

# Florida`s Economic Boom of the 1920s and the Bust of 1926

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Dominik Riepl

Vienna University of Business and Economics –  
Institute of Economic History



# Introduction

- **Military presence increased in Florida after WWI**
- **Rising per capita income in the industrialized north**
- **Florida became playground for investors**

**=> Economic Boom that crested in 1925**



# Objectives

- **To understand how the boom and bust could develop**
- **To show which institutions/persons drove the boom/bust**
- **To show how the boom/bust affected the state of Florida**



## Research Question

**How did the Florida economic bust of 1926 develop and how did it affect the consistency of the state?**



# Methodology

- **Use of historical data and literature**
- **Sources: Smathers Library - Special Collection of Florida History, US Statistical Abstracts, US Census Bureau**



## Main topics

### **1) History of Florida before 1915**

- Ponce de Leon
- 300 years of colonization
- Alcohol smuggle during prohibition period

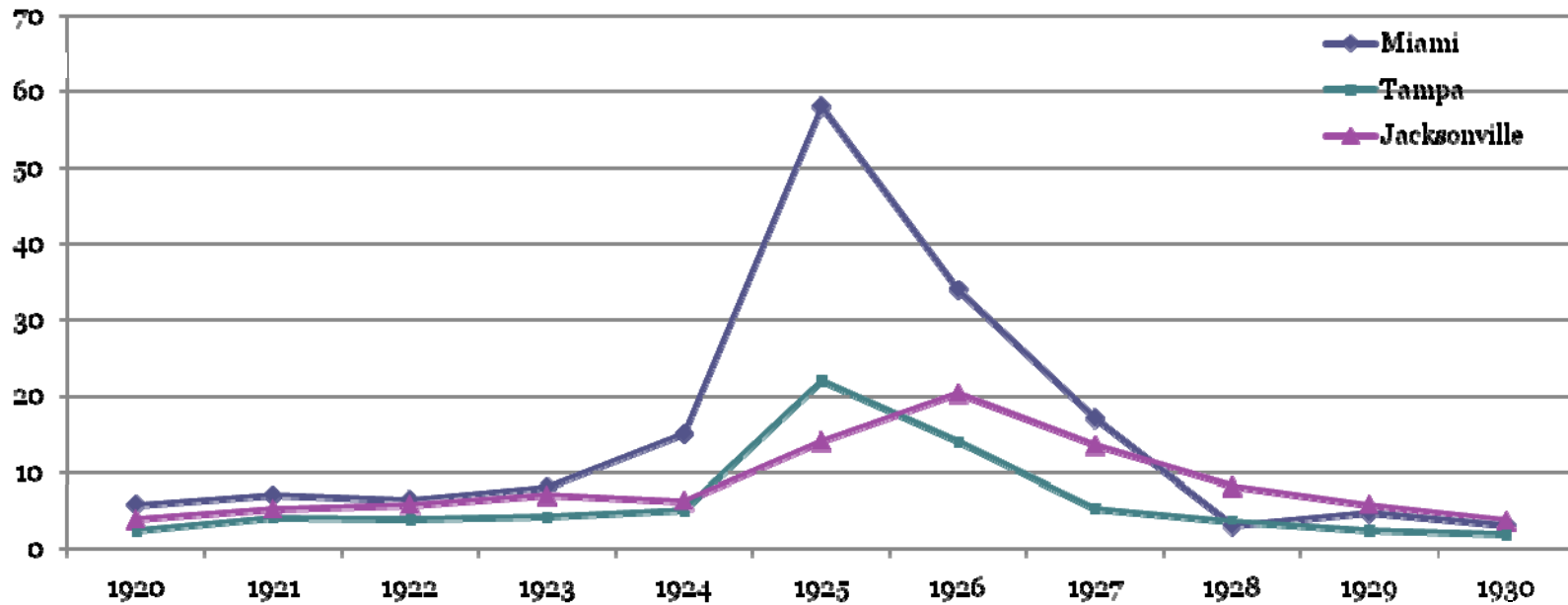


## Main topics

### **2) The development of Florida 1915 – 1925**

- Henry Flagler
- Railroad

Buildings permits (million Dollars) issued in Miami, Jacksonville and Tampa between 1920 and 1930 (Frazer, Guthrie 1995, 37)





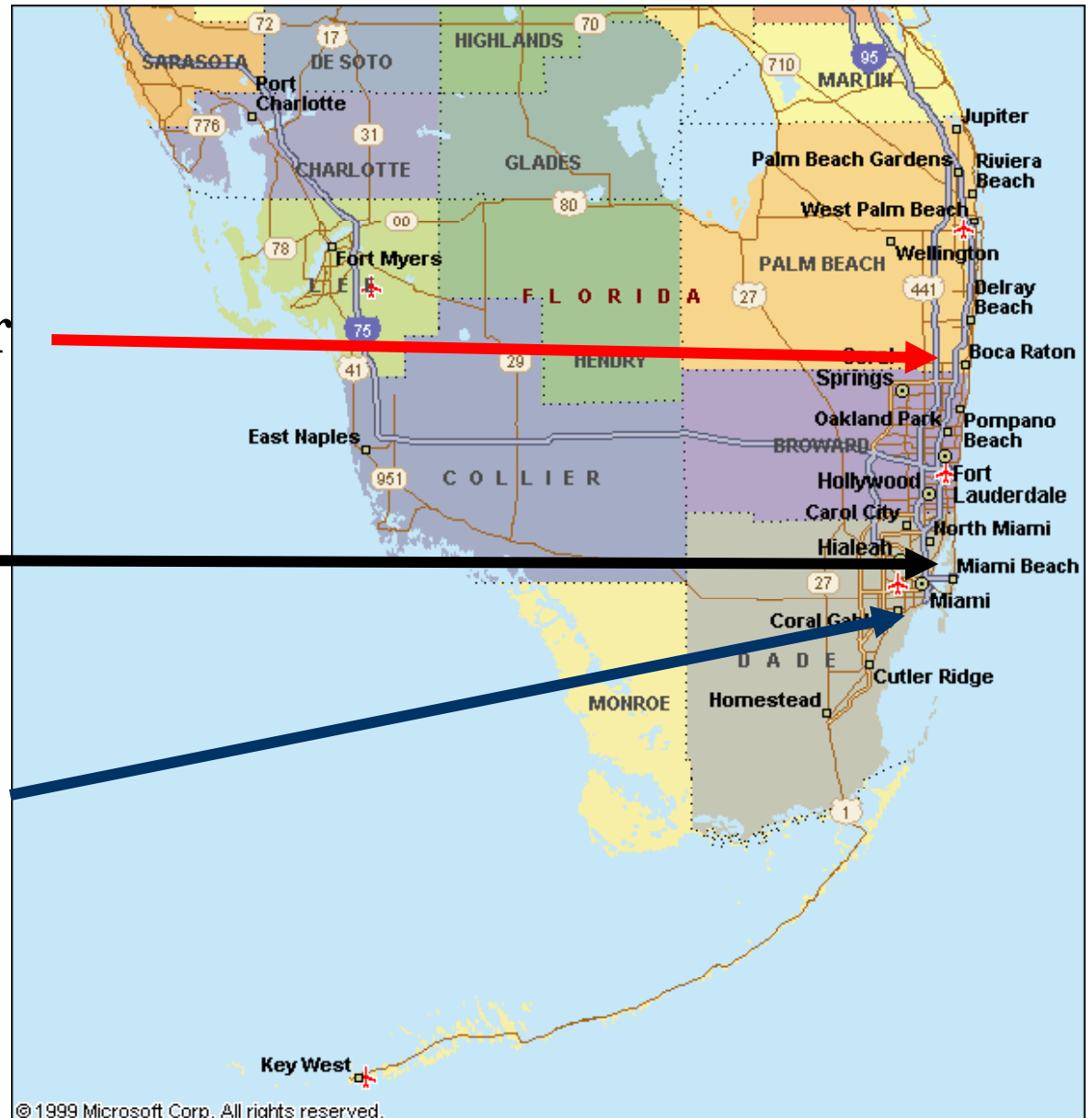


## Main topics

### **3) Reasons for the Boom**

- **Roaring Twenties**
- **Climate**
- **Business friendly tax policy**
- **3 Boom Centers and Developers**

- Addison Mizner  
Boca Raton
- Carl Fisher  
Miami Beach
- George Merrick  
Coral Gables



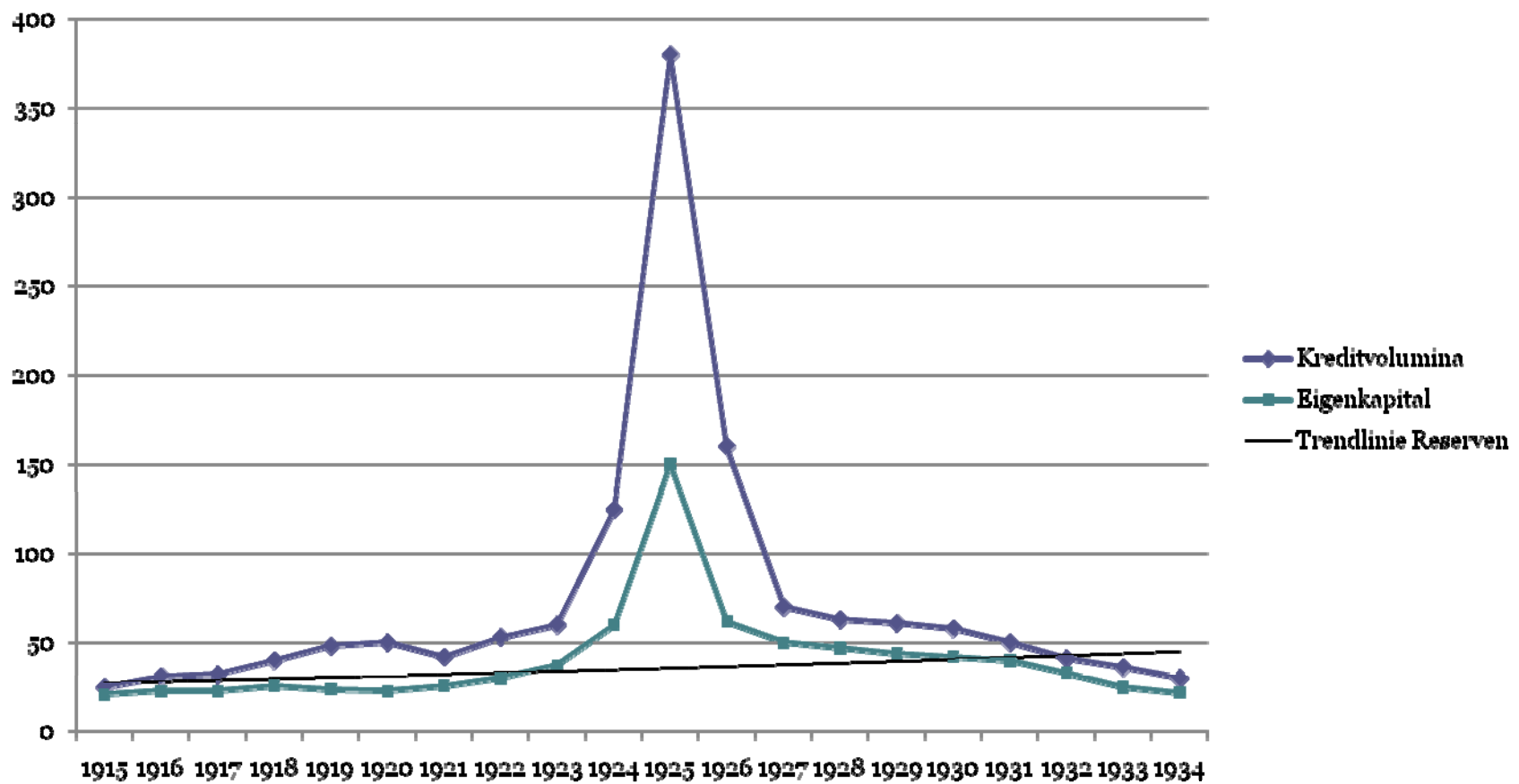


## Main topics

### **4) The Role of the Banks**

- Speculative Bubble
- Fraudulence
- Deposits increased Reserves
- Strong connection between bankers and politicians

## Reserves and Deposits in Floridas State Banks between 1915 and 1934 in Million Dollars





Main topics

**5) End of the Boom**

-Anti-Florida Campaign

-Hurricane 1926



## Conclusions

- **Boom was one of the first speculative booms**
- **Major focus on the banking system**
- **Changed the consistency of the Florida territory significantly**