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## Henry Morrison Flagler

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## HENRY MORRISON FLAGLER

by S. WALTER MARTIN

The German Palatinate produced the ancestors of Henry Morrison Flagler, American oil magnate, railroad builder and developer. The Fleglers (as the name was then spelled) left the Palatinate in 1688 as a result of the devastating wars of Louis XIV, and went to Holland for safety. Among the family was one Zacharra Flegler, who strayed away from Holland to England, and worked for several years in Walworth as a carpenter, among other Palatines who had fled their native home. Life offered little in England as compared to the stories he had heard concerning America, so he left Walworth early in 1710, and arrived in New York in June of the same year. He settled in Dutchess county, New York, and here on the banks of the Hudson river was planted the Flagler background in America.<sup>1</sup>

One generation after another sprang from New York soil and they were a factor in the growth of that state for many years. Their families were large and many became scattered, but only a few left their native state. Solomon Flegler, one of Zacharra's grandsons, changed the spelling of his surname, becoming Solomon Flagler. He gave the name Flagler to eleven children, the fifth of which was named Isaac, born April 22, 1789.<sup>2</sup>

Isaac Flagler was a pious lad, and heeding a call to the ministry, was ordained a Presbyterian minister at Pleasant Valley, New York, in 1810, exactly one hundred years after his great-grandfather arrived in this country. As his third wife he married Mrs. Elizabeth Caldwell Harkness, widow of David Harkness of Bellevue, Ohio, and settled at Hammondsport where he was minister of a small Presbyterian church. On January 2, 1830, Eliz-

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*Note* - Dr. Martin, Professor of History at the University of Georgia, and author of *Florida During Territorial Days*, is at work on a full biography of Henry M. Flagler, and this paper is one result of his extensive research. *Ed.*

1. Harry Harkness Flagler, a son of Henry M. Flagler, to the author, October 25, 1945. From the Flagler family records, now in his possession.
2. *Ibid.*

abeth Flagler gave birth to a son, whose name became Henry Morrison Flagler.<sup>3</sup>

Isaac's salary did not exceed \$400 a year, and that was not enough to sustain a family of four persons, so his son, our subject, had to begin work very early in life and what little education he got was from his spare time. Realizing that he had to shoulder some of the family responsibilities, and much against his parents wishes, he decided to go away and find a job. A half brother, Daniel M. Harkness, lived in Republic, Ohio, and arrangements were made for Henry to join his kinsman who would help him.

The journey began at Medina, New York, where the boy boarded a freight boat on the Erie canal and traveled westward to Buffalo.<sup>4</sup> Little did he know then of the untimate outcome of his departure from the drowsy village of his birth nor the brilliant future which lay before him. In Buffalo the youth took a Lake Erie boat for Sandusky and from there pushed on to Republic, where he arrived with only a French five-franc piece which passed in this country for a dollar, a five-cent piece, and four pennies.<sup>5</sup>

Republic, a town of about one thousand people in 1844, had very little to offer an ambitious lad like Flagler. Young Harkness got him a job in a general store which paid \$5.00 a month, plus room and board. He was a hard worker, and did so well carrying bundles and selling candles, soap, and shoes, that in ten months his pay had been increased to \$12.00 a month. His lessons and experiences in this job were many. All kinds of merchandise were stocked in the store, and as Flagler later reminisced, "We sold everything from a pint of molasses to a corn plaster."<sup>6</sup>

In this job Flagler learned to be methodical and economical, and within a short time he had saved a little money. He soon left Republic and went to Fostoria, Ohio, not far away; and then continuing his hard work he

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3. *Ibid.*

4. *New York Tribune*, December 23, 1906.

5. *New York Times*, May 21, 1913.

6. *Ibid.*

moved to Bellevue where he proved equal to the opportunities which came his way.<sup>7</sup>

Among the town's leading citizens were his relatives the Harkness family who gave him employment in their mercantile business. Flagler showed much promise in his new work and won the favor of L. G. Harkness the senior member of the firm. In 1852 the business was reorganized under the name of Harkness and Company, with our youth, now but twenty-two years of age as a partner.<sup>8</sup> The new firm grew rapidly and later expanded into the grain commission business.

Flagler's friendship with the Harknesses grew intimate and the next year he married Mr. Harkness's daughter Mary.

Flagler's business maturity made him a much sought-after partner in various ventures. His varied interests became a distinguishing mark for him. Continuing as a member of the firm of Harkness and Company, he became associated with Barney York in Bellevue in the produce business. He also became interested in the distillery business, which at that time was flourishing. He became the principal grain shipper in the town, and it was in this connection that he made the acquaintance of John D. Rockefeller, who was at that time a commission merchant in Cleveland. Young Flagler shipped grain to Rockefeller to be sold, but little did either of these men realize that some day they would be associated in so great an organization as the Standard Oil Company.<sup>9</sup>

The "salt strike" in Michigan in 1860 created a great deal of interest throughout Ohio, and Flagler got excited over the possibilities. Salt had been mined in Michigan as early as the 1840's but on no such large scale as resulted from the strike of 1860.<sup>10</sup> Flagler could not resist the temptation to try the salt business and the urge to expand into something more speculative got the better of him. Having been spared from military duty in

7. W. W. Williams, *History of Huron County* (Chicago, 1909), I, 184.

8. W. W. Williams, *History of Firelands* (Cleveland, 1879), 417.

9. *The Outlook*, CIV (May 31, 1913), 232.

10. James C. Mills, *History of Saginaw County, Michigan* (Saginaw, 1918), I, 431.

the Civil War, he pulled stakes in 1863 and invested all of his Bellevue earnings, which amounted to about \$50,000, in a salt mine in Saginaw, Michigan.<sup>11</sup> Flagler knew nothing about the salt industry, and skill was necessary in order to make money out of it. Soon the industry began to feel the effects of overproduction, and when the crash came Flagler was swept under, like many others. He emerged from the failure greatly in debt and discouraged, but it taught him a valuable lesson. He borrowed enough money from his wife's family to pay up his debts, and then went to Cleveland where for a year he held various jobs trying to get back on his feet.<sup>12</sup>

The years 1865 and 1866, were not very happy ones for Flagler. It was a period of despondency. He could easily have depended wholly on his wife's family, he could have ceased all attempts at success, but he was not that kind of man. He was now thirty-six years old, and, though he had gained some valuable experiences, he was still trying to get started in the business world.<sup>13</sup> His financial reverses were a challenge and gave him a great determination to succeed in his next attempt, and he did. Now he became associated with Clark and Sanford, commission merchants, in Cleveland and his acquaintance with John D. Rockefeller was renewed. Success came to him at last, and within a few months he was making money as of old. His lean years were over, and he was soon to become a business associate of John D. Rockefeller.<sup>14</sup>

Rockefeller had become interested in the newly developed oil business in the early 1860's, and in 1865 became part owner of a small refinery in Cleveland with Samuel Andrews.<sup>15</sup> The partnership prospered and the oil business looked extremely promising. Rockefeller had kept Flagler in mind as a possible business associate because he valued the latter's ability very highly. The

11. "He Made Florida", *Literary Digest*, XLVI (May 31, 1913), 1241.

12. Edwin Lefevre, "Flagler and Florida", *Everybody's Magazine*, XXII (February, 1910), 181.

13. *New York Tribune*, December 23, 1906.

14. Allan Nevins, *John D. Rockefeller* (New York, 1940), I, 250.

15. Ida M. Tarbell, *The History of the Standard Oil Company* (New York, 1904), I, 44.

two men saw each other frequently, having offices in the same building, and Flagler, who was trying to reestablish himself in business after the Saginaw debacle, was encouraged by the advice and counsel of Rockefeller. In 1867 he was asked to join the partnership of Rockefeller and Andrews, and a new firm was organized under the name of Rockefeller, Andrews, and Flagler.<sup>16</sup> Flagler moved into the same office with Rockefeller, they lived only a short distance apart, and were frequently seen together on the streets of Cleveland; they did their thinking and planning together.<sup>17</sup>

Flagler added vigor and energy to the new organization. His actions were an inspiration to Rockefeller, because he possessed a driving force which invariably placed him ahead in anything he undertook to do. Much of the early success of the business was due to the aggressiveness of Flagler.<sup>18</sup>

The firm of Rockefeller, Andrews and Flagler prospered and its possibilities were almost limitless. It consisted of two refineries, and a business house in New York for the selling of oil. Although Rockefeller was at the head of the business, Flagler played an important role. He handled the transportation for the company and did his work very skillfully. It was his duty to negotiate all of the freight rates for shipments from the oil regions in Pennsylvania to Cleveland, where the oil was refined, and from Cleveland to New York, where it was sold. The rates Flagler secured on oil shipments were amazingly low and this gave his company the edge on all the other shippers.<sup>19</sup>

Rockefeller and Flagler hit upon the idea of bringing new capital into their business by means of reorganizing into a joint stock company. They did not intend to sell shares to the general public, but only to other oil refiners. This was the beginning of the Standard Oil Company. Cleveland's leading newspaper announced January 19, 1870 that:

16. *Cleveland Leader*, March 4, 1867.

17. John D. Rockefeller, "Random Reminiscences of Men and Events" *The World's Work*, XVII (November, 1908).

18. *Ibid.* 19. Nevins, *op. cit.*, I, 254, 256.

On the 11th inst., one of the most flourishing oil companies of this city, commencing business with a full paid capital of one million dollars, was incorporated under the name of the "Standard Oil Company." The incorporators are John D. Rockefeller, Henry M. Flagler, Samuel Andrews, Stephen V. Harkness and William Rockefeller. The company has purchased of Rockefeller, Andrews and Flagler all their real estate, factories, offices, etc., in Cleveland, Oil City [Pa.] and New York. Their real estate in Cleveland amounts to about fifty acres in the heart of the city. The offices and factories possess all the requisites found in business establishments of the highest order.<sup>20</sup>

A meeting of the directors of the Standard Oil Company was held on January 13, 1870, at which time John D. Rockefeller was elected president, and Henry M. Flagler, secretary and treasurer. Other officers included William Rockefeller, vice-president and Samuel Andrews, superintendent. The main office of the new firm was in the Cushing block, Cleveland, with a branch office in New York.<sup>21</sup>

There can be little doubt that Flagler was largely responsible for the formation of the Standard Oil Company. His foresight and ingenuity were at the bottom of the move. He knew the possibilities of the oil business, and realized that the firm of Rockefeller, Andrews, and Flagler could easily expand to meet the great potential demand. Some years later John D. Rockefeller was asked if he were the person who had conceived the idea for the corporation. He answered, "No, sir. I wish I'd had the brains to think of it. It was Henry M. Flagler."<sup>22</sup>

Ida M. Tarbell, in her *History of the Standard Oil Company*, says that Flagler was, next to John D. Rockefeller, the strongest man in the new firm. He was young

20. *Cleveland Leader*, January 19, 1870.

21. *Ibid.*

22. Lefevre, "Flagler and Florida," *loc. cit.*, 183.

enough to have vision and insight, and a passion for making money, yet old enough to have maturity of thought and judgment. His efforts to enlarge the business were untiring. Miss Tarbell believed that "He had no scruples to make him hesitate over the ethical quality of a contract which was advantageous." As a young business man his purpose in life was to make money. "He was not a secretive man, like John D. Rockefeller; not a dreamer, but he could keep his mouth shut when necessary and he knew the worth of a financial dream when it was laid before him."<sup>23</sup> It was evident that the Standard Oil Company would grow under the supervision of men like Flagler and Rockefeller.

The first objective of the newly created organization was to single out a group of principal refineries in Cleveland and ask them to combine with Standard Oil. By controlling the major oil interests in the city they could produce more oil and could sell it cheaper by getting concessions from the railroads. In this way they could drive out competitors and force consumers to buy their products from them on their own terms. "They could finally dictate market prices on crude oil, stabilize the margin of profit at their own process, and do away at last with the dangerously speculative character of their business."<sup>24</sup>

Flagler was in the thick of the fight, and was personally instrumental in forcing several smaller firms to bow to Standard Oil. This movement was much like a tidal wave in the Cleveland area, engulfing every refinery in its path. A few firms balked but were forced to give in sooner or later. Criticism of the methods of Standard Oil began to mount. The little refiners claimed they were being "frozen out" of the oil business, especially if they were paid cash for their property. If they were given stock in the Standard Oil Company in lieu of cash, they considered they were being "rooted out." Flagler called this idea a ridiculous one, and used the following story to back up his contention:

23. Tarbell, *Standard Oil Company*, I, 50.

24. Matthew Josephson, *The Robber Barons* (New York, 1934), 116.



When I was selling flour and grain in Cleveland I had a certain German for a customer. He owned a bakery in the suburbs, and I often trusted him for a barrel of flour when collections were slow and money was scarce. One day I met him on the street, and he surprised me by saying that he had sold his bakery and was running a little oil refinery. Usually Mr. Rockefeller and I walked down town in the morning to talk over private matters. Next day I told him about the little German baker who had gone into the oil business without my knowledge. We bought the refinery for \$5,200. The German owed \$5,000. At my suggestion he took \$2,700 in money, with which he pacified his creditors for the time being, and \$2,500 in Standard stock. We made him superintendent of our stove department, and sent him into the woods, where he rose to a salary of \$8,000 a year. I was pleased later to ask him for his \$2,500 in stock and to issue in its stead \$50,000 of stock in the larger corporation. Still later he received \$10,000 more in a stock dividend.<sup>25</sup>

This was just one of the many small refineries which Standard Oil took over, but some of the refiners did not sell out as cheerfully as this one. Some of those who took money for their property, rather than Standard stock, later became disgruntled at Flagler and Rockefeller as they saw the stock rise in value from year to year. The annual dividend was limited to fifteen percent. The surplus was kept in the treasury, and helped eventually to raise the capital of the Standard Oil Company from \$3,500,000 to \$70,000,000.<sup>26</sup>

Flagler was exceptionally successful in securing rebates for his firm. When Standard Oil was organized he was placed in charge of the company's transporta-

25. *New York Tribune*, December 23, 1906.

26. *Ibid.*

tion. He worked diligently to out-do all the other refineries in the field of rebates, and he did. Standard won out over other companies mainly because of a secret agreement with the railroads. Flagler secured better rates than were given to his competitors; at the same time he received rebates. He also secured the extraordinary privilege of taxing his competitors without their knowledge. A certain percent of the freight rates they paid to the railroads was turned over by the roads to the Standard Oil Company.<sup>27</sup>

There were still new horizons to explore, and the Rockefeller-Flagler combination was always ready to undertake the job, if it meant an increase in the volume of their business. They seized upon the idea of a combination of enough of the refiners and shippers to control the business throughout the country. The new organization was called the South Improvement Company.<sup>28</sup> It is not certain with what man the idea originated, but both Flagler and Rockefeller were responsible to some extent for its creation. The Standard Oil Company had been successful in bringing about combinations in the city of Cleveland, and now the South Improvement Company undertook to do the same throughout the United States.

After the combining process had gotten under way, the railroads were won over. They included the Central, the Lake Shore, the Erie, the Atlantic and Great Western, and the Pennsylvania. Very little trouble was encountered with these various roads as the practice of giving rebates had been common for several years. The railroads had been fighting among themselves for the oil business and they often had to cut their rates so low to get consignments that their profits were practically

27. Samuel E. Moffett, "Henry Morrison Flagler", *The Cosmopolitan*, XXXIII (August, 1902), 417.

28. Ida M. Tarbell, "The Rise of the Standard Oil Company," *McClure's Magazine*, XX (December, 1902), 121. The name South Improvement Company had no special meaning. It was chartered on May 1, 1871, and its powers were wide and vague. It included authority "to construct and operate any work, or works, public or private, designed to include, increase, facilitate, or develop trade, travel, or the transportation of freight, livestock, passengers, or any traffic by land or water, from or to any part of the United States."

nothing. In view of these conditions, the railroads were willing to make any sort of agreement that would insure them their share of the oil traffic and at the same time give them a profit on it.<sup>29</sup>

The creation of the South Improvement Company tipped off an oil war between Flagler and Rockefeller, and the Petroleum Producers Union which was organized in 1872. The newly created union agreed to sell no oil to anyone connected with the South Improvement Company, and at the same time selected a committee to go to the Legislature and ask for the repeal of the charter of the South Improvement Company.<sup>30</sup>

Violent criticism was heaped on the heads of Flagler and Rockefeller, but the *Cleveland Leader* lent them warm support.<sup>31</sup> At any rate, the South Improvement Company was doomed to a short life, for an investigation of the scheme was made by Congress and the charter was soon revoked. Another idea conceived by Flagler and Rockefeller, the Pittsburg Plan, also failed due to its rejection by the producers.<sup>32</sup> Most of the explanation made to the producers was by Flagler, giving rise to the belief that it was an outgrowth of his mind. The main differences in the new plan and the old South Improvement Company was that the former was an open concern, whereas the latter plan was clothed in secrecy and uncertainty.<sup>33</sup>

The Standard Oil Company continued to grow, despite these few reverses. Its critics were rapidly increasing in number, and several local investigations of the company began in 1879. The grand jury of Clarion county, Pennsylvania, brought an indictment against Rockefeller, Flagler and their associates on April 29, 1879, but there was so much delay in the matter that the suits were finally withdrawn. In the summer of 1879, the Hepburn Investigation took place in New York, but very little information was gathered from Flagler or any of

29. *Ibid.*, 123.

30. Ida M. Tarbell, "The Oil War of 1872", *McClure's Magazine*, XX (January, 1903), 48.

31. *Cleveland Leader*, February 24, 26, 27, March 5, 1872.

32. Josephson, *op. cit.*, 265.

33. Tarbell, *Standard Oil Company*, I, 106, 107.

the other Standard Oil officials.<sup>34</sup> Flagler was keenly aware of the mounting opposition to the Standard Oil Company.

Due to expanded business interests, Flagler moved to New York in 1878.<sup>35</sup> Mrs. Flagler, who had been ill for some time, was now virtually an invalid. There were two children, Harry and Jennie.<sup>36</sup> Mrs. Flagler died on May 18, 1881, and for the next year Flagler suffered from melancholia.<sup>37</sup> During this time, however, the Standard Oil Trust was organized (1882), and he was one of the nine trustees.<sup>38</sup>

But Flagler's active participation in the Standard Oil Company was rapidly drawing to a close. Since 1867 he had given all of his time to the creation of a monopoly in which he firmly believed. He had taken no vacations, made no trips, and had gotten little pleasure from life other than that which came from making money. Within him there was much kindness and generosity, but his great desire to get ahead in the business world had suppressed these characteristics. The older he got, the less urgent was his desire to make money. His fortune was made. There was no need to increase it.

On June 6, 1883, he married again to Ida Alice Shourds, the daughter of a Philadelphia minister.<sup>39</sup> He was fifty-three at the time and his bride was thirty-five. Having spent most of his life at hard work, he set out to find some of the pleasures he had heretofore overlooked. He purchased a beautiful summer home at Mamaroneck, New York, for the sum of \$125,000.00, and named it Lawn Beach. Here he spent many happy hours in rest and relaxation. Their friends visited them frequently. Alice Flagler, who was socially inclined, entertained with much grace and charm. Having a husband with wealth, she spent money freely on herself and her friends. With a pleasing personality, she was popular with men and women alike. The Flagler home in the city,

34. Nevins, *op. cit.*, II, 42, 43.

35. Harry H. Flagler to author, November 26, 1945.

36. (Cleveland) *Plain Dealer*, May 21, 1913.

37. Memorandum from the Kenan Collection.

38. Josephson, *op. cit.*, 277.

39. *New York Times*, June 6, 1883.

at Fifth Avenue and Fifty-fourth Street, became a place of gaiety and merriment.<sup>40</sup>

### *Florida*

In the winter of 1883-1884, Flagler made a trip he had long desired to take, when he and his family went to Florida and spent several weeks in St. Augustine. This was the beginning of his interest in the state. He went there for two reasons: to find rest and relaxation, and with a faint idea that Florida might easily be developed into a resort center. As early as 1870 many persons were seeking the warm climate of this southernmost state, and many with pulmonary trouble were advised by their doctors to go to St. Augustine.<sup>41</sup> The most convenient way of travel in Florida was by water. Picturesque river steamers plied up and down the St. Johns river, and along its banks there grew up a number of small resorts.

This was all very interesting to Flagler. Then, too, he was attracted by the quaint old city of St. Augustine, whose history dated back to 1565. From this time on, Flagler's main interest seemed to center in Florida, rather than in the Standard Oil Company. He returned to New York greatly enthused over the potentialities of developing St. Augustine, and determined to return there again for a longer visit.

The next winter, 1884-1885, he visited St. Augustine again and during his stay he made the acquaintance of Andrew Anderson, who later became his closest personal friend. Anderson was a native of St. Augustine, having been born there on March 13, 1839, while Florida was still a territory. He was graduated from Princeton in 1861, and from the College of Physicians and Surgeons, New York, in 1865. He then returned to St. Augustine, and spent the rest of his life there in the practice of his profession.<sup>42</sup>

40. *Ibid.*, May 21, 1913.

41. George W. Nichols, "Six Weeks in Florida", *Harper's Magazine*, XLI (October, 1870), 661.

42. Clarissa Dimick to author, February 28, 1946. Andrew Anderson died in St. Augustine, December 1, 1924.

The two men saw each other frequently and Anderson had a great deal to do with influencing Flagler to begin a vast building program in St. Augustine, which resulted in the remaking of the city. The two men talked enthusiastically about St. Augustine's future, and in Dr. Anderson's home in April 1885 the idea of the Ponce de Leon hotel was conceived. Flagler returned to New York, but left Anderson in full charge of arrangements and details pertaining to the beginning of the project. Throughout the summer of 1885 Anderson was busy buying certain pieces of property, clearing titles to land, and making plans for the beginning of the construction. Flagler spent a busy summer, too, despite the fact that he remained in New York.<sup>43</sup>

Excavation for the foundation of the Ponce de Leon was begun on December 1, 1885, and though Flagler hoped to finish it by January, 1887, it was not opened until January 12, 1888.<sup>44</sup> Construction costs alone approximated two million dollars, which was a large sum in those days ; it was one of the most elaborate structures of its kind in America. The structure embodied the characteristics of Spanish architecture, with sunny courts, fountains, towers, and decorations, all suggestive of the history of the city. Its designers, Thomas Hastings and John M. Carrere, were just entering the architectural field, and they, like Flagler, took great pride in making it exceedingly elaborate and beautiful.<sup>45</sup>

Flagler's career as a railroad builder began with the purchase of a narrow-gauge railroad in December 1885 which connected St. Augustine and South Jacksonville.<sup>46</sup> This line was improved and in 1888 Flagler purchased a narrow-gauge road from St. Augustine southwestward to East Palatka on the St. Johns river. This line included a twelve mile branch road to Toco, which was down the St. Johns river from East Palatka. In the same

43. Henry M. Flagler to Andrew Anderson, August 1, 1885, Dimick Collection.

44. *Florida Times-Union* (Jacksonville), January 13, 1888.

45. Charles B. Reynolds, "Architecture of the Hotel Ponce de Leon". (Printed pamphlet in Kenan Collection), 1-3.

46. *Ibid.*, January 23, 1912.

year, he pushed further south by purchasing the St. Johns and Halifax River Line, from East Palatka to Daytona on the east coast. With his railroad now running from South Jacksonville to Daytona, Flagler next built a bridge across the river at East Palatka, connecting that village with its sister community, Palatka, on the west bank. In 1889 a steel bridge was constructed across the St. Johns river at Jacksonville, connecting his road with water traffic from the North.<sup>47</sup> Up to 1892 Flagler merely bought old properties, which he improved or enlarged ; soon he was to launch his own building program.

In the meantime he was busy providing other hotels for the accommodation of the people whom his railroad was constantly bringing to St. Augustine. In the same year that the Ponce de Leon was opened, work was begun on a second Flagler hotel in St. Augustine, the Alcazar. It was opened with seventy-five furnished rooms in the fall of 1888 but was not completed until the next year. Spanish Renaissance architecture prevailed in the Alcazar, with a patio and flower gardens within its walls.<sup>48</sup> The Cordova, a hotel adjacent to the Alcazar and built by Franklin W. Smith was purchased by Flagler in 1889. For a number of years it was operated as a separate hotel, but in 1894 a connection was made with the Alcazar and it was operated in conjunction with the latter establishment.<sup>49</sup> The Ormond hotel, located between the Halifax river and the ocean, just north of Daytona, was purchased by Flagler in 1890. It was enlarged from time to time, and became one of the most prominent on the East Coast, attracting especially golf enthusiasts to its beautiful eighteen-hole course.<sup>50</sup>

The East Coast was sparsely settled below Daytona, and railroad construction in that section of the state was backward. Flagler first inaugurated steamer service on the Halifax river to New Smyrna. The citrus industry in

47. Lefevre, "Flagler and Florida", *loc. cit.*, 176.

48. *Ibid.*

49. William R. Kenan, Jr. to author, March 8, 1946.

50. *Florida East Coast Railway*. (St. Augustine, 1912), 25, 26. Hereafter cited as *Official Program*.

that vicinity made this service very profitable, and led to the construction of a railroad from Daytona to Cocoa. This road was completed in January 1892. Each lap of the system called for another, and on February 1, 1893, the first passenger train reached Rockledge.<sup>51</sup> It was a day of great celebration, and as the little train chugged into the station hundreds of persons were present to welcome her. Among the interested visitors was Henry B. Plant, himself a railroad builder on Florida's West Coast. Flagler's Jacksonville, St. Augustine and Indian River Railroad, as it was then called, was soon running regular schedules from Jacksonville to Rockledge in five and one-half hours.<sup>52</sup>

It was a long jump from Rockledge to Palm Beach, but Flagler pushed on southward through undeveloped territory, the tracks reaching Ft. Pierce on January 29, 1894. Work was continued and on April 2 of the same year regular trains were running into West Palm Beach, three hundred miles from Jacksonville.<sup>53</sup>

West Palm Beach in 1894 was in its infancy, being nothing more than a strip of Lake Worth frontage covered with scrub palmetto and stunted pines, with a few settlers living in shacks and tents. Across Lake Worth on the ocean was Palm Beach, a much more imposing and older town, but Flagler had designated the new community to be the terminal point of his railroad.

Early in 1894, Flagler began construction of the Royal Poinciana hotel, fronting on Lake Worth in Palm Beach. As the railroad had not been completed to West Palm Beach at this time, material for this mammoth structure was difficult to transport to the scene of construction. It was taken from the end of the road by steamers down the coast and across Lake Worth.<sup>54</sup> In 1895 the hotel was opened, having accommodations for 1,200 guests, plus spacious drawing rooms, lounges and verandas. The building, a wooden structure, was vast in

51. *Florida Times-Union*, January 23, 1912.

52. *The Tatler of Society in Florida*, February 4, 1893.

53. *Florida Times-Union*, January 23, 1912.

54. J. E. Ingraham, "The Story of the East Coast", *Picturesque Florida*, I (January, 1910), 4.



expanse, but was only six stories high. With its tennis courts and gardens, it covered 32 acres. Later it was enlarged to accommodate 2,000 guests. It soon became the winter gathering place for society from the East.<sup>55</sup>

Another hotel, the Breakers, was opened in 1896, and was located on the ocean front, directly back of the Poinciana, half a mile away.<sup>56</sup> Laborers on these two hotel projects lived across the Lake at West Palm Beach, commuting daily to their work in small boats, as there was no bridge spanning the half mile across. More and more people migrated to West Palm Beach; the town prospered and the railroad became a chief factor in its growth. A bridge was constructed across the Lake to Palm Beach, but that place remained a haven for pleasure seekers and the socially prominent from other states.

Flagler had little idea of extending his railroad any farther south. His extraordinary services to Florida's East Coast seemed to have run their course, but something happened which caused him to continue his work.

Florida experienced one of her most destructive freezes in the winter of 1894-95. It killed orange trees, ruined vegetable crops, and affected coconut palms as far south as Palm Beach. The land of warm winters had been dealt a heavy blow. Flagler heard about, and saw for himself, some of the results of the freeze. There were citrus growers who needed help, so Flagler went to their aid. He lent money in large sums for rehabilitation. His money relieved much suffering and within three months after he started giving aid, quantities of vegetables began to move northward, first in small lots then by the carload.<sup>57</sup>

The lasting result of the freeze was the building of the railroad, by this time known as the Florida East Coast Railway, to Miami. James E. Ingraham, who had joined the Flagler enterprises in 1892, was sent south of Palm Beach to determine the result of the freeze in that section. He was surprised to find that farther south fruit

55. *Palm Beach Tropical Sun*, March 5, 1937.

56. George M. Chapin, *Official Program*, 25.

57. Harry G. Cutler, *History of Florida, Past and Present* (Chicago, 1923), I, 66. Hereafter cited as *Florida*.

trees and vegetables were virtually untouched by the frost. At Biscayne bay he visited Mrs. Julia D. Tuttle, who had acquired a large tract of land on the north side of the Miami river in 1891, and who hoped to attract settlers there from various parts of the United States. She had visions of a thriving city rising in the vicinity of Biscayne bay. The climate was unexcelled anywhere, and she knew it would not go long unnoticed. The one great need was a railroad, and only Henry M. Flagler could furnish that. Mrs. Tuttle impressed Ingraham with the region's possibilities. He hastened to tell Flagler, who was at St. Augustine, about his findings. Flagler's interest was awakened, and he visited Mrs. Tuttle. In June 1895 Flagler definitely decided to extend the Florida East Coast railroad to Biscayne bay. Mrs. Tuttle made available some of her choice land, as did the Brickell family, who were pioneers of that region. Flagler agreed also to construct a large resort hotel, lay out streets, build water-works and an electric light plant, and make other improvements. Thus Miami became a reality. Settlers moved in rapidly, and Miami was incorporated on July 28, 1896.<sup>58</sup>

In the summer of 1895 work began on the railroad south of West Palm Beach and was pushed with all speed over the sixty-six mile distance. The line was cut through a virtual wilderness; nevertheless the towns of Delray, Ft. Lauderdale, and Dania were laid out as the road crept southward.<sup>59</sup> Finally on April 15, 1896, the road was completed, and on April 22 the first train bringing passengers arrived in the small settlement. The Royal Palm hotel was begun during the summer and opened for the season of 1897. There were only 502 persons in Miami when it was incorporated, but four years later it had grown to 1,681.<sup>60</sup> That was only the beginning.

The terminal point of Flagler's road remained at Miami for several years, but he was not satisfied. The rich Redland agricultural district south of Miami needed

58. E. V. Blackman, *Miami and Dade County, Florida* (Washington 1921), 19.

59. *St. Augustine Record*, May 30, 1913.

60. *Florida Times-Union*, April 22, 1946.

tapping, and despite the fact that he was growing old, he set out to accomplish this feat. The railroad was built to Homestead near the end of the peninsula in 1903. Most men would have stopped here. With his money and accomplishments he could have lived contented the rest of his life, but not Flagler. He had a vision of extending the railroad over the Florida keys to Key West. These keys extend southward some 128 miles from the mainland. They number among the hundreds, some large and some small. Most of them are low reefs of coral or limestone with ocean between. Engineers called the job an impossible one, for it meant spanning the sea by rails. Miles of sea would have to be crossed, but Flagler had his mind set on doing it, so it was done.<sup>61</sup>

Seventy-five miles of the distance was built over water; concrete viaducts bridged the distance from key to key. This was one of the most interesting and costly phases of the work. The water varied in depth, and in most places it was exposed to the full gales of the Atlantic. The concrete was mixed in barges and placed in position by powerful boom derricks. In some places the molds were formed by driving piling, which held watertight framework in place.<sup>62</sup>

There were seventeen miles of marsh between the mainland and the first key, through which steam dredges wallowed slowly, piling up an embankment for the road as they went. Many of the keys are merely tiny spots of land just above the ocean. Here too, dredging work was done. In all, forty-nine miles of such work was necessary. The rest of the construction was unusual within itself because of the character of the surroundings, as some of the keys were covered with dense jungles, so the construction required perseverance against numerous hardships.<sup>63</sup>

Many dangers, too, slowed the progress of the Key West extension. The laborers had to live in floating camps

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61. J. M. Rockwell, "Opening of the Over Sea Railway to Key West", *Collier's*, XLVIII (January 20, 1912), 16. Hereafter cited as *Over Sea Railway*.

62. *Ibid.*

63. Cutler, *Florida*, I, 69.

near their work. Water, food, and other supplies had to be brought from the mainland at regular intervals. Sickness and disease had to be taken into consideration also. There were four destructive hurricanes which hit the keys during the course of the work, the one of 1906 costing the lives of 130 men, and destroying much property.<sup>64</sup> The road was finally finished, and on January 22, 1912, the first passenger train rolled into Key West.<sup>65</sup> There was a great celebration; the little city, whose chartered history dated back to 1828, had never before been dressed in such gala attire. Flags and gay bunting flew from stores and homes.<sup>66</sup> Henry M. Flagler's dream had come true, his work was finished.

Flagler's greatest expenditure in Florida was for the overseas extension. It cost him twenty million dollars to construct, and was his great mistake as far as finances were concerned, since it never produced the volume of business Flagler expected. His hotel system cost twelve million dollars, and his railroad construction, not including the Key West extension, about eighteen million dollars. The total of his Florida expenditures, amounted to fifty million dollars, and this amount does not include numerous gifts to cities, several memorial churches, and other properties in Florida.<sup>67</sup> His estate was valued at nearly one hundred million dollars.<sup>68</sup>

The last few years of Flagler's life were spent at his two million dollar palace-home, Whitehall, at Palm Beach. He divorced his second wife, Ida Alice Shourds, on grounds of insanity, in 1901, and in the same year, at the age of seventy-two, married thirty-four year old Mary Lily Kenan, of Wilmington, North Carolina.<sup>69</sup> Her

64. Rockwell, "Over Sea Railway", *loc. cit.*, 16.

65. The 1936 hurricane destroyed part of the railroad, and it was never rebuilt. The Florida State Highway Department has used much of the road bed for a modern highway to Key West.

66. *Florida Times-Union*, January 23, 1912.

67. Chapin, *Official Program*, 21.

68. Figures from records in Kenan Collection.

69. *Palatka Times-Herald*, August 30, 1901. Flagler's second wife Alice Shourds, became insane in 1896, and was placed in an institution in Central Valley, N. Y. The doctors gave no hope for her recovery. In 1901, the Florida legislature passed a law making incurable insanity grounds for divorce, whereupon Flagler was granted freedom from her. Alice Flagler died in 1930 in Central Valley.

companionship must have added years to the life of the aging Flagler. His modesty and retiring disposition, two qualities which had characterized him from his early life, persisted to the end. He died in Palm Beach on May 20, 1913, after a brief illness, and three days later was interred in the mausoleum in the Memorial Presbyterian Church at St. Augustine.<sup>70</sup>

Flagler's life naturally falls into two parts : the making period and the spending period. During his years with the Standard Oil Company all of his energy was directed towards accumulating great wealth. Thus he became one of the richest men in America. After he went to Florida he befriended many people by helping them financially, and through his extensive developments aided tens of thousands of others, either directly or indirectly. The older he grew the more liberal he became in his views; and he gave generously of his time and money to many worthwhile causes, all of which will keep his name alive for years to come.

70. *St. Augustine Record*, May 30, 1913.