

Ch 20 Section 2 The Harding Presidency

Harding Struggles for Peace

International Problems

- President **Warren G. Harding** voices public desire for “normalcy”
- Hosts Washington Naval Conference; invites major powers, not Russia
- Sec. of State **Charles Evans Hughes** proposes disarmament, others agree
- In 1928 Kellogg-Briand Pact nations renounce war as national policy. Was considered useless, it provided no means of enforcing the “no war” agreement

High Tariffs and Reparations

- **Fordney-McCumber Tariff** raises taxes on U.S. imports to 60%
 - Britain, France cannot repay U.S.
- Germany defaults; Dawes Plan—U.S. investors lend reparations money
 - Britain, France repay; resentment on all sides

Scandal Hits Harding’s Administration

Harding’s Cabinet

- Harding favors limited government role in business, social reform
- Creates Bureau of the Budget to help run government
- Has capable men in cabinet—Hughes, Herbert Hoover, Andrew Mellon
- Also appoints **Ohio gang**—corrupt friends who cause embarrassment

Scandal Plagues Harding

- Harding does not understand all issues facing nation
- Corrupt friends use their positions to become wealthy through graft

The Teapot Dome Scandal

- **Teapot Dome scandal**—naval oil reserves used for personal gain
- Interior Secretary **Albert B. Fall** leases land to private companies
- Takes bribes; is first person convicted of felony while in cabinet
- August 1923, Harding dies suddenly
- VP Calvin Coolidge assumes presidency, restores faith in government