Oil and Oversight

How guardianship shaped control of Osage wealth

OKH.C.6.2.D "Examine the Bureau of Indian Affairs' guardianship of American Indian resources, lands, trust accounts and head rights, exemplified by the Osage Allotment Act and exploitation of Osage mineral wealth."

NAME _____ DATE _____

1 READ AND MARK

Read it twice

YOUR JOB Underline what the federal government controlled, circle what state-appointed guardians controlled, and number two harms that occurred despite oversight.

Who Controlled Osage Oil Wealth?

1 In 1906, Congress passed the Osage Allotment Act in what is now Oklahoma. It divided much Osage surface land into individual allotments, but the Osage Nation kept ownership of the mineral estate beneath that land. The federal government, through the Bureau of Indian Affairs (BIA), oversaw mineral leases. Oil companies paid for the right to extract oil. This arrangement protected collective mineral ownership, yet it also gave federal officials power over how Osage resources were used.

2 The lease payments were divided into shares called headrights. Each enrolled Osage member received a headright, which could be inherited. As oil production grew, those payments became valuable. The BIA held and managed trust accounts containing Osage income, while state courts appointed guardians to control the money of some Osage people whom officials deemed unable to manage it. A person could therefore have a valuable headright but lack control of the payments.

3 Some guardians stole from the people they were supposed to protect, charging excessive fees or spending their money without consent. The prospect of inheriting headrights also motivated fraud and murders of Osage people in the 1920s. Federal oversight did not stop these abuses. The Osage experience raises a hard question about guardianship: when an agency controls leases and trust accounts but people lose income and lives, whose interests does that system serve?

2 ANSWER WITH EVIDENCE

Use the passage

1. How did the act divide control of surface land and minerals?

2. How could someone own a headright but lack control of its payments?

3. How did the BIA's role differ from the role of state-appointed guardians?

4. What two harms show that oversight failed to protect some Osage people?

3 YOUR TURN

Your own words

Write a brief note to a 1920s congressional investigator. Propose one safeguard for BIA oversight and one for guardians, and explain which risk each would address.

Oil and Oversight

PART 1 · READ AND MARK

Underline what the federal government controlled, circle what state-appointed guardians controlled, and number two harms that occurred despite oversight. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	How did the act divide control of surface land and minerals?	**It divided much surface land into individual allotments, while the Osage Nation kept collective ownership of the mineral estate.**
2	How could someone own a headright but lack control of its payments?	**A headright entitled its holder to payments, but a state-appointed guardian could control that person's money.**
3	How did the BIA's role differ from the role of state-appointed guardians?	**The BIA oversaw mineral leases and managed trust accounts; state-appointed guardians controlled the money of some individuals.**
4	What two harms show that oversight failed to protect some Osage people?	**Some guardians took money through excessive fees or unauthorized spending, and people seeking to inherit headrights committed fraud and murders.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

Require independent reviews of BIA lease decisions and trust accounts so officials must account for Osage income. Require guardians to provide detailed spending records to the people whose money they control and to an independent reviewer. This could expose excessive fees and spending without consent.

Accept other feasible safeguards if one addresses BIA control of leases or trust accounts and one addresses guardians' control of individuals' money. Each safeguard should be linked to a risk described in the passage.