INTRODUCTION

In 1923 B. C. Forbes, like a latter-day Horace Greeley, proclaimed that the twentieth century belonged to the West. The region's untapped natural resources guaranteed a predominance much like the industrial leadership of the East in the preceding era. Blessed with an abundance of minerals, timber, and oil, the western states, and especially California, called forth a new generation of entrepreneurs. And by that time a number of western pioneers had already made it into the top ranks of the nation's business elite.1

One of the most successful of these empire builders was Edward L. Doheny, who was credited with having discovered more oil than any other living person. Doheny opened the Los Angeles oil district to commercial production in 1892 and helped develop every major oilfield in Southern California by the end of the decade. In 1900, he went to Mexico and repeated his success on a vast scale. Thereafter, based on his California and Mexico operations, Doheny built up the largest fuel oil business in the world.

Despite these achievements, very little is known about the development of Doheny's career and the methods by which he succeeded. A major reason for this dearth of information has to do with Doheny's part in the Teapot Dome oil scandal of the 1920s, which came at the end of a long career and fixed his reputation as a scoundrel in the public mind. Then, the continuing ideological battles between the United States and Mexico over the role of foreign oil companies, which led to the nationalization of the industry, cast Doheny into further disrepute.

My interest in him began with a study of Mexican history, in which
Doheny was presented as the consummate capitalist exploiter. In seeking a more balanced appraisal, however, I discovered that no biography of him had yet been written and that only a handful of articles about him had appeared since his death in 1935. Hoping to locate his personal papers for the other side of the story, I turned to the Doheny Memorial Library at St. John’s Seminary in Camarillo, California, only to learn that none existed. St. John’s housed Mrs. Estelle Doheny’s extensive book collection, which consisted of medieval manuscripts on religious topics, American classics, and some valuable art work and furnishings from the Doheny mansion in Los Angeles which had been left in the hands of the Catholic Church. Sadly, because the collection was never made available to scholars in any concerted way and was very expensive to maintain, the Church decided in the late 1980s to sell the contents of the library, relegating the remains of the Doheny estate to the auction block.

Fortunately, a few items remain and now make up the Estelle and Edward L. Doheny Collection at the Archival Center of the Archdiocese of Los Angeles in San Fernando. The collection includes several letters between Edward and his second wife, Estelle, written during the early years of their marriage, a couple dozen pieces of business correspondence, and some photographs of Mexico. Most of this material survived purely by accident, after Estelle incinerated the bulk of her husband’s papers in the basement of their Chester Place home. Apparently, she did this just after he died, in accordance with his wishes, succumbing perhaps to a combination of loyalty, shock, and desperation. For someone as devoted to the preservation of books and historical documents as she was, Estelle could not have been comfortable with such an irrevocable act. However regrettable, she saw it as the only way to halt the negative attacks on Doheny’s character which had chased him to his grave and to thwart the future efforts of biographers and historians.²

Of course, her action only made things worse by giving free rein to everything but the truth. In the end, the lack of documentary evidence polarized the interpretations of Doheny’s life. His family, friends, and close associates have been excessively laudatory, while his detractors have found nothing good in anything he did. The most frustrating thing about both of these approaches is that neither one is based on more than a handful of facts. And the material written about him while he was still alive is hardly more informative.³

Although the local newspapers in California and Mexico and the financial press in New York followed the development of Doheny’s companies in detail, the first articles about Doheny himself did not appear until
he was over sixty years old and almost twenty-five years into his oil career. Mostly, they consisted of propaganda pieces touting his Mexican oil business. Clarence Barron’s *The Mexican Problem*, for instance, is a compilation of articles written for the *Wall Street Journal* in 1917 which emphasized the strategic value of Mexican oil for America and the Allies during the war in Europe. In the few pages devoted to Doheny’s personality, Barron emphasized his experiences as a young man, when he worked on a government survey of Indian Territory, broke and sold government horses, and prospected throughout the Rocky Mountains. Those western roots, Barron contended, accounted for the success of the nation’s most powerful independent oil producer.\(^4\)

In California, the first popular article appeared in *Sunset* magazine in 1918. Like Barron’s articles, Wilbur Hall’s “How Doheny Did It” portrayed the oilman’s life as the culmination of the ideal western experience. In particular, Hall contrasted Doheny with his boyhood friends back in Fond du Lac, Wisconsin, who were either too timid or too unimaginative to follow their destiny to the frontier. In making this presentation, Hall intended to use Doheny’s life as an inspirational example for others to follow, but he was frustrated by a lack of material. “Doheny says he dislikes publicity,” Hall lamented, “and from his actions I believe him. He is a hard man from whom to glean first-hand information of value to the young and striving.” To compensate for Doheny’s silence, Hall embellished the few facts at hand and presented an attractive image of Doheny as a poor prospector turned millionaire by dint of hard work and sacrifice.\(^5\)

The next effort to capture Doheny in print came from B. C. Forbes in his 1923 book *Men Who Are Making the West*. Like Hall, Forbes followed Doheny around for days trying to dig information out of him, and likewise he came away empty-handed. Doheny put up an impenetrable front, leaving Forbes to elaborate on a paltry number of facts. But knowing his audience, if not his subject, Forbes wrote Doheny up as a sure-fire western hero. In his account, Doheny was a “dare-devil” westerner who rolled through one bonanza after another, always looking for new worlds to conquer. Contrary to Hall, who dwelt on Doheny’s early failures, Forbes claimed that Doheny had been a fabulously successful miner who gave away fortunes just for the challenge of winning them back again. According to this account, Doheny single-handedly discovered several mining districts, settled towns, fought wild Indians, and faced down armed desperados in the street. Although there was a grain of truth in some of these stories, others were pure fabrication.\(^6\)

Unfortunately, when the public demanded more information about the
men involved in the oil scandal in 1924, journalists from the major newspapers and magazines followed Forbes's lead, perpetuating this dime-novel interpretation of his life. By this time, Doheny was encouraging the myths, because he hoped to benefit from the public's attention. This was particularly evident in his testimony during the official hearings and trials related to Teapot Dome, in which he and his attorneys relied on these superficial frontier images to establish his character and honesty.7

In all of his remembrances, Doheny never elaborated on what his early life was really like. He especially avoided any discussion of his childhood, his siblings, and his parents. The biographer, therefore, is left with barely a hint of the kind of influences and examples that propelled Doheny through his formative years and must, instead, deal with the impact of his environment, his associates, and his experiences as an adult. The rest is simply conjecture.

On a few points, however, I have been able to fill in basic information not covered before. In particular, Doheny’s experience in New Mexico during the 1880s turns out to be a far different story than the one related by Forbes and subsequent writers. Nevertheless, no amount of sleuthing can make up for Doheny’s reticence to talk about his past. Doheny’s ambition was self-evident in his work, and many aspects of his personality were equally well defined, but his private side remains closed. This leaves us with a sketch rather than a detailed portrait.

In tracing out Doheny’s life as I do, I have deliberately chosen not to burden the reader with a lengthy discussion of Teapot Dome. In the first place, the legal issues behind the case have been sufficiently outlined in other works and will not benefit from another treatment. More important, the basic facts of the case were never in dispute. What was at issue was the intent of the individuals involved. And that has remained a matter of political interpretation, over which debate swirls to this day. A recent biography of Doheny, written from the political left, charges him not just with Teapot Dome but with every crime imaginable from adultery to murder and political assassination. As the apotheosis of the negative tradition, the book presents Doheny as the personification of evil. Few historical figures outside of that other oilman John D. Rockefeller can still generate this degree of hatred so many years after their deaths.8

My goal is to put the leasing of the naval oil reserves in its proper perspective from Doheny’s point of view—particularly within the context of his business interests. Until now, the tendency has been to assume the worst about Doheny’s role in the oil scandal, despite his eventual acquittal on all charges, and to work backward, imputing similar motives to all of
his earlier activities. In reality, Doheny’s interest in the Elk Hills petroleum reserve resulted from a series of events in the early 1920s that combined personal, political, and financial considerations. From this perspective, the decision to develop the reserve was secondary, and possibly detrimental, to his larger goals. And it was certainly not the culmination of some immutable destiny as others seem to suggest. Obviously, my own conclusions about Doheny’s guilt or innocence as related to Elk Hills come out along the way. But more than anything else, I believe that Doheny’s long and productive career should not be lost, overshadowed, or deliberately distorted because of an infatuation with political intrigue.

This book opens, then, with an outline of Doheny’s early years, before he entered the oil business, along with a discussion of his lengthy stint as a prospector in New Mexico. This is the one place in the narrative where we get a glimpse of Doheny’s personal life and some possible insight into why he never discussed it later on. The second chapter covers his domination of the Los Angeles oil industry in the early 1890s and details his partnership with the Santa Fe Railroad as he moved out of the city. Here, we begin to see the entrepreneurial genius of Doheny at work and get a taste of his ultimate ambition. What disappears at this point, however, is all discussion of his family, for reasons that become apparent along the way. Taking momentum from his work in California, chapter 3 examines the growth and development of the Mexican oil industry and explores the full range of Doheny’s methods of operation at the time. Thereafter, chapters 4 through 6 alternate between his work in California and in Mexico, as he built up his extensive oil holdings and put together one of the largest petroleum companies in the world.

Once his business has been fully established, chapters 7 and 8 turn to the political side of Doheny’s activity as it related to the First World War and, especially, to the Mexican Revolution. Doheny was an active lobbyist for the industry in the United States and worked to blunt the edge of radical reform in Mexico. His efforts on both fronts were impressive, if not wholly successful, and represent the extent of influence open to business leaders of the day. Chapter 9 outlines Doheny’s political life after the war: his role as a prominent Democrat, his work on behalf of the civil war in Ireland, and his concerns about protecting the Pacific Coast from a perceived Japanese threat. The final two chapters deal with the peak years of Doheny’s career in the early 1920s, as he worked to put his oil companies into full competition with the largest organizations in the United States, only to find himself embroiled in the political scandal that led to a reversal of fortune and brought an extraordinary career to a bitter end.