

# Beyond the Railroad that Went to Sea

## Henry Flagler and the Florida East Coast Car Ferry Company

Jesus Mendez

To most historians, the climax of Henry Flagler's accomplishments in Florida came on January 22, 1912, with his arrival by train at Key West upon the completion of the legendary oversea extension of the Florida East Coast Railway. The Key West Extension, popularly known as "The Railroad That Went to Sea," was a marvelous engineering feat which took seven years to complete and which caught the attention of the world during the time of its construction. It was, in many ways, the capstone experience of a thirty-year adventure that produced a Florida transportation, hospitality and real estate empire, which eventually came to be known as the Flagler System. Not receiving as much attention among historians, however, are Flagler overseas outreach initiatives, which included the Colonial Hotel in Nassau, the Peninsular and Occidental Steamship Company, and the railroad car ferry project linking Key West and Havana. The first two occupied Flagler's attention at the end of the nineteenth and early twentieth century along with the plans for the Key West railroad extension following the rapid expansion southward of the Florida East Coast Railway, which had initially culminated with the railroad's arrival in Miami in 1896. Flagler's domain on the mainland east coast of Florida, from Jacksonville south to Miami, with a straight and unbroken line of rails, lands and hotels, was now complete, allowing him to plan and undertake adventures beyond the Florida peninsula. By 1912, the first two overseas initiatives, the Colonial Hotel and the Peninsular and Occidental Steamship Company, were fully operational units, and, with the opening of the Key West Extension and its conclusion as a project, Flagler's attention now focused on the last major endeavor of his life—ensuring a railroad car ferry connection between

Key West and Havana, Cuba. During the last years of his life, as the railroad extension to Key West evolved from mere dream to concrete reality, Henry Flagler had no time to rest on his laurels. He would be busy completing the final link of an integrated Flagler System—what eventually would be named the Florida East Coast Car Ferry Company. In the process, Flagler would help cement the North/South trade orientation axis of Florida as a vital commercial link between the United States and Latin America while also decisively affecting the course of twentieth-century Cuban history.

Florida's North/South Trade orientation has a long history, dating back to even before the arrival of Spanish explorers in the sixteenth century. Migrations and movements in and out of Florida from the circum Caribbean region are evident from the archeological record. With the arrival of Europeans to the New World, Spanish and English colonial documents reflect the region's interaction with areas to its north and south. Once Florida became a U.S. territory in 1821, the strategic control of Key West with its pivotal location at the entrance to the Gulf of Mexico became a matter of utmost commercial and military importance. Florida's railroad history during the nineteenth century is filled by initiatives with the twin goals of opening up the interior of the state while seeking to reach and create coastal ports on the Atlantic and Gulf coasts. These nineteenth-century railroad projects became all the more tantalizing as prospects for a Central American inter-ocean canal and a Cuba market free from Spanish control edged closer to reality. Both Henry B. Plant and Henry M. Flagler kept these two possible developments in mind as they expanded their Florida projects in the late nineteenth century and as the frontier period in Florida came closer to an end. Plant's death in 1899 meant that Flagler would be left as the single heir to carry out these expanded Florida projections overseas to their logical conclusion.

The Spanish American War of 1898 set in motion Flagler's ambitions on the hemispheric scene. One of Henry Plant's last major initiatives had been securing for Port Tampa, following the sinking of the USS *Maine* in Havana harbor and the U.S. declaration of war against Spain, the role of chief embarkation point for U.S. troops going overseas to fight the war in Cuba, beating out the other Gulf of Mexico competitors of Mobile and New Orleans. After the start of the war in April, rumors would circulate that Plant's trip to London that summer of 1898 was to seek British financial backing for a foray in Cuban railroad investments

to link with his already established maritime activities between Florida and Cuba.<sup>1</sup> His illness in November 1898 and subsequent death six months later ended the speculation which, in all probability, had not gone unnoticed by Flagler who had himself by October 1898 expanded his own Florida East Coast Steamship Company activities to Cuba beyond his original Miami-Key West and Miami-Nassau lines. Flagler came to greet with favor the overture by R. G. Erwin, successor to the Plant System's presidency after Henry Plant's death, when Erwin later suggested the amalgamation of the Plant Steamship Line and the Florida East Coast Steamship Line in a quest to avoid a duplication of efforts.<sup>2</sup> The name for the combined company was to be the Peninsular and Occidental Steamship Line, probably a reflection of the hemispheric ambitions for the new company on as grand a scale as the older London-based Peninsular and Oriental Steamship Company founded in 1837. These ambitions had been contemplated by Henry Plant as early as the late 1880s when he had conducted experimental voyages out of Port Tampa to Honduras and Jamaica aside from his better known overseas connection to Cuba. The American occupation of Cuba, the island's possible annexation, and renewed discussions on a trans-isthmian canal in the late nineteenth century made such continental ambitions appear plausible.

In January 1900, a delegation of Plant System personnel, headed by Erwin, met with Henry Flagler and his team in Miami and travelled to Nassau, Havana and Port Tampa to finalize plans for their combined overseas trade initiatives and the amalgamation of their respective steamship lines.<sup>3</sup> The Flagler visit to Havana in 1900 is crucial in understanding his future actions. Havana harbor in 1900 presented a chaotic scene to new arrivals. In a congested and dirty harbor with inadequate wharf facilities, ships had to anchor in the middle of the bay alongside the wreck of the USS *Maine* to have passengers and cargo tendered ashore aboard flimsy lighters and floats. Descriptions of screaming hotel representatives on the lighters vying for customers among the newly arriving passengers and overloaded floats getting their break-bulk cargoes wet either by seawater in transit to shore or by rainwater on unprotected wharves fill the travel literature of the time. This is the sight and sound spectacle that greeted Flagler on his first visit to Cuba, a most distasteful first impression given his exacting character. In the short term, a directive went out after his visit forbidding the approach by any hotel lighter to a

Plant or Florida East Coast Steamship Line vessel anchored in the bay, and plans were drawn to use the Plant System steamer *Tarpon* to transfer the passengers to shore.<sup>4</sup> In the longer term, however, Flagler had to have been impressed by the need in Havana harbor for a seamless transfer of passengers and cargo from ship to shore, the logistics of which he had previously worked on with the planning of railroad car sidings immediately adjacent to many of his Florida resort hotels.

Flagler stayed in Havana for only five days in January 1900, at the centrally located Hotel Pasaje on the Prado Boulevard. The hotel, ostensibly the best lodging that could be found in Cuba at the time, was right across from the Villanueva train station of the United Railways of Havana, the main passenger and freight railway in the western half of the island, on a station site which dated back to 1837. In that winter of 1900, Havana was, aside from Erwin and Flagler, filled with ambitious foreign capitalists eager to secure contracts in the rebuilding of a war-devastated Cuba. Among the visitors early in 1900 was William Van Horne, one of the masterminds behind the Canadian Pacific Railroad, the transportation link which made a reality of the Canadian Federation out of its many previously disconnected enclaves of settlements.<sup>5</sup> Van Horne, already retired from his day-to-day activities with the Canadian Pacific and visiting Cuba to survey his investment in the U.S.-controlled Havana Electric Railway Company's trolley system in the capital, quickly gauged the economic opportunities the island presented and soon embarked on the last major project of his long career—the Cuba Company and its offshoot, the Cuba Railroad, which would open the underdeveloped eastern end of the island to investors. While it is tempting to speculate as to whether Flagler and Van Horne crossed paths while both were in Havana in January 1900, it is a fact that when Van Horne made public his ambitious plans for Cuba two months later in March 1900, and began soliciting investors among the major transportation and finance figures in the United States, Canada, and Great Britain, Henry Flagler figured as one of the major investors in the new enterprise. Although Van Horne was Canadian (albeit born in Illinois), the Cuba Company was incorporated in Jersey City, New Jersey, on April 25, 1900. It was clear by this time that Florida's own Henry Flagler had visions which extended south beyond the Florida peninsula.<sup>6</sup>

Flagler's railroad expansion south of Miami proceeded in spurts following his railroad's arrival at the sparse settlement in 1896. In 1902-03,



Postcard view of a chaotic wharf in Havana around 1900, the year of Henry Flagler's first visit. The merchandise on the wharf is covered to protect it from the rain; the cargo floats and loaded lighters dockside are clearly visible. Author's Collection.

as negotiations between the United States and Colombia were progressing (Panama was still a part of Colombia at that point) and as congressional discussions were concluding on a Panama Canal Act authorizing its construction, an expedition to the extreme southwest Florida coast at Cape Sable led by William J. Krome studied the feasibility of a possible expansion of the railroad. It appears that consideration of Cape Sable in 1902-03 as a water terminus reached by a railroad route through the Everglades (a significant detour from the earlier generally accepted yet much-speculated Key West terminus) was prompted by recent Flagler land grants from the state in the area and hopes of attracting settlers and investors to the region.<sup>7</sup> Initially discussed as the extension to Homestead, the issue ultimately became where the railroad would proceed from there—either straight south to the keys and, ultimately, Key West or west through the Everglades to Cape Sable. *The Miami Metropolis*, strongly influenced by Flagler, quoted J. R. Parrott, Flagler's railroad vice-president, in November 1903 as having said in a *Washington*

*Post* interview: "We are now extending our railway system to a point fifty miles south of Miami to develop a country that will produce heavy crops of fruits and vegetables. Ultimately we shall build to Cape Sable opening up a still bigger territory."<sup>8</sup> In a late November 1903 article in *The Miami Metropolis*, both Parrott and J. E. Ingraham, Flagler's vice president in charge of land holdings, are mentioned as favoring the Cape Sable route with the article concluding: "... the road will eventually be continued to Cape Sable, but not until the State Board of Internal Improvements conveys to the railroad company the land reserved for it under its charter and later confirmed by resolution."<sup>9</sup> Almost never mentioned in the discussion of the timing of this 1902-03 expedition, however, is the fact that a trade reciprocity agreement was being negotiated at this same time between a soon to be independent Cuba and the United States, signaling closer and expanded trade relations.

Responding to overtures by Van Horne to survey first-hand the construction work on the Cuba Railroad, Flagler had firm invitations from Van Horne to travel to the island both in 1903 and in 1904, but the visits never materialized in those years due to family health issues (the illnesses and deaths of both Van Horne's sister and the father of Mary Lilly Kenan Flagler) and the conflicting schedules of both men. The quest for the thus-far elusive deep water terminus for the Florida East Coast Railway was made all the more pressing, however, with the announcement by President Theodore Roosevelt in 1904 of a firm commitment by the United States to resume construction on a canal following the political independence of Panama from Colombia in late 1903.<sup>10</sup> Flagler himself, in September 1903, expressed concern to Parrott of the wisdom of proceeding beyond Homestead towards Cape Sable. In a letter to Parrott, wrote Flagler: "In view of the expense of constructing the railroad all the way to Cape Sable, coupled with the fact that in all probability, there are 25 to 40 miles of country through which it must pass that is absolutely worthless for agricultural purposes, I have for a few days past been seriously considering the wisdom of only extending the line far enough south to develop the trucking lands."<sup>11</sup> After a detailed analysis of comparing distances involved in reaching Havana from Cape Sable or from Miami and taking into account the effect of the Gulf Stream on travel times from Miami, Flagler also concluded: "Opening Cape Sable as a Port would in my judgment, injure Miami a little, where we have a number of City lots and a fine start."<sup>12</sup> A second expedition late in 1903

and early 1904 to Cape Sable led also by Krome, settled the issue when it confirmed not only the unsuitability of the Cape Sable site for a deep water harbor but also the obstacles to the building of a rail roadbed on the soft muck of the Florida Everglades.<sup>13</sup> After the signing of the Hay-Bunau-Varilla Treaty between Panama and the United States on November 18, 1903, and, especially, its ratification by the U.S. Senate on February 23, 1904, made the trans-isthmian canal in Central America an eventual certainty, Key West, as the Florida East Coast Railway's deep water railroad terminus, became, once again, the focal point of attention. Early in May 1904, Flagler and a group of his most trusted advisors travelled to Key West on the chartered *S.S. Martinique* of the Peninsular and Occidental Steamship Line. The trip on the *Martinique* was charged to the account of a Miami-Key West Extension and can thus be considered as the true beginning of the Key West Extension enterprise.<sup>14</sup> In January 1905, Flagler made a much-publicized visit to Key West to publicly announce the official commencement of construction on the Key West Extension. Very soon after, accompanied by a large entourage from the Florida East Coast Railway, he undertook his long-delayed second trip to Cuba to survey the entire line of the Cuba Railroad on a tour personally conducted by William Van Horne.

Flagler's 1905 trip to Cuba was, for an inspection tour, relatively long. He travelled the entire length of the island beginning on the western end on the United Railways of Havana to Santa Clara in the center of the island and then proceeded eastward on the Cuba Railroad to Santiago de Cuba. The trip which had been in the planning stages for over two years gave Van Horne the opportunity not only to demonstrate the operations of the line but to also show off the Cuba Company's investments in lands, sugar mills, the planned projects for hotels, and the new port town of Antilla in Nipe Bay on the northeast coast of Cuba.<sup>15</sup> Flagler would not be a mere silent observer of these activities but would soon become involved in such projects as the landscaping for Van Horne's Hotel Camagüey (the Royal Poinciana Hotel's greenhouses in Palm Beach would provide much of the tropical landscaping for this Cuban hotel), the dredging of a deeper harbor at Antilla, and even the choice of the dockside pilings for the Antilla wharves. Just as Flagler and Henry Plant had shown off to one another their Florida ventures in an almost friendly albeit competitive rivalry in the 1890s, so did Flagler and Van Horne do the same ten years later. A vital element in the 1905 trip

would also be that Flagler was introduced at the start of his Cuba tour to Robert M. Orr, the General Manager of the United Railways of Havana, marking the beginning of a relationship which, eventually, would bear fruitful results.

While the construction progress and setbacks on the Key West Extension—among them charges of the peonage labor conditions of its construction workers; the economic recession of 1907; the 1907-08 dispute with the U.S. Navy over trespassing charges in Key West levied against the railroad and its dredging in the shoals off the navy-owned Fleming Key; the opening of the Knights Key dock in January 1908 and the Long Key Fishing Camp in December 1908; devastating hurricanes in 1906, 1909, and 1910, which set back the construction schedule of the railroad extension by years and drastically escalated its cost; the death of chief engineer Joseph C. Meredith in April 1909; the need to turn to outside financing and float bonds on the New York market as expenses increased; and, finally, the government's anti-trust litigations against Standard Oil—would occupy much of Flagler's time during the years 1905 to 1910, events in Cuba would come to alter the vision and the details of the car ferry project linking Key West and Havana. While Flagler's relationship with Van Horne and the Cuba Railroad on the eastern end of the island were in seemingly fine shape, an element of uncertainty was the link on the western end of the island and the city of Havana controlled by the United Railways. Distrust between the two railway systems on the island dated back to 1900 when Van Horne's entry into railroad building in Cuba and the concessions he gained from the U.S. occupation forces under General Leonard Wood to construct the Cuba Railroad led to suspicions by the British-owned United Railways of Havana of Van Horne's ultimate intentions. The fact that a new Cuban railway law was partially drafted by Van Horne and that it was based on Canada's railway law did not help to dispel British fears of a possible American/Van Horne offensive on Cuba's entire railroad system.

Friction between American and British economic interests on the island dramatically escalated in 1904-06 over the failed attempts at passage of a 1905 Cuban/British Trade Reciprocity agreement that would have granted most-favored nation treatment to Great Britain. The United States raised objections to the agreement as a challenge to the growing U.S. trade with the island and to the possible granting to Great



Britain of privileges ostensibly reserved for the United States under the Platt Amendment, including naval operations in the bays and territorial waters of Cuba.<sup>16</sup> It was in the midst of this growing U.S./British rivalry in Cuba that both Flagler and Van Horne tried to secure cooperation between the U.S.-controlled Cuba Railroad and the British-controlled United Railways of Havana to ensure the through passenger and freight traffic access across the entire length of the island. Behind the scenes, the United Railways and its British bankers Schroders were undermining any financing plans in London for the expansion of the Cuba Railroad. Robert Fleming, Scottish financier and one of the Cuba Company's chief investors, reported to Van Horne that "Schroders are the power behind the throne in the Company I think" and that one of the directors of the United Railways had told him that: "... it would be most dangerous to buy ... [Cuba Railroad] Bonds, and that it would be years and years before it could earn its interest ..."<sup>17</sup>

Without the cooperation of the United Railways, there was the distinct possibility of the collapse of a Key West-Havana railroad car ferry project before it had proceeded much beyond the planning stage. It would also leave a Key West Extension that led nowhere since much of the traffic from Key West to Central and South America envisioned a through railroad route across the length of Cuba. As early as the beginning of 1906, Van Horne was seriously considering extending on his own the Cuba Railroad westward beyond Santa Clara and was confiding to Flagler: "We shall have enough through business within reach this year to support a line of our own to Havana, to say nothing of the large local traffic to be had on the way, which would be practically all velvet."<sup>18</sup> In addition, faced with the uncooperative stance of the United Railways, Van Horne invested in the Havana Central Railway Company which, as an offshoot of the Havana Electric Railway Company, was extending the electrified city trolley system from Havana to Güines, southeast of the capital. A projected westward extension of the Cuba Railroad as planned by Van Horne would eventually link Santa Clara with the south central Cuban port city of Cienfuegos and would then head northwest to connect at Güines with the Havana Central line. Van Horne believed that his investment in the Havana Central and his position as one of its directors would assure the vital entry into Havana for any projected westward extension from Santa Clara of the Cuba Railroad. It was this aggressive

approach that Flagler most strongly supported as it would give the projected Florida East Coast car ferry enterprise a Havana terminus directly linked to the U.S.-controlled Cuba Railroad in which he was an investor.

To Van Horne's surprise, the Havana Central announced, soon after he had completed the survey plans for a planned western extension to Cienfuegos of the Cuba Railroad, that it intended to build its own extension from Güines south to Cienfuegos. Seeing this as a betrayal and break of trust, Van Horne resigned as a director of the Havana Central, sold his stock in the company, and formally submitted plans to the Cuban national railway commission for a Cienfuegos to Havana line in direct competition with the planned Havana Central project. When the two proposals were considered, the commission voted in favor of the Cuba Railroad project. Van Horne, now with a stronger negotiating hand, travelled to England in February 1906 to further press the United Railways for a more satisfactory through traffic arrangement, including better and more timely connections between the two systems and the power for the Cuba Railroad to set rates from Havana to any point on its system so as to better compete with the coastal maritime competition—a negotiated cooperative option which Van Horne favored over Flagler's confrontational position of having the Cuba Railroad extend its own independent line into Havana. The negotiations in London failed, however, and Flagler's more aggressive stance seemed the only recourse left.<sup>19</sup> It now appeared certain that the U.S.-controlled Cuba Railroad and the British-controlled United Railways were destined to become embroiled in an all-out war with the prizes being access to Havana, the through traffic eastward from the capital to the rest of the island, and, ultimately, the link overseas to the projected Flagler rail car ferry from Key West to Havana.<sup>20</sup>

During the year 1906, tensions between the Cuba Railroad and the United Railways grew to cast a long shadow on the plans for a car ferry system between Key West and Havana. There were threats and counter threats hurled between the two railroads to extend their respective lines and encroach on each other's territory. A forced peace, however, was precipitated by two events. The first one was the popular uprising against the Tomas Estrada Palma government during the summer of 1906, which eventually led to a second U.S. military intervention which lasted from September 1906 until April 1909. If this event was not enough to shake the confidence of investors and slam the brakes on any rail line extensions

based on the raising of new capital, the financial panic of 1907 put a definite end to any such plans. Thus, the United Railways and the Cuba Railroad finally negotiated a satisfactory through traffic arrangement which supposedly cleared the way for Flagler to resume plans for his Key West car ferry to Havana. A new setback soon appeared, however, when construction on the Key West Extension was halted in 1908 following the opening of the Knights Key dock in February due to a tightening of the money markets as a result of the financial panic of 1907.

By the spring of 1909, things began to proceed forward once again. The dismissal of the debt peonage charges against the Florida East Coast Railway in November 1908 and the rapid promotion of William Krome as the extension's chief engineer after Meredith's death in April 1909, appeared to lift the veil of doom, which had seemingly come over the entire Key West Extension.<sup>21</sup> Flagler confided to Elihu Root that he had made the decision on November 25, 1908, to resume work on the extension.<sup>22</sup>

On January 28, 1909, José Miguel Gómez took the oath of office as president of Cuba and the uncertainty that had surrounded investments in Cuba since the start of the second U.S. intervention in 1906 was coming to an end. The mood improved markedly when Theodore Roosevelt stepped down as president in March of 1909, and William Howard Taft took the oath of office. Flagler joked with old friend Colonel Henry Haines that the Taft inauguration marked the "Evacuation' of Teddy."<sup>23</sup> Looking forward, in a letter dated March 11, 1909, to Joseph R. Parrott, Vice-President and General Manager of the Florida East Coast Railway, Flagler wrote that he had talked to James McCrea, president of the Pennsylvania Railroad, on the car ferry matter and that McCrea had answered that "... when we were ready to take the matter up, he would put us in the way of obtaining the most complete information regarding the best style of ferry boats." Flagler went on to note in the letter: "The Penna. [sic] Co. have a great many of them [ferry boats], some on Lake Michigan, and of various styles, and Mr. McCrea thought that their experience would be worth a great deal to us."<sup>24</sup>

With construction resuming in 1909 on the Key West Extension, after periods of uncertainty over who and under what terms a new bond issue for the Florida East Coast Railway would permit the completion of the by-now very expensive extension, attention focused more and more on the Key West and Havana car ferry terminal facilities and on the

design of the car ferries themselves.<sup>25</sup> The plans for the Key West terminal had been very ambitious when first announced in 1905. They included twelve 800-foot piers, separated by 200 foot-wide berths capable of accommodating four ocean-going vessels side-by-side.<sup>26</sup> As costs escalated and delays mounted, projects for the terminal at Key West were considerably scaled back. In charge of the Key West terminal project was Howard Trumbo, and he was charged with creating a deeper channel access to the harbor as well as the building of a railroad port terminal adjacent to the old Peninsular and Occidental dock using dredged landfill.<sup>27</sup> The question of the ferry terminal at Havana, however, was another matter. Havana still had the same inadequate dock facilities in its harbor that Flagler had seen in his visits in 1900 and 1905, and various projects to build new dock terminals had not progressed much beyond the planning stage. Meanwhile, the United Railways of Havana still operated out of its inadequate and outdated Villanueva station, dating back to 1837, in the land-locked center of the city. Havana harbor had no place for a railroad car ferry either to dock or to directly unload its railroad cars.

It was also, however, in the spring of 1909 as construction resumed on the Key West Extension that plans were put in high gear for the Havana car ferry terminal. In one of his first speeches as Cuba's president, the newly inaugurated José Miguel Gómez announced plans for a land-swap deal where the Cuban government would receive the land of the Villanueva train station from the United Railways in exchange for the railroad receiving the government-owned old Spanish shipyard (the *Arsenal*) located right on the harbor. Hopes for moving the Villanueva train station out of the center of the city had been around since the late Spanish colonial period and had gained added urgency with the increase in trade and commerce at the beginning of the twentieth century. Tentative approaches had been made to the Cuban government during the administration of Tomás Estrada Palma to move the train station to the Arsenal property, but these had been put on hold since, by then, the United Railways had come under English ownership and fears of a British-owned beachhead on the shores of Havana harbor had raised concerns of the possible embarrassment of the Estrada Palma government over probable U.S. objections to the transaction. In the spring of 1909, however, the United Railways made a last-ditch attempt at securing access to Havana harbor. Cuba was, once again, under Cuban rule—this time with a president, José Miguel Gómez, whose presidential election

campaign had received generous contributions from the United Railways. In addition, growing anti-U.S. sentiment over U.S. interference in the failed Cuban/British Reciprocity Agreement of 1905 and over the second U.S. intervention in the island from 1906 to 1909 had emboldened Cuban nationalists to try and pursue policies free from U.S. interference. Finally, as many observers pointed out at the time and ever since, the new Cuban president was very susceptible to outside counsel, especially if it was accompanied by monetary incentives.

The Arsenal land swap deal quickly escalated into one of the most controversial political scandals in the almost sixty-year history of an independent Cuban republic. Accompanying clauses to the deal added the perks of the United Railways building five docks and an incinerator for the city and financing with a loan the building of a new presidential palace on the Villanueva site (the loan provision being very controversial since the U.S. vigorously objected to any encroachment of its Platt Amendment privileges of oversight over Cuban government finances) and these added fuel to the controversy.<sup>28</sup> In addition, apart from these concerns and the bribery rumors, the mere difference in the strategic locations of the two sites as well as their size (the Arsenal site was 109,474 square meters while the Villanueva site was less than half the size at 43,418 square meters) made for continuous debates in the newspapers, streets, and the halls of the Cuban Congress.

As these events were taking place in Havana, related developments were occurring on the other side of the Florida Straits. In March 1909, Flagler decided in consultation with Parrott to charter a ship for the summer to run experimental cargo voyages from Knight's Key to Havana to gauge the demand for freight (beginning with pineapples and vegetables) in anticipation of the opening of the car ferry line.<sup>29</sup> He was also writing to Parrott a day after Taft's inauguration to begin approaching the President to set aside time in his calendar and get his commitment to attend the opening of the Key West Extension.<sup>30</sup> In April, soon after Cuban President Gómez had announced the Arsenal land swap deal with the United Railways, Flagler began making plans with Parrott to inspect construction of the extension south of Knight's Key and to have both Robert M. Orr, General Manager of the United Railways, and Howard Trumbo, in charge of terminal construction at Key West, join them and to have Orr return with them all the way back to Jacksonville to show him the entire length of the Florida East Coast Railway line.<sup>31</sup> On May

3, 1909, Flagler left St. Augustine for Key West where he met Orr who had come over from Havana, and the two returned to St. Augustine where they met for two days to discuss the projected car ferry line and the situation in Cuba under the new Gomez administration. Orr left Flagler with the distinct impression that the second American intervention had left the Cuban people with a newly found desire for complete independence and, according to Flagler: "... that President Gómez was going to be able to administer the affairs of the island in a way that will please the inhabitants better than we [the U.S.] did."<sup>32</sup>

The discussions between Flagler and Orr in St. Augustine seem to have so considerably advanced the negotiations for the rail car ferry terminus at Havana harbor to warrant a follow-up meeting. On May 15, 1909, Flagler left St. Augustine for Key West to meet with Orr once again, but the excessive heat and multitude of mosquitoes forced him to go on to Havana on what would be his third and last trip to Cuba. On this trip, however, Flagler, already 79 years old, did not get off the ship when it arrived on Monday, May 17, and remained on board as it lay at anchor in the harbor at Havana and stayed only for the day, sailing in the afternoon at 3:00 pm.<sup>33</sup> Orr and Philip Hammond, resident engineer of the United Railways of Havana, met onboard with Flagler that day and, again, much of substance appears to have been discussed. Since their meetings the week before, Orr had met in Havana with Walter E. Ogilvie, a U.S. associate of Schroders bank, a director of the United Railways, and president and chairman of the board of the Havana Central Railway, and had forwarded a report to the London Board of the United Railways recommending an agreement with Flagler to have the United Railways act as the Havana terminus for the Key West rail car ferry.<sup>34</sup> Upon his return to St. Augustine, Flagler sent Hammond the blueprints for the passenger station he was planning to build at Key West.<sup>35</sup> In a month's time, Flagler had news from Orr "... of authority from the Board of your Company to advise me that it views favorably the proposal discussed at our recent conference in St. Augustine."<sup>36</sup> Finalizing the arrangements, however, would have to wait according to Flagler until the return of Parrott, who had left for Europe two weeks earlier to recuperate from broken health.<sup>37</sup> The delay in finalizing the details of a terminal at Havana, however, were not that serious for the project since William Krome was informing Flagler in July of construction delays

at the Key West terminal.<sup>38</sup> The support of the United Railways, however, appeared to now be assured.

With negotiations with the United Railways firmly on track, Flagler proceeded to continue working on his plans for the rail car ferry. While making arrangements for his own summer vacation in the White Mountains of New Hampshire, he wrote one of his railroad vice-presidents, J.P. Beckwith, asking when and where he intended to spend his summer vacation and wondering whether "... during your absence you couldn't examine some of the numerous car-ferries in the North, say at Ashtabula."<sup>39</sup> Referring to Robert W. Parsons, another of his vice-presidents who was in charge of Flagler's interests in the Peninsular & Occidental Steamship Company, Flagler added: "Mr. Parsons has a list of a number of ferry boats and the routes operated by them. I thought possibly you might join him in a tour of inspection."<sup>40</sup> The inspection trip was finally scheduled for October 1909.<sup>41</sup> Plans seemed to be moving smoothly.

Over the summer of 1909, however, opposition began to mount among popular opinion and the Cuban press to the entire Arsenal project, and it appeared that it would not be approved by the Cuban congress. In addition, the growing hostility of the United States government (lobbied by U.S. bankers) to the Cuban government receiving loans from British bankers (in this case, the Schrodgers-backed loan by the United Railways for the building of a presidential palace) and the potential for a British monopoly on control of railroad access to the harbor at Havana were being more forcefully presented as the Arsenal scandal grew in size and as it began to raise foreign policy implications reminiscent of the U.S./British rivalry over the failed Anglo-Cuban Reciprocity Agreement of 1905. As later reported, E. V. Morgan, U.S. minister to Havana, outlined U.S. objections to President Gomez over the Arsenal deal as centering on two main points: "One of these was the government increasing its indebtedness by borrowing money from the railroads for the erection of a palace and other buildings and the other that the invaluable waterfront in the Arsenal should pass under the control of one or more foreign railroad companies."<sup>42</sup> No doubt these very same concerns were discussed by Flagler and Morgan when both stayed at the Mt. Washington Hotel in Bretton Woods, New Hampshire, in September 1909. In a September 8 letter addressed to Parrott who was in London,

an upbeat Flagler wrote: "The Key West Extension is causing a great deal of interest and I am beginning to be quite a believer in it myself. I have had several interesting interviews with our Minister to Cuba (Mr. Morgan) who is spending a few days here at the Mt. Washington."<sup>43</sup>

Soon, however, fate, this time in the form of nature, would raise another obstacle in the path of Henry Flagler's projects. On October 11, 1909, a violent hurricane wreaked havoc in the Florida Keys and delayed the completion of the extension by almost two years. In the midst of the ensuing chaos, Flagler would write a long letter on November 4, 1909, to Wayne McVeagh in which he would spell out his position on the proposed Arsenal deal, the role of the United Railways of Havana, and the significance of the proposed rail car ferry from Key West to Havana. McVeagh, attorney general during the brief presidency of James Garfield in 1881, was a close friend of Flagler, spent many winters at The Breakers Hotel in Palm Beach and was an influential Republican. He had been appointed Ambassador to Italy for his support of Grover Cleveland in the 1892 election and was later the chief counsel for the United States at The Hague in the Venezuela boundary dispute with Great Britain over British Guiana. McVeagh, supposedly now a mere private citizen practicing law, was also a leading railroad lawyer and lobbyist who had an insider's view of Washington and with a brother, Franklin McVeagh, who had just been appointed the Secretary of the Treasury in the new Taft administration. The letter from Flagler was meant to be a virtual public document for McVeagh to use to lobby against any possible U.S. objection to the Arsenal deal and to clear the way for the rail car ferry project. It also appears probable that it was requested by the United Railways.

In the letter to McVeagh, Flagler wrote how the projected rail car ferry to Havana was vital for "... the rapid handling and exchange of freight between Cuba and the United States." He went on to state:

"It was virtually agreed, subject to proper terms, that we would make arrangements to use their [proposed United Railways] terminal [at the Arsenal] for the berthing of our sea-going ferry boats carrying freight across and arrange a system whereby products of Cuba could be loaded directly into the cars of the American Lines, transported to the States, sent on to destination and distributed without further handling."

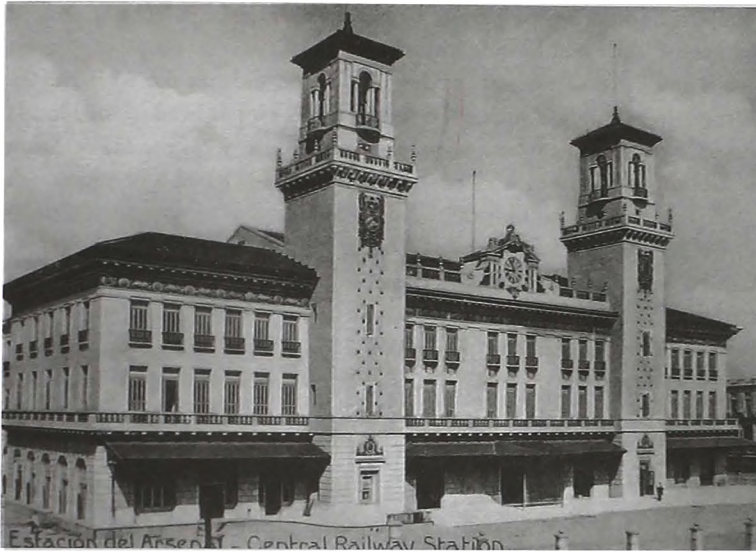


He addressed the possible solution to one of the main U.S. objections (a solution probably devised by the Schrodgers bankers) when he wrote: "I understand that it is proposed to create an American Company to operate this terminal and to provide by means of piers, wharves, and warehouses, other facilities for the rapid and concentrated handling of freight." Flagler made clear his position when he added: "We are very much interested in seeing this terminal a success and will co-operate with the United Railways in every way to that end." He finally concluded: "It is hardly necessary to dwell on the importance of a direct connection of this kind between the railways of the United States and those of Cuba since the realization of this terminal will add greatly to the upbuilding [sic] of the commerce of the countries" adding "The project of the United Railways, therefore, is not entirely a local one but to an extent is international in its character."<sup>44</sup>

The solution alluded to in the letter to McVeagh—namely, the formation of an American company to operate any railroad facilities to be built on the Arsenal property—was formalized on July 1, 1910, when the Havana Terminal Railroad Company received its official certification of incorporation in the town of Kittery in the state of Maine. The directors of the company numbered five and all were Americans and residents of Kittery except for one who was a resident of Portsmouth, New Hampshire. Elected as president was Horace Mitchell, a Kittery lawyer and minor local politician in the Republican Party. His wife, M. Gertrude, was elected secretary, and Benjamin F. Bunker, associated years back with the Union Pacific Railroad but retired in Kittery, was elected vice president. Each of the five directors owned 10 shares valued at \$100 each out of a total initial capital stock of 250 shares valued at \$25,000.<sup>45</sup> Clearly, this was merely a legal maneuver to satisfy the demands from the U.S. government with the formation of an American company, especially since the document whereby the United Railways of Havana agreed to turn over the Arsenal lands to this new American company in the event the land swap deal was approved by the Cuban congress had been signed six weeks before on May 18, 1910.<sup>46</sup> Ten days after the Havana Terminal Railroad Company had received its certification of incorporation, the Cuban Congress, on July 10, 1910, approved the Arsenal land swap without the loan provision but with the incinerator and dock construction provisions intact.<sup>47</sup>

The transition now began to turn the Havana Terminal Railroad Company into a fully functional legal entity and not one that merely posed as window dressing. At a meeting of the directors (all five of them!) on November 29, 1910, at Kittery, an issue of debenture stock not to exceed 1,500,000 pounds sterling to be payable at the offices of J. Henry Schroder & Co. in London was approved.<sup>48</sup> The real financing of the company beyond its token economic structure was established. On December 23, 1910, President Gomez signed the Arsenal bill into law, thereby bringing to a close the political maneuvers in Cuba. With the beginning of the new year and to facilitate operations, a special meeting of the board of directors of the Havana Terminal Railroad Company was called in Kittery on January 13, 1911, to grant full and complete power of attorney to Robert M. Orr and George A. Morson, Assistant General Manager of the United Railways, to act as the legal representatives of the company in Havana.<sup>49</sup> Four days later, on January 17, 1911, another special meeting took place where the entire slate of incorporating directors and officers resigned their posts sequentially, electing new directors and officers in turn to take their place. Thus, Walter E. Ogilvie, with whom Orr had discussed the Flagler rail car ferry six months earlier and president of the Havana Central Railway, became the new president and, perhaps more significantly, Charles James Cater Scott, Chairman of the Board of the United Railways of Havana, was elected vice-president and chairman of the board of directors of the Havana Terminal Railroad Company.<sup>50</sup> Thus the scheme of an American company under English control had come to its logical conclusion, and a seamless railroad connection to the port at Havana, so important to the viability of the Flagler rail car ferry project, had been successfully completed.

The year 1911 was one dominated by construction on both sides of the Florida Straits. The Key West Extension was finally being completed, although work on the Key West port terminal was not being as rapidly pursued. One of the factors was that, of course, under the state law agreement, the railroad extension to Key West had to be completed by May 1912. The Key West port terminal improvements, including the dredging of deeper access channels, could wait since the terminal work at the Havana end was barely underway. In addition, Trumbo and his dredges were busy in Cuba with other projects.<sup>51</sup> Perhaps most importantly, however, as Flagler confided to Parrott in April 1911: "I have never felt the value of a dollar so much as I have during the last two or three months.



The lavish new passenger railway terminal of the United Railways of Havana opened in December 1912 on the grounds of the old Arsenal naval yard. Postcard photo in author's personal collection.

My feelings undoubtedly are aggravated by the enormous expenditures yet remaining to be made.”<sup>52</sup> Nevertheless, the project of a railroad sea link between Key West and Havana was inching closer to reality.

January 22, 1912, was a glorious day in Florida history. On that date, Henry Flagler rode into Key West on his private railroad car. The Key West Extension—the railroad that went to sea—had been completed. But that was not the end of the story. On December 20, 1912, the Havana Union Railroad Station and the railroad yards on the old Arsenal property were inaugurated. By the end of 1912, both Havana and Key West had the railroad infrastructure completed on both sides of the Florida Straits. On January 17, 1913, Robert M. Orr, the General Manager of the United Railways of Havana, was in Florida carrying with him the power of attorney for the Havana Terminal Railroad Company and met with Henry Flagler to sign the final agreement for the rail car connection between Havana and Key West.<sup>53</sup> Two days earlier, Flagler had fallen on a staircase at his home in Whitehall—a fall from which he never recovered. Henry Flagler died quietly on May 20, 1913, a day

marking another anniversary of Cuba's independence, a fact not noticed by most Flagler and Florida historians.

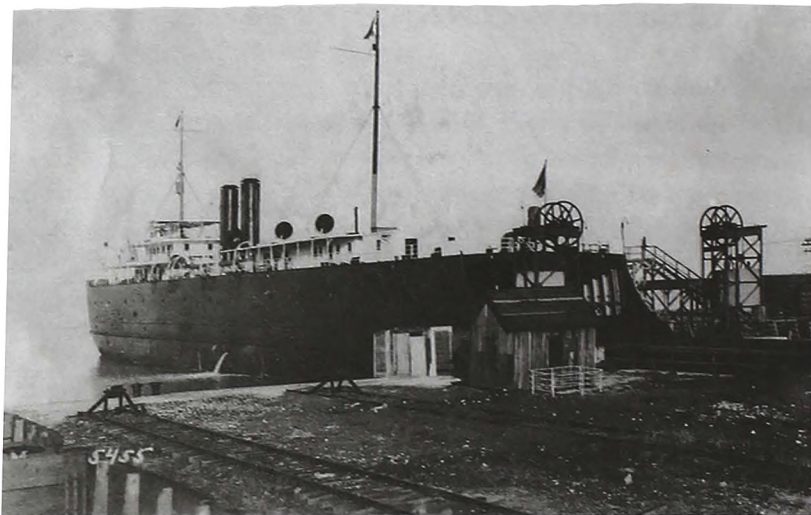
The dream of the rail car ferry, however, did not die with Flagler. Although Joseph R. Parrot, who succeeded Flagler as head of the Florida East Coast Railway, would soon afterwards die as well, the Flagler team of trusted confidantes who now ran the railroad signed a contract with Cramp's Shipyards of Philadelphia to build the first of what would eventually be three rail car ferries. The first rail car ferry—appropriately named the “Henry M. Flagler”—would make its first Key West to Havana voyage on January 7-8, 1915. The ship brought to Havana a full load of twenty-six rail cars, many of them carrying a full complement of race horses to open the inaugural season of racing at newly-built Oriental Park in the Havana suburb of Marianao. The success of the *Henry M. Flagler* during its first few months of operation soon led to the order from Cramp's Shipyards of a second rail car ferry—the *Joseph R. Parrott*—which would begin service in November 1916. Wartime business, however, proved so profitable that a third rail car ferry—the *Tomas Estrada Palma*—was ordered. It entered service in 1920. In 1916, the rail car ferry operation, which had been run as an almost ad hoc operation between the Florida East Coast Railway and the Peninsular & Occidental Steamship Company, was spun off with the founding of the Florida East Coast Car Ferry Company as a South Dakota corporation.<sup>54</sup> Any formal ownership tie between the car ferry company and the railway was severed, although the Flagler-Bingham estate of Mary Lilly Kenan Flagler Bingham retained personal ownership.

The growth in trade momentum, however, could not be sustained beyond 1920, as it was fueled by the prosperity in Cuba of inflated sugar prices during World War I. The inevitable sugar price collapse that followed devastated the Cuban economy. The ferries were placed on reduced schedules during the slow economic periods in the Cuba of the 1920s. The schedules were further reduced during the Depression of the 1930s. According to one historian, however, the Florida East Coast Car Ferry Company was the only consistently profitable operation in the entire Flagler System.<sup>55</sup> What cannot be denied is that it revolutionized trade with Cuba in that it completely by-passed the slow and inefficient break-bulk overseas maritime trade then in existence and directly challenged the high labor costs of lightering and stevedoring in the port of Havana. Because of its faster turnaround speed and lower costs both ir



The maiden voyage arrival in Havana of the "Tomas Estrada Palma" in 1920, with Morro Castle in the background and the La Punta Fort in the foreground. Postcard photo in author's personal collection.

terms of time and manpower, it also made the Cuban import and export trade out of Havana more dependent on the car ferry company and the United States as foreign competitors still engaging in break bulk shipping found themselves at a severe economic disadvantage. Moreover, it attracted the interest of American competitors for the Cuba market who viewed with envy the Flagler railroad car ferry's profitability through increased efficiency and avoidance of a regulatory railroad environment by being classified as a maritime and not a railroad operation.<sup>56</sup> More generally, the Florida East Coast Car Ferry Company, as the world's first ocean-going rail car ferry operation, can be considered to be a vital link in the progression in maritime trade from break-bulk to containership operations. Directly related as it was to the Key West Extension, it may be time to reassess the general belief that the Key West Extension ultimately proved to be an economic failure.



Florida Havana Railroad Car Ferry ready to load - Key West, Florida. December 22, 1926. Claude Matlack, photographer. HistoryMiami, 116-40.



The Trumbo Point yard of the Florida East Coast Railway Company in Key West in 1931. The railroad car ferry terminal was the center pier. Photo courtesy of the Florida Keys Libraries - [www.flickr.com/photos/keyslibraries/4888798290/in/set-72157624587492499](http://www.flickr.com/photos/keyslibraries/4888798290/in/set-72157624587492499)

## Endnotes

- 1 *The [Tampa] Morning Tribune*, August 26, 1898; September 7, 1898; November 1, 1898. The rumors appear to have been first reported in the Savannah newspapers.
- 2 Henry M. Flagler to Joseph R. Parrott, August 17, 1899, in Henry Morrison Flagler Archives, Whitehall Museum, Palm Beach, "Private Letter Book; August 15, 1899 – November 24, 1899." In that letter, Flagler wrote to Parrott: "In my interview yesterday with Mr. Erwin, the impression made upon me was that he was totally sincere in the most earnest desire to be entirely fair in all matters where we came into competition. He said he wished that some arrangement could be made whereby our Havana business could be pooled."
- 3 *The Miami Metropolis*, January 28, 1900; *Diario de la Marina* (Havana), January 30, 1900; *Florida Times-Union and Citizen*, January 31, 1900; *Diario de la Marina* (Havana), January 31, 1900; *The Miami Metropolis*, February 2, 1900; *The Tampa Tribune*, February 2, 1900.
- 4 *Diario de la Marina* (Havana) February 13, 1900; February 16, 1900.
- 5 Among the best biographies of Sir William Van Horne are: Walter Vaughn, *Sir William Van Horne* (London and Toronto: Oxford University Press, 1926) and Valerie Knowles, *From Telegrapher to Titan: The Life of William C. Van Horne* (Toronto: Dundurn Press, 2004).
- 6 Flagler's interest in Key West as the water terminus for what eventually would become the Florida East Coast Railway can be traced back to as early as 1891 when he met with Jefferson B. Browne, recently elected state senator from Key West, at Henry Plant's Tampa Bay Hotel. See: Jesus Mendez, "1892 – A Year of Crucial Decisions in Florida," *The Florida Historical Quarterly* 88, no. 1 (Summer 2009): 83-106. The first reference in retrospect to a possible rail car service linking the railroad water terminus at Key West with Havana dates from 1898 and the reference is found in a 1907 Flagler interview by *Chicago Record-Herald* reporter William B. Curtis. In an article on the Key West Extension, Curtis wrote: "He [Flagler] told me last spring that the idea of building a railroad along the coral islands to Key West and sending through sleeping cars from Chicago and New York to Havana came into his mind one afternoon in 1898, when he was reflecting upon the possible consequences of the Spanish-American war and the independence of Cuba." For a reprint of Curtis' *Chicago Record-Herald* article, see William B. Curtis, "Flagler in Florida; Extraordinary Railroad Enterprise and Engineering Brings Havana a Day Nearer New York," *Opportunities of To-Day* 4:3 (March 1908): 41-42.
- 7 In his excellent book on Henry Flagler, Edward N. Akin discusses, in a chapter entitled "Land Baron," the interrelationship between Flagler's rail-

- road enterprise and his land development policies. See: Edward N. Akin, *Flagler, Rockefeller Partner and Florida Baron* (Gainesville: University Press of Florida, 1992), 174-189.
- 8 *The Miami Metropolis*, November 13, 1903.
  - 9 "The New Country South of Miami," *The Miami Metropolis*, November 27, 1903. It must be remembered that, while under the employ of Henry Plant, Ingraham had made in 1892 an expedition to the Everglades in which he had become convinced of the feasibility of large scale drainage of the Everglades. See: Watt P. Marchman, "The Everglades Exploring Expedition, 1892," *Tequesta: The Journal of the Historical Association of Southern Florida* 7 (1947): 3-43.
  - 10 Commenting on the United States' instigated coup in Panama against Colombia which led to Panama's independence, Flagler, in a private letter to the editor of *The Florida Times-Union*, wrote: "I regard it as the greatest piece of international burglary I have ever known, at the same time we are also glad he [Theodore Roosevelt] did it." See: Henry M. Flagler to George W. Wilson, November 23, 1903, in Henry Morrison Flagler Archives, Whitehall Museum, Palm Beach, Letter Box 142.
  - 11 Henry M. Flagler to Joseph R. Parrott, September 10, 1903, in Henry Morrison Flagler Archives, Whitehall Museum, Palm Beach, Letter Box 141.
  - 12 Ibid.
  - 13 Copies of William J. Krome's letter, which reports on his two expeditions, were compiled and reproduced by Jerry Wilkinson, donated to the St. Augustine Historical Society in 1995, and form part of the society's holdings on the Florida East Coast Railway. See: Jerry Wilkinson, compiler, "Building the Key West Extension: William J. Krome Reports on the Cape Sable Expedition, October 1902 to September 1903, Part One" Florida East Coast Railway, St. Augustine Historical Society, Box 25, Folder 2a; and Jerry Wilkinson, compiler, "Building the Key West Extension: William J. Krome Reports on the Cape Sable Expedition Plus South to Bahia Honda, September 1903 to October 1904, Part Two," Florida East Coast Railways, St. Augustine Historical Society, Box 25, Folder 2b.
  - 14 Seth H. Bramson, *The Greatest Railroad Story Ever Told: Henry Flagler & the Florida East Coast Railway's Key West Extension* (Charleston and London: The History Press, 2011), 33-34, 36-41.
  - 15 The story of the early years of the Cuba Company and all of its projects, including the Cuba Railroad, is extensively analyzed in: Juan C. Santamarina, "The Cuba Company and the Expansion of American Business in Cuba, 1898-1915," *Business History Review* 74:1 (Spring 2000): 41-83.



- 16 The controversy surrounding the proposed 1905 Cuban/British Trade Reciprocity agreement is extensively covered in: Jorge Renato Ibarra Guitart, *El Tratado anglo-cubano de 1905* (La Habana: Editorial de Ciencias Sociales, 2006).
- 17 Robert Fleming to William Van Horne, November 20, 1905, in William Van Horne Archive. Library and Archives Canada, Ottawa, MG29 A60, Vol. 13, File 13/5, General Correspondence, August-December 1905. Schroders sometimes appears in the literature spelled as Schroeders. For the sake of consistency, the spelling of Schroders is used throughout this article.
- 18 Van Horne to Flagler, February 10, 1905, in William Van Horne Archive, Library and Archives Canada, Ottawa, MG 29 A60 Vol. 3, Letter Book 9.
- 19 In a letter dated February 14, 1906, Flagler wrote to Van Horne that, not having heard any news on the London negotiations (Van Horne would not leave for London until a week later), he assumed that not much, if anything, had been accomplished. Flagler reminded Van Horne: "Being younger than I, you perhaps do not feel the importance of time as I do. If I owned the Cuba Railroad, I would get into Havana at the earliest day possible, and if that failed, I would build and own a line myself." Flagler to Van Horne, February 14, 1906, in William Van Horne Archives. Library and Archives Canada, Ottawa, MG29 A60, Vol. 14, File 14/9, General Correspondence, January-March 1906.
- 20 The entire episode between the Havana Central and the Cuba Railroad and Van Horne is covered in Vaughn, *Sir William Van Horne*, 339-344.
- 21 The episode is discussed at length in Joe Knetsch, "The Peonage Controversy and the Florida East Coast Railway," *Tequesta* LIX (1999): 5-29. Flagler had been so upset over the entire affair that he had written Elihu Root, while he was still Secretary of State, to put again in writing the comment he had made in a letter three years earlier ("... for I regard it [the Key West Extension] as second only to the Panama Canal in its political and commercial importance to the United States") to be used as part of his defense in the peonage trial. See: Henry Flagler to Elihu Root, November 11, 1908, Henry Morrison Flagler Papers, Whitehall Museum, Palm Beach, Letter Box 169.
- 22 Henry Flagler to Elihu Root, November 25, 1908, Henry Morrison Flagler Archives, Whitehall Museum, Palm Beach, Letter Box 169.
- 23 Henry Flagler to Col. H. S. Haines, March 8, 1909, Henry Morrison Flagler Archives, Whitehall Museum, Palm Beach, Letter Box 172.
- 24 Henry Flagler to J. R. Parrott, March 11, 1909, Henry Morrison Flagler Archives, Whitehall Museum, Palm Beach, Letter Box 172.

- 25 The financing issue is a complex one as it involved negotiating the best terms from potential lenders (first the Guaranty Trust Co. and then the ultimate issuer J. P. Morgan & Co.) as soon as possible in the face of the possible passage by the Florida Legislature in the Spring 1909 session of a law limiting the amount of bonds a railroad company in the state could issue. By the summer of 1909, all the financing issues had been resolved, and Flagler and his railway board gave final approval at a stockholders' meeting in St. Augustine on April 30, 1909. See: H. Flagler to J. R. Parrott, November 30, 1908; H. Flagler to J. R. Parrott, December 1, 1908; H. Flagler to W. H. Beardsley, April 17, 1909; H. M. Flagler to W. H. Beardsley, May 1, 1909; H. M. Flagler to J. P. Morgan & Co., June 17, 1909; and J. R. Parrott to J. P. Morgan & Co., June 17, 1909, Henry Morrison Flagler Archives, Whitehall Museum, Palm Beach, Letter Box 172.
- 26 Akin, *Flagler*, 214. The announced magnitude of the project was, undoubtedly, greatly exaggerated in the euphoria surrounding the announcement of the resumption by the United States of the construction of an isthmian canal at Panama.
- 27 The landfill port project in Key West became known as Trumbo Island. Trumbo was indeed a very busy man since Flagler lent him and his equipment to William Van Horne for the dredging and port projects at Antilla in Nipe Bay, Cuba. See: Van Horne to Flagler, 12 January 1909, in William Van Horne Archive, Library and Archives Canada, Ottawa, MG 29 A60 Vol. 5, Letter Book 12. Trumbo, born in Salt Lake City, was a classmate of Herbert Hoover at Stanford and became an engineer based in San Francisco. He was a younger brother of Isaac Trumbo, prominent political and mining figure in Utah and California, who was a close advisor of the Mormon Church (their father, a Catholic, had married their Mormon mother in Utah). Howard and Isaac lost touch after Howard began his travels on his engineering and dredging projects, and they were no longer in contact when Isaac lost his fortune, was evicted from his home, and died penniless in 1912. See: "The Decline of Col. Isaac Trumbo," *Goodwin's Weekly*, March 18, 1911, and *The New York Times*, November 9, 1912. Trumbo appears to have begun his involvement in Florida as early as 1905 when he placed a bid to dredge the segment of the intracoastal waterway from St. Augustine north to the St. Johns River. See: William G. Crawford, Jr., *Florida's Big Dig: The Intracoastal Waterway from Jacksonville to Miami, 1881 to 1935* (Cocoa: Florida Historical Society Press, 2006), 154.
- 28 The Villanueva site would eventually be occupied by the beautiful and impressive National Capitol Building of Cuba completed in 1929 and which today houses the Cuban Academy of Sciences.
- 29 Henry Flagler to William Porter, March 13, 1909, Henry Morrison Flagler Papers, Whitehall Museum, Palm Beach, Letter Box 172.

- 30 Henry Flagler to J. R. Parrott, March 21, 1909, Henry Morrison Flagler Papers, Whitehall, Palm Beach, Letter Box 172.
- 31 Henry Flagler to Howard Trumbo, April 5, 1909; Henry Flagler to J. R. Parrott, April 18, 1909; Flagler to J. R. Parrott, April 20, 1909; Henry Morrison Flagler Papers, Whitehall Museum, Palm Beach, Letter Box 172.
- 32 Henry Flagler to Gen. J. R. Brooks, May 11, 1909, Henry Morrison Flagler Papers, Whitehall Museum, Palm Beach, Letter Box 172.
- 33 H. M. Flagler to J. R. Parrott, May 19, 1909, Henry Morrison Flagler Papers, Whitehall Museum, Palm Beach, Letter Box 172.
- 34 H. M. Flagler to J. R. Parrott, May 19, 1909, Henry Morrison Flagler papers, Whitehall Museum, Palm Beach, Letter Box 172. Walter E. Ogilvie was the key American figure in the English-owned railroads in western Cuba. A brief overview of Ogilvie's varied business career (including his later rôle in the International Telephone and Telegraph Company) is found in his obituary in the *New York Times* September 2, 1956.
- 35 H. M. Flagler to Robert M. Orr, May 19, 1909, Henry Morrison Flagler Papers, Whitehall Museum, Palm Beach, Letter Box 172.
- 36 H. M. Flagler to Robert M. Orr, July 6, 1909, Henry Morrison Flagler Papers, Whitehall, Palm Beach, Letter Box 174.
- 37 Ibid.
- 38 H. M. Flagler to J. P. Beckwith, July 20, 1909, Henry Morrison Flagler Papers, Whitehall, Palm Beach, Letter Box 174. The illness of Parrott, which appears to have been a borderline case of a nervous breakdown, meant his absence in Europe from June through October 1909 at critical moments in the building of the Key West Extension. Even after his return, Flagler advised that he rest for a few more months before returning to work noting that "... very little mental effort leaves its mark upon him" (H. M. Flagler to J. P. Taliaferro, November 5, 1909, Henry Morrison Papers, Whitehall, Palm Beach, Letter Box 178). Parrot would return to Europe in 1911 to recuperate at a German sanatorium. Flagler appears, on the other hand, to have had at his advanced age the resilience to face these same multiple challenges at the end of his life that wore Parrott down.
- 39 H. M. Flagler to J. P. Beckwith, July 27, 1909, Henry Morrison Flagler Papers, Whitehall, Palm Beach, Letter Box 174. Flagler would have been familiar with the car-ferries at Ashtabula since they operated only a short distance away from his old Standard Oil haunt of Cleveland.
- 40 Ibid.
- 41 H. M. Flagler to J. R. Parrott, September 29, 1909, Henry Morrison Flagler Papers, Whitehall Museum, Palm Beach, Letter Box 176.

- 42 The *Cuba Review* issue of February 1910 is cited in: Oscar Zanetti and Alejandro Garcia, *Sugar & Railroads: A Cuban History, 1937-1959* (Chapel Hill and London: The University of North Carolina Press, 1998), 247. The U.S. view on the strategic importance of the Arsenal site was shaped by the fact that it had served as the landing stage for disembarking American troops in the 1906 intervention.
- 43 H. M. Flagler to J. R. Parrott, September 6, 1909, Henry Morrison Flagler Papers, Whitehall, Palm Beach, Letter Box 175.
- 44 Henry M. Flagler to Wayne McVeagh, November 4, 1909, Henry Morrison Flagler Papers, Whitehall, Palm Beach, Letter Box 178. Zanetti and Garcia, in their book *Sugar & Railroads*, argue that the formation of an American company to operate the railroad facilities to be built at the Arsenal was proposed by Schroders. See Zanetti and Garcia, *Sugar & Railroads*, 248.
- 45 Minutes of meeting July 1, 1910, as recorded in: Havana Terminal Railroad Company, *Minutes of Meetings of Directors & Stockholders From July 1, 1901 To 29<sup>th</sup> November 1910, Volume 1*, University College, London, England, United Railways of the Havana & Regla Records (1871-1954), GB 0103 URHRM; "Agreement made the eighteenth day of May One thousand nine hundred and ten BETWEEN UNITED RAILWAYS OF HAVANA & REGLA WAREHOUSES LIMITED a company duly incorporated under the English Companies Acts and having its registered office situated at Dashwood House 9 New Broad Street in the city of London England (herein-after called the "Railway Company") of the one part and HAVANA TERMINAL RAILROAD COMPANY a corporation duly incorporated under the laws of the State of Maine United States of America (hereinafter called the "Terminal Company") of the other part," Ibid; George Thomas Little, ed., *Genealogical and Family History of the State of Maine, Volume III* (New York: Lewis Historical Publishing Company, 1909), 1072-73.
- 46 According to Zanetti and Garcia, the entire legal maneuver was orchestrated through Schroder bankers. See Zanetti and Garcia, *Sugar & Railroads*, 248.
- 47 *Diario de la Marina* (Havana), July 12, 1910.
- 48 Havana Terminal Railroad Company, *Minutes Volume 1*.
- 49 Minutes of meeting January 13, 1911, as recorded in: Havana Terminal Railroad Company, *Minutes of Meetings of Directors and Stockholders from 30<sup>th</sup> November 1910 to 17<sup>th</sup> January 1911, Volume 2*, University College, London, England, United Railways of Havana & Regla Records (1871-1954) GB 0103 URHRM.
- 50 Minutes of meeting of January 17, 1911. Ibid.
- 51 Howard Trumbo was busy not only with the harbor works at Nipe Bay for the Cuba Railroad, he was also involved at this time with the work of clearing the wreck of the U.S.S. Maine from Havana harbor. When World War