

CHAPTER TWENTY-SEVEN

“WE DON’T want another boom in Florida.”

So often that has been said in the last few years, but I wonder if people really mean it? The aftermath of the 1925-26 speculation was bitter, it is true, but like the turmoil of spring plowing, the boom created values, and not even bank failures and hurricanes could erase them.

In looking back, we see that this largest Florida boom had definite seedbeds of promotion. First, of course, was the undeniable and unchanging climate. This was made accessible first to the wealthy by the coming of Henry M. Flagler and the Florida East Coast railroad. The early insistence upon municipal advertising by E. G. Sewell and the Miami Chamber of Commerce spread to the middle class the appeal of south Florida.

The end of the World war saw millions of Americans in a restless, almost foot-loose mood. The coming of easy transportation through the motor car and good roads answered the demands of this yeasty social condition. The so-called Coolidge prosperity which began with the stock market climb late in 1924, released great floods of capital which found in Florida even more enticement than in common stocks. The brief era of the binder boys from March, 1925, to September of that year set up a powerful suction which drew money from almost every bank in the world into Florida, and particularly toward Miami.

Sunshine and ocean bathing in winter, and a slightly fictitious belief in the fertility of Florida soil helped to create the demand for Florida lots and acreage. The pioneering spirit, flowering in men and women able to dream and to command money with which to translate their dreams into reality, traded upon the common yearning for a place in the sun.

This produced two results, an inflated set of land values and an enormous volume of construction. The first has dwindled or disappeared entirely. The second remains, and regardless of where the money and the equities involved have gone, the steel and wood and concrete are with us still. The tide of building which ebbed so swiftly after the hurricane of 1926 has set in again, this time with more definite and conservative demand for space to assure the investors of an adequate return.

The speculative boom began to wither in September, 1925, after the binder boys and the big-talking promoters had staged a series of mammoth sales that gorged the buying public like a 10-year-old boy at a family reunion. Following that brief stuffing process, nation-wide hostility toward Florida, and the cramping effects of the freight embargoes prompted the withdrawal of much money in the fall and winter of 1925. Although most Floridians thought the boom would pick up again after the Christmas holidays,

it was evident at least to most Miamians by the end of March that their hopes for large scale revival were doomed.

But 1926 was not such a bad year as it might appear in retrospect. Let us take the number of property deeds and similar papers pertaining to real estate as an index. During 1925, the Dade county clerk received 174,530 deeds and allied papers for filing. In 1926, he filed 98,462, indicating that the latter year saw at least half as much activity in Dade county real estate as the first boom year. This number dropped to 17,351 in the low year of 1932, and for 1935 had climbed back to 34,273, or about the amount of activity recorded for 1923.

Another index may be found in the number of subdivisions created in Dade county. Throughout the life of the present Dade county, 4,122 subdivisions have been platted. Of that number, 971 were created in 1925, while in 1926, 395 subdivisions came into existence in this county, again near the halfway mark of the banner year. The low mark for subdivisions also was 1932, when 25 were platted. The fact that more than 32 were not created even in the revival year of 1935 indicates that so much of Dade county already is subdivided that they may soon have to begin cutting up 50-foot lots.

The events that hurt Florida in that other boom, in general, were led by the vanishing of paper fortunes and the keen disappointment of those who saw what they thought were 18 karat profits turn to cigar store coupons before their very eyes; next came the 1926 and 1928 hurricanes which ruined many firms who already were trembling on the edge of insolvency; finally there came the national depression and the Florida bank failures of 1929 and 1930, when every bank in Dade county except the First National and its affiliates, and the Bank of Hialeah closed their doors forever. When men pray: "Deliver us from another boom!" they mean from the effects thereof.

We cannot say that Florida will not have other booms, but it is evident that this state never again will see the same kind of a boom, nor experience in this generation, at least, the same damage to pride and pocketbook that followed 1925 and 1926.