

NOTE OF INTERVIEW WITH MR. H. M. FLAGLER.

Mr. Rogers arranges interview with Mr. Flagler for me and I return from Titusville for it. Meet him at National Trust Company office. I ask Mr. Flagler about his relation with the South Improvement Co. Does not answer question directly but tells me ~~that~~ with some show of emotion of his own early life, how he ~~kind~~ left home because his father was a poor clergyman on \$400. a year with a large family of children, found it difficult to give them all shoes; went to Michigan, remembers with distinctness how ill he was in crossing the lake, worked in Michigan at various things, finally got into debt, says that when he left that country he owed \$50,000. to 50,000 Italians; went to Cleveland and 1857 went in with Rockefeller and Andrews. The business made money; he says at the end of the first year his share of the profits was \$28,000., more than he expected to have in his life. Went home the night he learned this and awakened his wife to tell her. He says in a pious tone "from that time we ^{were} ~~will~~ prosper." Repeats this remark "we ^{will} prosper" at intervals throughout the rest of the story. Tells how he, not Mr. Rockefeller, saw the advantages there would be in combination in the overdone refin~~ing~~ing business of Cleveland (notice that in the Board of Trade reports for 1870-1 it is remarked, the combination in the oil refineries of Cleveland is underway). Says that he and

Mr. Rockefeller, neither believed in the South Improvement Co. scheme when brought to them, but that Mr. Warden kept at them until finally they went into it. Watson also was in favor of it and worked the scheme with the railroads. Describes a meeting at the St. Nicholas Hotel in New York; he was lying down in his room when Rockefeller and Warden, and I think he said Lockhart, came in. Warden was enthusiastic for the South Improvement scheme and finally they ~~xxxxxxxx~~ consented to go into it. He is not willing directly to charge Mr. Warden with having originated it because the man is dead, but intimates that he was the founder. I remark that Mr. Rockefeller got the credit of originating it; he says, yes, that the feeling in the oil regions was so intense that it was not safe for them to go there for weeks, "but how often, Miss Tarbell, the reputation of a man in his lifetime differs from his real character. The greatest character in our history--how different was our Lord and Savior regarded when he was alive from what we know him to have been now." All his further conversation insisted upon the point that the Standard Oil Co. was a great and beneficent organization, giving cheap oil to the masses of men, its purposes entirely misunderstood, etc., etc. The impression of cant, slyness and ability which he made upon me was pronounced and disagreeable. He is the first one of the Standard men I have met who inspired disgust. Mr. Rogers returned in about half an hour and Mr. Flagler fled with

evident relief. Mr. Rogers and I talked for nearly two hours, he with great frankness. I arranged then for my trip with Varian to the ²tanning works.

Point which I talked to him about is their economies, and I asked for exact ²illustrations. He says that the West Virginia field could never have been developed by individual capitalists, that it cost too much money, from \$8,000. to \$12,000. to put down a well. This he is wrong in this. The early development in Northwestern Pennsylvania was quite as expensive as West Virginia on account of the difficulties of transportation and the crudeness of the methods; wells cost frequently as high as \$8,000. there; also think West Virginia was practically opened by independent wild-catters. Notice Mr. Hukill's story told me in Pittsburg November 12. Mr. Hukill with \$60,000. went to West Virginia and after some years of work tested and leased some 20,000 acres. Before he got through he needed money and borrowed \$125,000. from the Standard Oil Co. Note that he had independently proved that this territory was valuable; he says it was publicly rated as worth a million and a half. Note that the Standard Oil Co. by the fact of having loaned money to Hukill by a system of harrassing in the courts finally compelled him to sell. This is Mr. Hukill's side of the story. The point here is simply that this land did not need a great corporation to prove its value;