversy may help to bring the problem into perspective.³⁰

The original controversy over the Naval oil shale reserves was not one of scandal but one over what legal rights, if any, the Honolulu Oil Company and others had in the oil reserves set aside for the Navy. The controversy turned on whether the Government could invalidate the rights these parties asserted under prior issued permits or whether those parties would be able to continue their operations. It is interesting to note that Honolulu Oil Company won that fight. The similarity with the present fight of oil shale mining claimants seeking patents and the position of the Government trying to deny them is fascinating. As noted above the Advisory Board did not see fit to pass on the legal problems and yet the parallel with the early oil reserve problem of California is intriguing. It was not until a later period when the Secretary of Interior was accused of granting special favors to his friends on the Naval reserves that had been transferred to his administration that the term "Teapot Dome" became one of complete opprobrium. As time has passed the events of the two periods have become merged into one. Any discussion of opening up Naval reserves or of lifting the withdrawal on other oil shale lands brings back memories of a scandal and all phases of the controversy are blanketed thereunder. It is interesting to note that the scandals of the Teapot Dome period turn on the granting of favoritism for a few in the development of federally owned resources. The proposal of a method by which a few would be allowed to do research and then get a special grant based upon someone's approval of the results may come closer to the problems of Teapot Dome than would the opening of the lands to competitive leasing. Providence would have to protect the federal administrator who decided between two equally belligerent contestants for an oil shale lease on the basis of which the administrator preferred, rather than on some other more objective and less controversial test. At least to me, the taint of Teapot Dome and its application to the oil shale reserves of the Federal Government will best be laid to rest by opening all or part of the Federal oil shale lands to competitive leasing with performance requirements written in that eliminate those who cannot or will not develop the reserve. This does not mean that all should be opened at once but in my opinion some should be. To some the withholding of the federal oil shale reserves from development may be construed to be as great a granting of favors to those who wish to restrict competition in that field as would be the direct issuance of preference to such people. This dilemma is one common to public administrators. To my mind affirmative action is the only solution.

The avenues and by-ways that were explored by the board were infinite. In the final comments, it is obvious that many were not explored by all together, but that some of the board brothers participating in the drafting were drawing on other sources of information. Certainly that was true in my case. Had the time been available to hammer out clean decisions on various factual questions, much of the apparent disagreement might have been eliminated. At our final meeting this was becoming quite apparent. It was not until that period that the board finally adopted and agreed upon a statement of goals and incorporated it in the draft which became the January 21st draft. Perhaps we should have fixed those goals in the beginning but that was not possible. In an effort to fix the points on which we had agreed, I undertook to prepare a statement of facts and to have them adopted by the board. On some we agreed; on some we did not. Consequently, we eliminated the entire list that I proposed. They are, however, of sufficient interest, at least to me, to set them forth as a footnote for con-

³⁰ Recommended reading on Teapot Dome is:

(1) Bates, *The Origin of Teapot Dome* (Progressives, Parties, and Petroleum, 1909-1921), University of Illinois Press (1963).
 (2) Noggle, *Oil and Politics in the 1920's: Teapot-Dome*, Louisiana State University Press (1962).