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THE SLY FOXES:
HENRY FLAGLER, GEORGE MILES,
AND FLORIDA'S PUBLIC DOMAIN

by EDWARD N. AKIN *

“MY DOMAIN BEGINS at Jacksonville,” Henry M. Flagler asserted in an invitation extended in February 1898 to President William McKinley to visit him on Florida's east coast.¹ Flagler's statement contained a great measure of truth. During the 1880s, Flagler, a close friend and associate of John D. Rockefeller in their Standard Oil Company empire, began a second career in Florida. Flagler had spent some time in Jacksonville in 1878 with his first wife in a vain effort to regain her health. He was delighted with Florida, and he honeymooned with his second wife in St. Augustine during the winter of 1883-1884. After that Flagler wasted little time in seizing the business possibilities of Florida and of St. Augustine. In 1885 he began construction of the Ponce de Leon Hotel which would become the flagship of a chain of luxury hotels along the east coast of Florida. These were designed to attract a wealthy winter clientele from the North.

During his years with Rockefeller and Standard Oil, Flagler had been primarily responsible for the transportation activities of their expanding empire. He realized the importance of transportation to any venture, especially to one located in an isolated frontier state like Florida. By capitalizing on the state's need for transportation facilities and playing upon the greed of large land owners, Flagler was able to develop a few St. Augustine short-line railroads into a major transportation network. He also acquired a princely land empire. It was because of these activities, developed in a relatively short period of time, that Flagler was able to note in a letter to President McKinley's private secretary in 1898, “If the East Coast of Florida belonged to any one else I should venture to say that it possesses very great attractions.”²

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1. Henry M. Flagler to John Addison Porter, McKinley's private secretary, February 15, 1898, William McKinley Papers, Library of Congress.
2. Ibid. For a detailed account of Flagler's Florida career, see Edward Nelson Akin, “Southern Reflection of the Gilded Age: Henry M. Flagler's System, 1885-1913” (Ph.D. dissertation, University of Florida, 1975).

The east coast of Florida had once belonged to the people of Florida before Henry Flagler had appeared on the scene. How that transfer from public and private ownership occurred is a story of intrigue, manipulation, and political chicanery.

Flagler was not the first large railroad entrepreneur to receive Florida public lands, nor would he be the last. The process of depleting the public domain in the name of the "public good" began even before the Civil War. When Florida entered the Union as a state in 1845, the federal government turned over 500,000 acres of public lands. Five years later Washington granted another ten million acres to Florida as part of a general "swamp and overflowed" lands act. The state was to exercise stewardship by having these lands drained and made productive. The Florida legislature created the Internal Improvements Board in 1851 to administer its vast new domain. With railroad builders such as former United States Senator David L. Yulee of the Florida Railroad on the board, it was no surprise that in 1854 the original purpose of the federal act was already being thwarted. The board agreed that the public domain might be used as an inducement for railroad builders to construct two main cross-state roads, one connecting Jacksonville and Pensacola, and another to run between Fernandina and Tampa. In addition to the railroads, the board also proposed a canal to connect the St. Johns and Indian rivers. The board at this time could only make these suggestions; it did not yet have the power to make public land grants to transportation companies.³

To resolve this problem, the legislature in 1855 passed a comprehensive land act. An Internal Improvements Fund (IIF) was created with a board of trustees to replace the Internal Improvements Board. This act also conferred great power on the trustees. In addition to a 200-foot right of way, they could grant railroad companies alternate square miles on either side of the railroad six miles deep. This was equivalent to 3,840 acres for each mile of constructed road. The entire process took on the tone of a government-subsidized project since the trustees could also guarantee bonds issued by the transportation companies. Once a company had completed its roadbed and had laid crossties, the trustees could authorize it to issue bonds up to \$10,000 for each mile of

3. Charlton W. Tebeau, *A History of Florida* (Coral Gables, 1971), 189-90.

road constructed. Additional bonds could be sold for more expensive bridge and trestle work. The companies were to use proceeds from the bond sales to purchase rails and rolling stock. In some transactions, manufacturers accepted the bonds rather than cash. After all, sales from the remaining Florida public lands were being used to guarantee the bonds. This process collapsed during the post-Civil War era. Railroads went into bankruptcy, leaving the trustees of the IIF liable for the bonded indebtedness of the defunct railroads. One of the bondholders was Francis Vose, a manufacturer of railroad iron who had accepted Florida Railroad bonds in lieu of cash. In 1870 he requested, and received, a court order barring Florida from accepting anything but United States currency for land sales. What had happened was that during the late 1860s Florida had been selling public lands at very low rates, and at times taking depreciated script in payment. In spite of the court order Vose had obtained, sales continued. Finally, Vose and others had the public lands of Florida placed in receivership. Thereafter, the receiver could only sell IIF lands with the approval of the railroad bondholders.⁴

Although some land was sold by this process, the IIF was going further in debt due to high interest rates and large legal costs. In the spring of 1881, Governor William D. Bloxham solved this problem by arranging the sale of four million acres of public land to Hamilton A. Disston, a Philadelphia steel manufacturer, for one million dollars. The money from the sale allowed the IIF to clear its debt and to begin full-scale promotion and sale of public lands.⁵

Prior to 1881 only 1,700,000 acres of Florida public land had been disposed of. During the next year, 1881-1882, this increased to 12,200,000 acres. At one time almost sixty per cent of the state had been patented as public lands. During the years after 1876, the politicians of Florida granted millions of acres ostensibly to encourage railroad and canal companies to provide the sparsely settled areas of the state with transportation facilities. As of August 1904, the IIF reported 8,252,317.69 acres as having been deeded to railroads. In addition, approximately another 9,000,000

4. *Ibid.*, 190, 278.

5. J. E. Dovell, "The Railroads and the Public Lands of Florida, 1879-1902," *Florida Historical Quarterly*, XXXIV (January 1956), 237-43.

acres had been deeded to other development concerns, such as canal and drainage companies.⁶

It was apparent why Florida's governing officials would become interested in a wealthy man like Flagler. He had the financial capacity to build a railroad system; all he needed was incentive. The state at first had promised Flagler the standard 3,840 acres of public land for each mile of road built. His four original lines (St. Johns Railway; Jacksonville, St. Augustine and Halifax River Railway; St. Augustine and Palatka Railway; and St. Johns and Halifax Railway) obtained over half of the public lands which the state had originally promised. By 1892 the state had deeded Flagler's railroad companies one quarter of a million acres, all in the northern part of Florida.⁷ With this admirable beginning, the future of Flagler's railroads in the area of land acquisition seemed favorable indeed.

Flagler received preferential treatment from Florida politicians. An example was the incorporation of the Jacksonville, St. Augustine and Indian River Railway in 1892, and the land grant the company received the following year. Although the legislation enacted in 1855 was still in effect, the legislature passed a special land grant law designed to encourage Flagler's activities in the area south of Daytona Beach. For each mile of constructed road the state would transfer 8,000 acres, rather than the standard 3,840 acres.⁸ Problems immediately arose, however, because not enough public land was available. The national administration proved to be not as cooperative as state officials in Florida. In 1885 the federal government, amid rumors that lands other than swamp areas were being given as public land grants, ceased its donations to Florida.⁹ This federal action did not affect Flagler's relationship with Florida. The Florida East Coast Railway, the name adopted by the company when all of Flagler's

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6. Roland H. Rerick, *Memoirs of Florida*, ed. by Francis P. Fleming, 2 vols. (Atlanta, 1902), I, 360; *Minutes of the Trustees of the Internal Improvement Fund State of Florida*, VII (1907-1908), 532 (hereinafter referred to as *MIF*). According to Dovell, the IIF trustees had deeded all but 3,076,904.69 acres of their 20,133,837.41-acre obligation by August 1904. Dovell, "The Railroads and the Public Lands of Florida," 256.
 7. Lands granted by state to railroads incorporated in FEC Ry Co., MS Box 14, Flagler Papers, Henry Morrison Flagler Museum, Palm Beach, Florida.
 8. *Laws of Florida*, 1893, chapter 4260.
 9. *MIF*, IV (1889-1899), 273. Flagler to J. R. Parrott, June 28, 1902, Flagler letterbook 134, Flagler Papers.

railroad enterprises were consolidated, was extended into Miami. It reached that community in April 1896. For its part, the state reserved anticipated federal public land transfers in extreme southern Florida for Flagler.¹⁰ The validity of this reservation, of course, rested on the ability of the state to secure the land from the federal government.

The land grant situation was complicated in 1901 by a deterioration in the relationship between Flagler and Florida officials. William Sherman Jennings, the new governor, unlike his predecessors interpreted his role to be that of protector of the public domain rather than distributor. In spite of the fact that the federal government had finally granted three million acres of public land to Florida in April 1903, the IIF trustees supported Jennings in a series of decisions announced in 1904. When Florida East Coast officials applied for land grants "alleged to have been earned by it and its predecessor, the Jacksonville, St. Augustine, and Indian River Railway Co., amounting to 2,040,000," the request was denied.¹¹ This decision reflected a new philosophy which included reforming the loose public land grant policy instituted by conservative Democrats who had held political power in the late nineteenth century.

In rejecting the Florida East Coast's application, Governor Jennings noted that the land grant to Florida in 1850 had related specifically to the reclamation of swamp lands. He sought to nullify a series of legislative acts which had authorized grants to canal and railroad companies, insisting that they did not meet the original intent of the law. In December 1904, the trustees revoked the 1882 resolution granting the Jacksonville, St. Augustine and Halifax River Railway alternate sections of land adjoining the railroad. The new political leadership in Florida continued their Progressive attitude toward Flagler's company and other railroads by repeatedly denying their petitions for land.¹²

When Napoleon Bonaparte Broward was inaugurated governor in 1905, he appointed his predecessor, Jennings, as general counsel for the IIF trustees. Jennings was still not satisfied with the effect of earlier directives aimed at the Florida East Coast. He argued that Flagler's original roads could not transfer their land

10. *MIF*, IV, 433.

11. *MIF*, V (1900-1904), 264-65.

12. *Ibid.*, 265-68, 281-82.

grant rights to the Florida East Coast.¹³ James E. Ingraham, vice-president in charge of Flagler's land development, strongly objected to this point of view and questioned its legality. In a letter to the Jacksonville *Florida Times-Union*, a paper in which Flagler had a one-third interest, Ingraham reviewed the entire public land debate from his company's perspective. According to him, the railroads which Flagler had originally acquired during the 1880s were eligible for a total of 472,473 acres of public land, but had received only 251,000 acres. The state had failed to deed any of the property offered under the 1893 special land grant that was designed to encourage the building of a railroad south of Daytona.¹⁴ Ingraham failed to mention Jennings's original, and strongest, contention that the intent of the 1850 federal land grant to Florida was for reclamation of swamp lands only.

Flagler's efforts to obtain Florida public lands were more effective after Broward left office in 1909. The new governor, Albert Gilchrist, met with Ingraham, who then informed Flagler that the chief executive seemed receptive to the company's position concerning land grants. Jennings had not been successful in blocking all land transfers; on at least one occasion even he agreed that Flagler's claims should be honored. This occurred when Ingraham asked State Attorney General Park Trammell for a ruling on the validity of a land grant which had been made to the Palatka and Indian River Railway Company.¹⁵ Although Flagler had never owned this line, he had bought a half-interest in its land grant through the Florida Commercial Company.¹⁶ Trammell ruled that the 134,000-acre grant was legally binding on the IIF and that the Florida East Coast was entitled to one-half this amount under its quit-claim deed of March 30, 1896. With Jennings concurring in this opinion, the IIF trustees ordered 67,000 acres deeded to Flagler's company in 1910.¹⁷

13. *MIF*, VI (1905-1906), 114-15.

14. Jacksonville *Florida Times-Union*, August 24, 1906; original draft of the letter in MS Box 14-F.9, Flagler Papers. Flagler and two other railroad owners, Henry B. Plant and H. R. Duval, bought the *Florida Times-Union* in 1891. William Beardsley to Flagler, April 8, 15, 1891, Beardsley to Parrott, April 17, 20, 1891, Flagler lb. 62. All Flagler letterbooks are located in Flagler Papers.

15. Flagler to J. E. Ingraham, July 19, 1909, Flagler lb. 174.

16. List of lands deeded by Florida Commercial Company to Florida East Coast Railway Company, March 30, 1896, #L8, Flagler Enterprises Papers, Robert M. Strozier Library, Florida State Library, Tallahassee, Florida.

17. *MIF*, VIII (1909-1910), 415-19.

This action by the state did not end its legal difficulties with Flagler. It was only a prelude to further company quests. The Florida East Coast brought two suits against the IIF for additional lands which were claimed by the Flagler road. The company agreed to drop the action and to relinquish all claims to public lands, however, if the IIF would agree to a deed of approximately 210,000 acres. This arrangement was accepted by the IIF. Some of the land, such as a seventy-four square mile tract in the area southwest of West Palm Beach, was valuable to the Flagler enterprises. However, the bulk of the grant was in the swampy southwestern tip of Florida near Cape Sable.¹⁸ Although this compromise was far less than ten per cent of the land Flagler had claimed, it was a practical victory for him. He now had clear title to important agricultural acreage in south Florida. Considering his previous battles with state officials, this compromise was as much as the beleaguered railroad executive could have expected.

There were other indirect avenues open for Flagler to tap the Florida public domain. For instance, he had more success acquiring property from large Florida landowners than he had with the IIF. These corporations, as with Flagler's, had received their original holdings either directly or indirectly from the state. Two of these companies proved to be especially good sources of land for Flagler. One, the Florida Coast Line Canal and Transportation Company, had been organized in 1881 to develop an inland waterway along Florida's east coast. It was supposed to receive 3,840 acres from the public domain for each mile of canal constructed. By the time the route was completed from St. Augustine to Biscayne Bay, the state had granted 516,480 acres.¹⁹ In order to develop settlement, and thus increase the value of its holdings, the canal company sold off large amounts of acreage to the Boston and Florida Atlantic Coast Land Company. This company was headed by Albert P. Sawyer, an entrepreneur who was also president of the Domestic Electrical Manufacturing Company of Boston. In 1891 alone, he purchased 100,000 acres from the canal company.²⁰

18. *Ibid.*, IX (1911-1912), 598-619.

19. Ora L. Jones, comp., "Some Glimpses of Pompano History," unpub. Ms, MS Box 3-A, Flagler Papers.

20. General announcement of the incorporation of the Boston and Florida

Finding itself in financial difficulty, the canal company turned to Flagler in 1892 for assistance. George F. Miles, one of its directors and general manager of its Florida properties, negotiated an arrangement whereby Flagler would subsidize the company for \$100,000. In return, Flagler would receive debenture bonds and a note for the difference in the two amounts. He was also named titular head of the company, although he did not own any large block of its stock. This arrangement enabled the canal company to resume dredging with new equipment.²¹ The owners were elated at the prospects. Not only had Flagler solidified their financial position, but the possibility of his building a railroad into the area of their grant increased the opportunity for immense profits from land sales.²² Flagler's *Florida Times-Union* tried to focus attention on the philanthropic aspects of the venture: "The people along the east coast should bear in mind that Mr. Henry Flagler is at the head of the Florida East Coast Canal and Transportation Company, and every one knows that he is not after the lands; and they must know that, when he does complete the project, the lands are not likely to bring a paying price during his lifetime."²³

While the canal company owners were willing to use Flagler, they did not want to be manipulated by him. In 1895 Albert P. Sawyer and George L. Bradley, another Boston land company official with large holdings of canal company stock, were planning ways to prevent Flagler from taking over control of the canal company—unless they could make a profit from it. This was at the very time that Flagler was making additional subsidies to the company so that it could complete its waterway to Biscayne Bay. Bradley and Sawyer's plan was first to use their two blocks of stock to obtain control of the company, and then to force Flagler

Atlantic Coast Land Company, November 24, 1891, MS Box 1, Albert P. Sawyer Papers, State Library of Florida, R. A. Gray Building, Tallahassee, Florida. Officers of the company were: Sawyer, president; George L. Bradley, vice-president; George W. Piper, treasurer. The directors were: Sawyer, Bradley, Piper, George F. Miles and Thomas B. Bailey. From letterhead of A. P. Sawyer to George T. Mason, February 13, 1893, MS Box 1, Sawyer Papers.

21. George L. Bradley to Flagler, August 12, 1892; George F. Miles to A. P. Sawyer, October 18, 24, 1892, January 31, 1893, MS Box 1, Sawyer Papers.

22. Bradley to A. P. Sawyer, January 23, 1893; Sawyer to G. T. Mason, February 13, 1893, MS Box 1, Sawyer Papers.

23. Jacksonville *Florida Times-Union*, April 27, 1893.

to pay par for their stocks and bonds.²⁴ Flagler, a master at this type of paper manipulation, refused to accept the deal. However, he did express an interest in exchanging the subsidy note he held against the canal company for acreage of equal value. This note was exchanged for land at an inflated \$7.50-per-acre rate. Bradley and Sawyer had also hoped to include the bonds held by Flagler, but they were unsuccessful in this gambit. The arrangement enabled the canal company to complete its waterway and still have thousands of acres left which the owners predicted would increase in value from about twenty-five cents to two dollars an acre.²⁵

In his dealings with the canal and Boston companies, Flagler effectively used his most potent weapon, the availability of transportation. For the extension of the railroad from Daytona to Lake Worth, the canal company promised Flagler a donation of 76,500 acres.²⁶ But even before this acreage was deeded, Flagler's officials were requesting another grant. In the spring of 1895, J. R. Parrott, Flagler's vice-president in charge of the railroad, asked the canal company how much land it was willing to give Flagler to entice him to build south of Lake Worth. Parrott stated that the decision to construct this extension rested with the landowners of Dade and Monroe counties-intimating that land bequests to Flagler were in order.²⁷ The canal company responded with a pledge of 1,500 acres for each completed mile of the proposed seventy-mile extension from West Palm Beach, on Lake Worth, to Miami.²⁸ In January 1895, the canal company deeded almost 10,000 acres to Flagler as part of its donation for the extension to Lake Worth. Sales from this transfer netted Flagler \$93,902.01, or \$10.66 per acre.²⁹ Another grant from the canal company in 1897 added almost 100,000 acres to Flagler's burgeoning land empire.³⁰

Following the canal company's lead, the Boston company offered Flagler 10,000 acres for the Miami extension.³¹ But rather

24. Bradley to A. P. Sawyer, April 17, 18 and 19, 1895, MS Box 1, Sawyer Papers.

25. *Ibid.*, July 17, 25, 27, May 9, 1895, MS Box 1, Sawyer Papers.

26. Unsigned note dated July 20, 1895, MS Box 1, Sawyer Papers.

27. Bradley to A. P. Sawyer, April 30, 1895, MS Box 1, Sawyer Papers.

28. Flagler to A. P. Sawyer, June 5, 1895, MS Box 1, Sawyer Papers.

29. List of lands deeded by Florida Coast Line Canal and Transportation Company to Florida East Coast Railway Company, January 11, 1895, #L6, Flagler Enterprises Papers.

30. Ingraham to Parrott, June 30, 1897, MS Box 21-A.1, Flagler Papers.

31. Flagler to A. P. Sawyer, June 5, 1895, MS Box 1, Sawyer Papers.

than a straight gift of this amount, George F. Miles suggested to Sawyer that Flagler take a one-half interest in the Boston company's planned immigrant communities in the area. This would profit both Flagler and Sawyer, Miles argued. The completion of the Florida East Coast would increase the value of the remaining Boston company properties before sales occurred. Of course, Flagler would benefit from the sales of the large amount of acreage that he was receiving. But Miles also had something else in mind. As he noted to Sawyer, the Boston company owners would be able "to prevent our lands from being discriminated against by such a powerful organization as the RR Company would be if they decided to offer advantages to settlers which we are not in a position to parallel."³²

The Boston company and the Florida East Coast began this joint venture in 1896. Early that year Ingraham informed Miles that the Flagler organization had an opportunity to locate 400 Danish families in a colony in south Dade County to be called Modelo. The site was twenty miles above Miami near the railroad.³³ Ingraham had contacted a group of Danes in the Chicago area. The Chicago organizers of the venture were to obtain 2,000 acres of the proposed colony, thereby enabling them to control the management personnel of Modelo.³⁴ At first, the venture moved along well. By the fall of 1896 Modelo and Hallandale, a Swedish cooperative agricultural colony nearby, were plotted and ready for sale. In order to attract settlers, the companies offered introductory prices of \$12.50 an acre for what they called pine and spruce lands, and \$27.50 an acre for muck land. On December 15, 1896, the prices were to increase to \$17.00 and \$50.00, respectively. But Ingraham's concept of the ideal colonist remained consistent throughout the period: "the understanding is the Agents are to get purchasers who have money, and are able to make their payments and improve the lands, so that the prospects are very good for getting two first class colonies in these two locations."³⁵

Problems, especially in the Hallandale colony, began to develop. Miles reported to Sawyer in January 1897 that sales were

32. Miles to A. P. Sawyer, October 23, 1896, MS Box 1, Sawyer Papers.

33. *Ibid.*, February 15, 1896, with enclosure of copy of Ingraham to Miles letter of February 15, 1896, MS Box 1, Sawyer Papers.

34. Ingraham to A. P. Sawyer, October 20, 1897, MS Box 2, Sawyer Papers.

35. Ingraham to Miles, September 18, 1896, MS Box 1, Sawyer Papers.

moving slowly, partly because of the poor location of the colony.³⁶ Otto Zetterlund, general manager of the Halland Land Company, complained that the possibilities of freezes and yellow fever made the selling of Florida land more difficult than land in the West and Southwest.³⁷ But there may have been a much more human cause for the troubles. The Reverend Mr. F. Jacobson, pastor of the Swedish Evangelical Lutheran Bethlehem Church in New York City, reviewed some of the complaints of potential Swedish immigrants to Hallandale. He recommended that the pre-December prices remain in effect until June 1897 in order to encourage potential settlers. Although he thought most of the Hallandale operation was beneficial for the colonist, he was outraged at the freight rates being charged by the Florida East Coast. He stated that owners of first-class furniture costing only \$37.00 were being charged \$20.00 freight to ship from Jacksonville to Hallandale—"The same goods could have been sent to Kansas City and back again for less than \$20.00."³⁸

This raised the question of who was benefitting most from the settlement of south Florida. One area newspaper claimed that the railroad would greatly profit from the settlers' presence—but from high freight rates more than the selling of land. From a family's first year in the Miami area, the Florida East Coast, it was predicted, would earn at least \$400 in freight rates. The charges would include \$25.00 to \$100 for lumber and other necessities needed to build a house, \$25.00 for fertilizer and crates delivered for the tomato farmer, and \$300 for 1,000 crates of vegetables shipped north during the harvest season.³⁹

Modelo and Hallandale continued a slow but steady growth during the late 1890s. During the summer of 1897 eighty-four families purchased property in Modelo under the sponsorship of J. P. Paulsen.⁴⁰ That same summer Flagler advanced funds to the Boston company to conduct drainage operations at Modelo. The Boston company was to pay its portion of the debt as land was sold. Miles, now doubling as the Florida agent for the Boston company in addition to his canal company duties, estimated that

36. Miles to A. P. Sawyer, January 28, 1897, MS Box 1, Sawyer Papers.

37. Otto Zetterlund to Ingraham, November 17, 1899, MS Box 21-A, Flagler Papers.

38. F. Jacobson to Ingraham, February 2, 1897, MS Box 1, Sawyer Papers.

39. *Miami Metropolis*, July 2, 1897.

40. *Ibid.*, August 27, 1897.

the Boston company had 1,500 acres of land in the area which should net \$28,000 for the owners.⁴¹ By the end of September 1897, 600 acres in ten-acre tracts had been sold in Hallandale. The Boston company realized \$12,000 after commissions were paid.⁴²

Sawyer and his associates were well aware of the kind of partner they had in the Florida East Coast. Flagler and his employees had often demonstrated their power and shrewdness. In discussing a right-of-way matter, Frederick Morse, a Flagler land agent, warned Sawyer to cooperate with the railroad if he wished to profit from his speculative land venture.⁴³ If Sawyer ever forgot about Flagler's power, Miles was always there to remind him. Miles sought to act as the intermediary between Flagler and Sawyer: "I am very glad you [Sawyer] referred the matter to me as the East Coast officials are somewhat 'foxy' and they are not bashful about asking favors."⁴⁴ Miles later became paranoid concerning the railroad's power. In 1902 he was convinced that Flagler was suppressing the canal company financially in order to prevent the completion of a waterway along the east coast which would compete with the railroad.⁴⁵ Although there is no evidence of such an occurrence, Miles still urged Albert Sawyer's son Haydn not to appoint land agents jointly with the railroad.⁴⁶

At times Miles negotiated well from a relatively weak position. In 1898 he persuaded Flagler to accept canal company lands in southern Dade County at the rate of \$6.00 an acre in exchange for Flagler's interest in the canal company.⁴⁷ In 1905 Miles planned a canal company take-over of drainage operations in the area west of West Palm Beach. In this particular instance, Flagler proved to be dominant. Miles first tried to induce the Boston company to combine with the canal company to exert local pressure on Flagler to drain the lands. As part of his plan, Miles wanted the Boston organization to sell up to half of its lands in the area to the canal company at \$6.00 per acre. He indicated that if the Boston company had the Florida East Coast drain its land, the railroad would accept property valued at \$6,000 as pay-

41. Miles to A. P. Sawyer, June 11, 1897, MS Box 2, Sawyer Papers.

42. *Ibid.*, October 14, 1897, MS Box 2, Sawyer Papers.

43. Frederick S. Morse to A. P. Sawyer, November 30, 1895, MS Box 1, Sawyer Papers.

44. Miles to A. P. Sawyer, November 11, 1896, MS Box 1, Sawyer Papers.

45. Miles to Bradley, January 17, 1902, MS Box 3, Sawyer Papers.

46. Miles to Haydn Sawyer, October 26, 1904, MS Box 3, Sawyer Papers.

47. Miles to A. P. Sawyer, September 15, 1898, MS Box 2, Sawyer Papers.

ment for the operation. Otherwise, it would cost the Boston firm \$75,000 to \$100,000 in drainage operations to enable its property to return \$25.00 per acre.⁴⁸ Miles wrote Haydn Sawyer that the Boston company, without drainage, could not realize fifty cents per acre for the submerged land. On the other hand, Miles was confident that a group of businessmen from Jacksonville could pressure Flagler into cooperating with a drainage operation.⁴⁹

Miles alternately coaxed and threatened the owners of the Boston company. He stated that his drainage scheme would enable the firm to pay its first dividend in its fifteen-year history. Admitting that in the past he had made mistakes in land sales, he threatened Sawyer by stating that if he failed to back a drainage canal scheme, he would not be able to maintain good relations with the Lake Worth area businessmen. Meanwhile, Miles had to dissuade W. I. Metcalf, Dade County Commission lawyer, from implementing the state charter that allowed the county to perform drainage operations in the interior.

While Miles was at work, Florida East Coast officials were moving independently in the same arena. In late 1905 the Florida East Coast began a public attack on the Dade County Commission drainage contract. Flagler officials claimed that an exorbitant tax would be levied by the commission on the landowners in the affected area of 30,000 acres. J. R. Parrott stated that the tax would be an unbearable \$60,000 burden on the Florida East Coast, and he expressed fears that the same type of tax might be implemented by other communities if a precedent were set.⁵⁰ Flagler officials also argued that their land would be assessed, and therefore taxed, at the same rate as other property more advantageously located near public roads.⁵¹ As a substitute for the county commission plan, a private venture did indeed emerge, but under the auspices of the Florida East Coast rather than Miles. Flagler, under this 1906 plan, agreed to cooperate with the Boston and canal companies in reclaiming 8,000 acres west of Lake Worth. In addition to reclamation, a wagon road several miles long would be built. The entire operation was to cost \$50,000.⁵²

48. Miles to Haydn Sawyer, March 22, 1905; Miles to Bradley, March 29, 1905, MS Box 3, Sawyer Papers.

49. Miles to Haydn Sawyer, March 30, 1905, MS Box 3, Sawyer Papers.

50. Miles to Bradley, April 17, 1905, MS Box 3, Sawyer Papers.

51. West Palm Beach *Tropical Sun*, November 25, December 9, 1905.

52. Miles to Haydn Sawyer, April 30, May 13, 1906, MS Box 3, Sawyer Papers; West Palm Beach *Tropical Sun*, May 12, 1906.

The financial burden of development did not rest entirely with these three companies. West Palm Beach merchants, wishing to attract settlers, pledged to purchase 1,000 acres of the drainage area at \$25.00 per acre.⁵³ At first the property in the Lake Worth area was held jointly by the three companies, as Miles preferred. But by September 1906, Ingraham was in the process of negotiating to purchase all the property in the area.⁵⁴ By the end of November, Flagler had bought his partners' interests in the area for \$40,000.⁵⁵

Immediately following the purchase, the scope of the drainage operation increased. The Florida East Coast announced a one-year reclamation project consisting of twelve miles of dykes to be three feet higher than Lake Clark, the inland lake near Lake Worth. Roads were built for \$20,000. The main drainage canal from Lake Clark to Lake Worth was to have a lock at the inland lake sixteen feet above sea level. The total cost, including the land purchased, was \$120,000. When the project was completed, the Florida East Coast was to offer the land at the rate of \$25.00 an acre.⁵⁶

In order to protect Flagler's interests, Ingraham led an effort in 1906, which ostensibly was an immigration association of the large land companies of the state. The five original companies owned an aggregate of 6,000,000 acres in Florida. Ingraham then invited the Boston and canal companies to join. The assessment was to be six mills per acre to implement the necessary promotion and development work.⁵⁷ In actuality, the purpose of the association was to thwart the land policies of the Broward administration, especially a proposed ten-cent-per-acre drainage tax. According to Miles, action before the May Democratic primary was imperative in order to elect conservatives to the legislature. The association would act as a lobbying agent to keep land company holdings "from practical confiscation by irresponsible politic-

53. Miles to Haydn Sawyer, June 3, 1906, MS Box 3, Sawyer Papers.

54. West Palm Beach *Tropical Sun*, May 19, 1906; Haydn Sawyer to Miles, September 5, 1906, MS Box 3, Sawyer Papers.

55. West Palm Beach *Tropical Sun*, November 24, 1906.

56. Ibid.

57. Ingraham to Miles, April 18, 1906, MS Box 3, Sawyer Papers. The companies involved and the officers of the immigration association: Consolidated Land Company, Southern States Land Company, the Empire City (land company), the Mississippi Valley (land company), and the Florida East Coast Railway land department. W. E. Crummer, president; W. F. Coachman, treasurer; and Irving H. Welch, secretary.

ians.“⁵⁸ Defeat of the drainage tax did not need the help of the immigration association lobbyists since Flagler and the Boston company were successful in their court suit against the state over the drainage matter.⁵⁹ Therefore, even during the Progressive Era, Flagler seemed to win more battles than he lost.

There are really two stories concerning Henry Flagler and the public domain of Florida. The one with which most historians tend to accept has Flagler attempting to obtain land directly from the Internal Improvement Fund of Florida. In this area he was constantly thwarted, first by the federal government's freeze on donations in 1885, and then by Progressives within the Florida Democratic Party during the early years of the twentieth century. The other story has been buried in a maze of correspondence in various collections. That is the intriguing account of Flagler's indirect methods of securing Florida's public domain through other corporate entities, most importantly the Florida Coast Line Canal and Transportation Company and the Boston and Florida Atlantic Coast Land Company. Flagler's relations with these two companies provides an excellent view of land speculation and promotion during the Gilded Age. The owners of the canal company obtained their public land with relative ease. With a lack of liquid capital they turned to Flagler for the development of their speculative ventures. Due to their poor financial status, combined with their greed, Flagler was able to turn the situation to his own advantage. In this account there are two foxes, Henry Flagler and George Miles. Miles "induced" Flagler into joint operations such as colonization and land drainage schemes, but in the final analysis it was Flagler who forced his "partners" to follow his lead.

58. Miles to Haydn Sawyer, April 19, 1906, MS Box 3, Sawyer Papers.

59. Ibid., January 11 and July 4, 1906, MS Box 3, Sawyer Papers.