

The Story of the SS Arauca

A Wartime Saga in Broward County

By Bennett Lessmann



The SS Arauca off the coast of Fort Lauderdale, Florida. This photograph was taken by local sport fishing boat captain James Vreeland, Jr.

Broward County Historical Commission, James Vreeland Collection.

The Arauca: Florida's Battlefront

There is a story often told in Fort Lauderdale that, despite its significance, has never been recounted in its entirety. After the *Arauca* was seized by the United States government in December 1939, a \$10,000 trust was created for the just compensation of the ship.¹ It is a wartime drama that unfolded just miles off the coast of Broward County. This is that tale in its most complete form to date: the story of the SS *Arauca*.

The *Arauca* and the significance it possessed for Broward County were evident from the start. This account of the *Arauca* is told through the lens of the *Fort Lauderdale Daily News and Evening Sentinel*, along with other major newspapers of the day, to contextualize the importance of the ship as it silhouetted the skyline of Port Everglades for nearly 20 months. Further, through these local publications, the most complete account of the *Arauca* to date has been pieced together.

1939 - Curtain Call

The SS *Arauca* was a German freighter built in 1939 by Bremer Vulcan of Germany, weighing 4,354 tons and reaching 430 feet in length.² The freighter had cabins for 12 passengers.³ The ship departed from Hamburg, Germany, on August 9, 1939, on its maiden voyage to Havana, Cuba, with 5,000 tons of cargo.⁴ The nature of the cargo on board is unknown.

The *Arauca* arrived in Cuba on August 29, 1939, and unloaded 2,500 tons of its cargo.⁵ By this time, the international situation was declining and tensions between Great Britain and Germany had reached a tipping point. The *Arauca*, at port in Havana, was scheduled to sail to Veracruz, Mexico, and then return to its home port of Hamburg.⁶ Captain Frederick Stengler, sensing the

imminent threat of the British Royal Navy, requested permission from Berlin to return to Hamburg and abandon Veracruz until tensions eased.⁷ “If they had let me return then, before the English had a chance to scatter their cruisers over the seas, we would have made Hamburg,” Captain Stengler later lamented.⁸

The *Arauca*, however, was ordered to continue on to Veracruz with its cargo.⁹ At this point there are accounts that the *Arauca* either had sugar in its cargo or received sugar in its hold while in Mexico.¹⁰ Herbert Gaston, the Assistant Secretary of the Treasury at the time, confirmed that the *Arauca* took on 800 to 900 tons of oil before leaving Veracruz and explained that the freighter would need an estimated 600 tons for a return trip to Hamburg.¹¹ While the *Arauca*’s exact arrival date in Veracruz is unknown, the ship left port on December 14, 1939, with a stated destination of New Orleans, Louisiana.¹² Likewise, the *Arauca*’s business in New Orleans is unknown, yet there is a possibility that a shipment of sugar may have

been contemplated.¹³ The tonnage of oil taken on by the ship, however, ripened rumors and concerns that the *Arauca* was merely an auxiliary ship in disguise, used to refuel Nazi combat ships far from home.¹⁴

The Drama Unfolds

On December 19, 1939, the *Arauca* was under observation by the United States Coast Guard in Fort Lauderdale.¹⁵ Lieutenant J. W. Malen, the executive officer of the Fort Lauderdale base, was vigilantly observing the ship and its curious predicament – the *Arauca* was being stalked by the HMS *Orion*.¹⁶

The *Orion* was a light cruiser of the British Royal Navy, commissioned on January 18, 1934.¹⁷ She packed eight inch guns and a catapult-launched aircraft.¹⁸ The *Orion* would go on to receive 13 battle honors before being decommissioned in 1947.¹⁹

The *Arauca*, according to Captain Stengler, had been accompanied by an American neutrality patrol cruiser for three days before it first sighted the



The Hillsboro Lighthouse, 1920s. Broward County Historical Commission, Clyde Brown Collection.

Orion.²⁰ Captain Stengler admitted confusing the *Orion* at first with his American accompaniment: “We first sighted the cruiser *Orion* about 35 miles from Lauderdale but thought it was an American ship until we were off port.”²¹

During the mid-morning of December 19th, Coast Guard planes kept a close watch on the *Arauca*.²² Both ships at this point were reportedly drifting north. Shortly after noon, Lieutenant Malen identified the two ships himself while aboard a Coast Guard speed boat.²³ The path of the two ships is unknown; however, both the *Arauca* and the *Orion* were reportedly heading north up the Florida coast at 2:30 p.m.

As the two vessels moved north toward the Hillsboro Lighthouse, other crafts and yachts were following, witnessing the drama unfold. Oscar Johnson, the manager of the Hollywood Beach



The British Light Cruiser Orion off the coast of Fort Lauderdale, Florida. This photograph was taken by local sport fishing captain James Vreeland, Jr. Broward County Historical Commission, James Vreeland Collection.

Hotel, was on his yacht between the two vessels and reported the *Orion's* position to the Coast Guard.²⁴ From his craft, Johnson witnessed the *Orion* signal the *Arauca* by mirror, urging the ship to turn west and follow out of the neutrality zone.²⁵ By this time, the *Orion* had deployed its catapult-launched plane to observe the *Arauca's* movement.

Finally, at 5:30 p.m., the *Orion* fired its gun across the bow of the *Arauca* as a warning.²⁶ This was the first belligerent shot fired in U.S. waters during World War II and could be heard along the Florida coast. As the shot rang out, two U.S. planes were circling the scene, along with the catapult-launched *Orion* aircraft; one U.S. Navy bomber circled, as well as a Coast Guard surveillance plane.²⁷ The exact position of the *Orion* when the shot was fired has been contested, yet the U.S. government never protested the blast as a violation of neutrality laws.²⁸

Once fired upon, the *Arauca* about-faced and sped south toward Port Everglades. The port was in an uproar. Spectators, who had lined the beach to watch the event unfold, followed the

ship to the port to witness her drop anchor. Unbeknownst to the 52 crew members, the *Arauca* had met its home for the next 20 months. The ship had outrun the impressive Royal Navy ship, but would never sail against the *Orion's* countrymen again.

Willkommen Der Hauptmann!

Within hours of the ship's arrival, press from around the area had arrived and were clamoring for interviews with the Coast Guard, port officials and the crew. An initial meeting was scheduled for both press and port officials with Captain Stengler when the ship had been anchored.

When questioned on why he did not follow the *Orion's* orders and turn the *Arauca* toward neutral waters, Captain Stengler remarked, "I would rather run her onto the beach than let them have her."²⁹ Captain Stengler would go on to express his gratitude to port officials, claiming, "Port Everglades saved my ship and crew and that is important."³⁰

After the meeting, Captain Stengler and his crew were ordered to remain onboard until port authorities could reach a conclusion on the status of the

Arauca.³¹ If the *Arauca* proved to be a peaceful merchant ship, it would be allowed to remain at Port Everglades indefinitely.³² However, if the *Arauca* proved to be an auxiliary ship, used to refuel Nazi fighters, the ship would be ordered to sail within 24 hours.³³

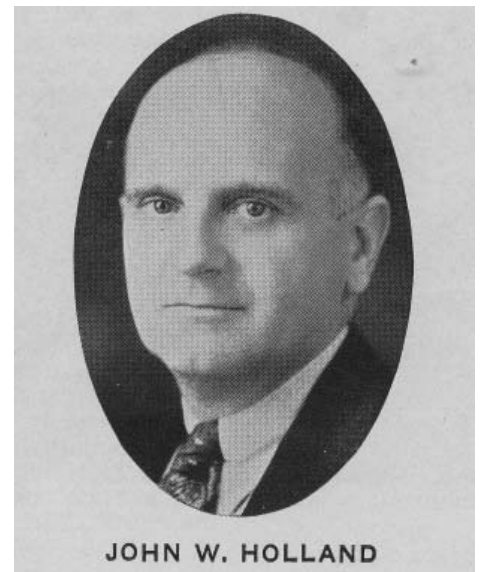
C. P. Hogeboom, Deputy Collector of Customs for Port Everglades, eventually confirmed that the ship was unarmed and would have 24 hours to officially request entry into the port.³⁴ Neither the crew nor port officials knew that the status of the ship would soon become irrelevant.

The First Offensive

On the morning of December 20, 1939, a libel action lawsuit was brought against the *Arauca* in the U.S. District Court of Miami, Judge John W. Holland presiding.³⁵ The libellant, Imperial Sugar Company of Galveston, Texas, filed suit against the Hamburg-American Line, the owner of the *Arauca*, for breach of contract and losses totaling \$38,451.³⁶



Port Everglades, 1934. Broward County Historical Commission. Photo by Anthony Kozla.



Federal Court Judge John W. Holland (1883 - 1969) From *Bench and Bar of Florida A Pictorial and Biographical Directory of Members of the Bench and Bar of Florida*, 1935. Broward County Historical Commission.

Imperial claimed that the Hamburg-American Line failed to deliver shipments of sugar as a result of the war and moved to attach the *Arauca* as property of the company, exercising quasi-in rem jurisdiction.³⁷ Whether the culprit of the lost sugar delivery was the *Arauca* or some other vessel owned by the Hamburg-American Line is unknown.

Back in Port Everglades, the *Arauca* was the object of thousands of spectators and visitors. It was eventually boarded by Lieutenant Malen around the time the lawsuit was being filed in Miami. Pursuant to U.S. neutrality regulations of the time, the executive officer of the local Coast Guard sealed all wireless and radio instruments on the ship except for a receiving set.³⁸ Before the radios were sealed, however, the *Arauca* sent messages to Hamburg-American Line officials in both New York and Germany requesting further instruction.³⁹

Throughout the morning, the crew kept a close watch on the *Orion*. Captain Stengler, still optimistic about the possibility of returning to Hamburg, inquired, “When will you have your next fog? If I had

one yesterday, we would have had a chance to get away from the *Orion*.⁴⁰ The crew was set to work covering the woodwork of the ship with fresh grey paint.⁴¹ Captain Stengler was insistent on camouflaging the ship in hopes that a heavy fog would settle and the ship could leave undetected.⁴²

Shortly after noon, Kurt Ludwig, first officer of the *Arauca*, was served notice of the libel action courtesy of U.S. Marshal James J. Hennessy.⁴³ Ludwig eventually notified his captain of an attachment on the ship, which prohibited the vessel from leaving port until either the bond of the attachment – some \$76,000 – was posted, or the lawsuit was settled.⁴⁴ In order to enforce the attachment, eight local Coast Guardsmen and one customs official boarded the ship.⁴⁵ It seemed that the *Arauca* would make Port Everglades home for some time to come.

Later that evening, Customs Officer A. G. Watson arrived from Tampa to accept the *Arauca*’s official application for formal entry into the port.⁴⁶ Watson met with Lieutenant Commander H. E. Grogan from the local Coast Guard base to review the *Arauca*’s manifest.⁴⁷ The details of the meeting were confidential; however, at some

point the conference was interrupted by a call from the Hamburg-American Line in New York, notifying Captain Stengler that a representative was en route.⁴⁸

On December 22nd, the port returned to normal.⁴⁹ Crowds had subsided and the crew of the *Arauca* breathed a collective sigh of relief as the *Orion* moved beyond the horizon at daybreak.⁵⁰ An official from the Hamburg-American Line arrived that morning to speak with Imperial Sugar officials regarding the libel action.⁵¹ Imperial made its position known – that it had incurred damages as a result of non-delivery before the war – and Hamburg-American Line officials were forced to either post the bond or face litigation.⁵²

Meanwhile, it was agreed that the *Orion* was not likely to resume its watch of the port until the bond was posted.⁵³ Tender of a bond would be a matter of public record, which would supply the British advanced warning on any potential movement of the ship.⁵⁴ For the time being, it seemed the *Arauca*’s best course of action was to face litigation and avoid a potential conflict with the superior *Orion*. The crew did just that, preparing to be at Port Everglades for an extended stay.

On December 23rd, W. Richard Winter, the New York representative for the Hamburg-American Line, made a request to the State Department in Washington asking for shore leave for the crew of the *Arauca*.⁵⁵ The ship was officially classified as a merchant ship in a neutral port and Winter asked that the crew to be treated as such.⁵⁶ No ruling came from Washington that day and, as fortune (or misfortune) would have it, the issue would be taken out of the officials’ hands just three days later.



Coast Guard Base Six Fort Lauderdale, Florida, was located where the Bahia Mar beach is today. Broward County Historical Commission.

On Christmas Day, however, the crew of the *Arauca* celebrated onboard the ship. Captain Stengler was captured in a photo decorating a Christmas tree, looking wholly unconcerned about the mounting issues the *Arauca* faced.⁵⁷ The photo of Christmas Day is eerily over-shadowed by a Nazi flag that loomed over the Nativity celebration. The ship and its crew, however, were content for the day.

The Second Offensive

On December 26, 1939, the *Arauca* was the object of another libel action. The Miami law firm Batchelor and Dyer brought two new attachments against the ship on behalf of Ledward, Bibby & Co. and M. Grumbacher.⁵⁸ Ledward, Bibby & Co., a British steamship company established in 1877, brought a libel action in the sum of \$99,394.48.⁵⁹ Ledward, Bibby & Co. sought to attach the *Arauca* for undelivered sugar shipments from two different vessels, the *Havelland* and the *Friesland*, owned by Hamburg-American Line.⁶⁰ The company claimed that both ships were consigned to the United States, caught in the tumult of the war and fled with the sugar cargo.⁶¹ Upon arrival at their respective havens, the *Friesland* and the *Havelland* refused to surrender the sugar until full freight charges were paid.⁶²

Max Grumbacher, the second libellant, filed a \$1,000 action for water damage incurred to his paint brushes, which were shipped aboard the SS *Hamburg*.⁶³ Grumbacher, then a small New York merchant, received his shipment of paint brushes with considerable water damage, though the cause of the spoliation is unknown.

For the *Arauca*, the libel actions eroded any hope of returning to Hamburg in 1939. The attachments now totaled

\$138,845 with a bond of \$277,690.⁶⁴ The Coast Guard detachment keeping watch now had orders to continue their vigil. From this time on, the crew would be consigned to the *Arauca* without shore leave.

With her residency determined, the *Arauca* now faced another financial obstacle: dockage fees. On December 28th, Port Everglades officials announced that the *Arauca* would be charged \$100 per day for the first full week in the port, \$50 per day for the following 30 days and \$35 per day thereafter.⁶⁵ Hamburg-American Line was now facing close to half a million dollars in potential bonds, attachments and litigation fees.

The End of 1939: Intermission

For Broward County, and indeed the United States, December 1939 brought the first physical evidence of World War II home. Citizens by the thousands flocked to see the *Arauca* at Port Everglades, many watched its dramatic flight from the *Orion*, and some witnessed the first belligerent shots of the war splash into American waters. Journalists fell in love with Captain Stengler and his affinity for interviews. For these reasons, the *Fort Lauderdale Daily News* had little trouble hailing the *Arauca*'s tale as the Best Newspaper Story for Broward County Readers in 1939.⁶⁶ The publication said this about the *Arauca*:

It captured the imagination of the entire world. It brought the realization of war home to...these 48 United States of America. It has already made history and may make more. It brought more than 100,000 visitors to Port Everglades in 48 hours. It put Ft. Lauderdale into the headlines throughout the world. It was just plain red-hot spot news – a natural from the word go.⁶⁷

1940: The Saga Continues

Where 1939 gave journalists the initial frenetic look at the *Arauca* and its crew, 1940 ushered in a more personal picture of the ship and its stories.



The SS *Arauca*. Courtesy of Martin Rubin.

By February 1940, the ship had been detained for two months. For the crew, life became quite boring; for passengers, life at the port was a state of indentured limbo. One destitute passenger, Eduard Pestle, was able to escape life aboard the *Arauca* with help from his alma mater.

Eduard Pestle boarded the *Arauca* in Vera Cruz seeking passage to his home in Hamburg.⁶⁸ He had graduated from Rensselaer Polytechnic Institute (RPI), located in Troy, New York, in June 1939 with a master's degree in civil engineering.⁶⁹ Pestle was aboard the *Arauca* during its flight from the *Orion*, its initial internment at Port Everglades, and its seven-week stay at the Port. He described life on the *Arauca* as "very, very boresome" and that he had "read

to shreds” the entire onboard library.⁷⁰ He also explained that no one was allowed to call on the crew, nor were they permitted to go ashore.⁷¹

However, on February 2nd, Pestle returned to RPI through efforts of school officials and was offered a graduate fellowship.⁷² The story of Eduard Pestle captures life aboard the *Arauca* in context: seven weeks into their stay, the crew and passengers were not permitted any shore leave; they were virtual prisoners aboard their vessel.

On the same day Pestle made his homecoming, the Federal Bureau of Investigation (FBI) began an investigation of the facts surrounding the *Arauca*'s arrival in Port Everglades.⁷³ FBI Director, J. Edgar Hoover informed a House Committee that it was necessary to examine whether any breach of neutrality had taken place by any vessels involved, and whether the *Arauca* had contacted American service vessels in Fort Lauderdale.⁷⁴ For the *Arauca*, this meant a steady stream of FBI agents investigating its flight into Port Everglades.

The *Arauca* faced another libel suit in 1940 as well. While the exact date is unknown, in March 1940, the Asiatic Petroleum Company brought a \$150,000 action against Hamburg-American Line, attaching the *Arauca* in fashion similar to what had been done by Ledward, Bibby & Co., Grumbacher and Imperial Sugar.⁷⁵ Later in March, the attorneys for each side presented themselves before Judge Holland in Miami to discuss the filing of additional briefs.⁷⁶ The judge granted leave to file and the *Fort Lauderdale Daily News* reported that the instant controversy was “between two belligerent nations, both of which have passed war measures making it



The SS Arauca docked at Port Everglades. Courtesy of Martin Rubin, From Tourist Postcard Booklet.

unlawful to pay debts to an enemy.”⁷⁷ Thus, the legal issues presented to Judge Holland contained complex matters of international significance.⁷⁸

On March 18, 1940, the last passenger of the *Arauca* left the ship, only this time for government work.⁷⁹ Robert Eggert was a post-graduate law student who was visiting Mexico at the outbreak of hostilities.⁸⁰ The 26-year-old graduated from an unidentified eastern university, was stranded in Vera Cruz and gained passage aboard the *Arauca* destined for Hamburg.⁸¹ Eggert was released from the interned ship under special orders from the Nazi government in Berlin and with approval from the U.S. to take up work as a member of the German Embassy staff in Washington, D.C.⁸²

On April 17, 1940, four long months into their internment, the crew of the *Arauca* received some good news: they were going home. Captain Stengler and his crew were eager when the news came from Hamburg-American Line officials that they may be returning to Berlin. Though the *Arauca* itself was to remain in Port Everglades, the crew would travel

across the U.S. to California, board a Japanese ship for the Orient, take passage aboard the Trans-Siberian Railway to Moscow and finally cross the border into Germany.⁸³

While the talks of travel were ripe, the crew still had to await a settlement of the claims against their vessel.⁸⁴ At this point, the more than \$400,000 libel actions had been reduced to approximately \$300,000.⁸⁵ For the time being, the crew was excited but paralyzed by the legal proceedings.

In May 1940, the fascination that surrounded the *Arauca* reached the Fort Lauderdale Chamber of Commerce, which made arrangements to film the crew for a short film series.⁸⁶ Responding to inquiries nationwide, the chamber announced that a newsreel company had been hired to film the series aboard the ship.⁸⁷ Whether the project was ever completed is unknown.

Finally, in June 1940, an official explanation emerged as to the status of the crew. Immigration Inspector Ray O. Stott of the Hollywood Bureau of Immigration explained



The Fort Lauderdale Chamber of Commerce was located at 115 South Andrews Avenue where the Broward County Government Center is located today. Broward County Historical Commission. Photo by Steve Cresse.

that the *Arauca* possessed no crew list when it came to port.⁸⁸ As such, the immigration inspector explained, restrictions were necessary for the crew as their intentions in the United States could not be determined.⁸⁹ By this time, 24 of the crew were granted shore leave by a board of inquiry, while the remaining seamen were confined to the docks and to bull pen exercise from 1:30 to 5:30 p.m. daily.⁹⁰

For the *Arauca* and its crew, 1940 passed in a haze of constraint, hope, and stagnation.

1941: The Final Stage

The *Arauca* had spent more than 14 months in Port Everglades by March 1941. As the war in Europe progressed, the stories of the *Arauca* became less frequent. In fact, the *Arauca* was more or less a staple of the port's skyline. In 1941, however, the ship would see its final headline across the country.

On March 20, 1941, Franklin Delano Roosevelt (FDR) arrived at Port Everglades for one of his many fishing trips. His presidential yacht, the *Potomac*, was anchored just one shed from the *Arauca* and was

accompanied by the Navy's newest destroyer, the *Benson*.⁹¹ FDR spent eight days at sea and returned on March 29th, docking the *Potomac* in the same shed just yards away from the *Arauca*.

On March 30th, FDR made his Jackson Day speech aboard the *Potomac*. Upon his return from sea, the relaxed mood of the fishing trip changed when President Roosevelt "caught sight of a Nazi flag fluttering over American soil."⁹² The president was on his way to Washington within hours of concluding his speech.⁹³

On March 31, 1941, the true intentions of the President were realized.⁹⁴ Headlines across the country told of more than 60 ship seizures that occurred overnight, the *Arauca* being one.⁹⁵ The justifications for the seizures were within the confines of the Espionage Act passed by the U.S. Congress on June 15, 1917.⁹⁶ This act allowed the secretary of the Treasury, in cooperation with the president, to take possession of any vessel in United States waters when the vessel posed a threat to an American harbor.⁹⁷ As the *Arauca* was the vessel of a foreign, belligerent nation with the threat of scuttling or sabotage at port, she was subject to the secretary's order.

The crew; however, was subject to a different law. The 44 seamen were arrested aboard the *Arauca* based on warrants issued in Washington for overstaying their visa permits.⁹⁸ Accordingly, Lieutenant P. L. Stinson, acting commander of the Fort Lauderdale Coast Guard Base and 18 armed guardsmen marched aboard the *Arauca*, led the crew off their ship and replaced the Nazi swastika with "Old Glory."⁹⁹ The crew of 44 was jailed at the Coast Guard base, until other arrangements could be made.¹⁰⁰



President Franklin Delano Roosevelt in an earlier visit to Port Everglades in 1936. Broward County Historical Commission.

The crew was led from the Coast Guard base to the Broward County Jail at 6:40 p.m. that evening, as the facilities at the base were inadequate.¹⁰¹ More than 300 people lined the roadside to the jailhouse in a reception fit more for celebrities rather than inmates. The ship was inspected and no evidence of sabotage was evident.

On April 2, 1941, Sheriff Walter R. Clark took custody of the crew at the Broward County Jail in concurrent jurisdiction with Ray O. Stott, an immigration officer at Port Everglades.¹⁰² The fate of the crew was quickly being decided and talks of transfer to a concentration camp were leaked.¹⁰³ In fact, the crew was transferred a week later to the Dade County Jail, later taken to Ellis Island and, after the bombing of Pearl Harbor, interned at Fort Lincoln in Bismarck, ND.¹⁰⁴

The *Arauca*, however, would remain in the port long after her crew left. The Maritime Commission assigned the *Arauca* to the South Atlantic Steamship Co. of Savannah, Ga., shortly after her seizure.¹⁰⁵ The company had the ship towed out of Port Everglades on August 22, 1941, and taken to Mobile, Ala., for refitting.¹⁰⁶ After 20 months at the port, the engines of the *Arauca* were inoperable due to rust and inactivity.¹⁰⁷ The SS *Arauca* underwent repairs the following year, and on April 20, 1942, hoisted an American flag and was renamed the USS *Saturn* (AK-49).¹⁰⁸

The ship went on to receive one battle star for her service in the war.¹⁰⁹ The *Saturn* was decommissioned on July 23, 1946, delivered to the War Shipping Administration on July 25, 1946, and was struck from the Navy's list on August 15, 1946.¹¹⁰ She was housed in the Maritime Commission Reserve Fleet on the James River



Broward County Sheriff Walter R. Clark. Broward County Historical Commission, Clark Family Collection.

and, 26 years later, was sold to Isaac Verela of Castellon de la Plana, Spain, for scrapping.¹¹¹

The *Arauca* Lives On

While the official story of the *Arauca* ended on April 20, 1941, the legal history of the ship lived on until the 1950s. Two lawsuits were filed in relation to the ship, claiming various forms of relief.

In *Suns Insurance Office v. Arauca Fund*, 84 F. Supp. 516 (D.C. Fla. 1949), the libellant, Suns Insurance, was the insurer of 50 bales of hops aboard the *Deutschland*, a Hamburg-American Line ship. The *Deutschland* caught fire during its voyage and the 50 bales of hops were destroyed.¹¹² The two parties – Suns and Hamburg-American – agreed that the laws of Germany would apply, thus any loss incurred was to be paid in the German currency, Reichsmark.¹¹³ The libellant requested the court to distribute funds from the trust to cover their losses in hops.¹¹⁴

In this case, the court concluded that pursuant to the contract, any compensation was to be recovered in

the equivalent of the currency currently used in the presiding jurisdiction; in this case, the libellant was entitled to the U.S. dollar equivalent to the Reichsmark.¹¹⁵ As the Nazi government had been replaced by this time and no equivalent to the Reichsmark existed, the court held that the libellant was entitled to recover nothing.¹¹⁶

The *Arauca* fund was the object of another lawsuit just one year later. In *United States v. Knauth*, 183 F. 2d 874 (C.A. 5 1950), the attorneys who had litigated claims on behalf of the *Arauca* were seeking to recover fees from the fund.¹¹⁷ The issue was whether a proctor in admiralty obtained a maritime lien on a vessel for professional services (i.e. attorney's fees).¹¹⁸ The court ultimately concluded that the appellants did not have a lien on the maritime fund, as their legal services were not rendered to the *Arauca*, but to the Hamburg-American Line in defense of personal libel actions.¹¹⁹

The End of a Saga

The SS *Arauca* sailed its way into U.S. history as the first evidence of World War II. The vessel's flight into Port Everglades and its 20-month internment gave the U.S. its first glimpse of an enemy it would face on the battlefield just a few years later.

For Broward County, the *Arauca* was one of the biggest tourist attractions of the day. For the crew, it was their first taste of captivity on foreign soil. For future generations, the *Arauca* will live on as a ship that captivated the eyes, hearts and fascination of a country. ■

¹ *Id.* This trust was created as just compensation could not be paid to a warring nation. At this time, Germany was an enemy

of the United States. Thus, the trust was held for the benefit of the *Arauca* and would eventually be dispensed as such.

\$10,000 in 1941 was the equivalent of \$147,442.86 in 2010. Government Inflation Calculator *supra* note 36.

2 Naval History and Heritage, Dictionary of American Naval Fighting Ships: USS Saturn, 2005, www.history.navy.mil/danfs/s6/saturn-ii.htm.

3 “Nazi Vessel Flees to Florida Harbor,” *New York Times*, December 20, 1939, at 4.

4 First Interview given by Captain Frederick Stengler to a news reporter, “*Arauca* Skipper Hopes for Fog as He Tells of Flight From Speedy British Craft,” *Fort Lauderdale Daily News and Evening Sentinel* [hereinafter cited as *FTLDN*], December 20, 1939, at 1.

5 *Id.*

6 *Id.* at 2.

7 *Id.*

8 *Id.*

9 *Id.*

10 “Fate of Nazi Freighter in Agent’s Hand,” *FTLDN*, December 20, 1939, at 1. The explanation of libel attachments filed against the ship by the Imperial Sugar Company of Galveston, Texas, for several thousand pounds of sugar lost when the *Arauca* docked in Veracruz suggests that the ship either must have been delivering sugar in Veracruz, or never received the sugar in Veracruz, or was unable to deliver the sugar once docked in Florida. In any case the ship, by this account, had sugar on board.

11 “Story of Munitions on *Arauca* Studied,” *FTLDN*, December 22, 1939.

12 *New York Times supra* note 3.

13 *FTLDN supra* note 9.

14 “Freighter Held in Port Until Status Cleared,” *FTLDN*, December 21, 1939 at 1.

15 *New York Times supra* note 3.

16 *Id.*

17 Colledge, J.J. & Warlow, Ben, *Ships of the Royal Navy: The Complete Record of All Fighting Ships of the Royal Navy*, London: Chatham, 2006 (Rev. Ed.), 1969.

18 *Id.*

19 *Id.*

20 *FTLDN supra* note 4.

21 *Id.*

22 *New York Times supra* note 3.

23 *Id.*

24 *Id.*

25 *Id.*

26 *Id.* While this particular *New York Times* article does not specify the time, the account of Johnson’s eye-witness account, when read with the times of the warning shots fired, makes for an approximate 5:30 p.m. firing.

27 *Id.*

28 *Id.* In this article, Captain Stengler is quoted as saying he was fired upon while in United States water and that he would protest.

“Fugitive Nazi Ship Attached In Suit,” *New York Times*, December 21, 1939. In this article, a few days after the initial port of the *Arauca* in Port Everglades, Captain Stengler is quoted as saying, “It is not up to me to make a protest. . . If there is any, it is up to your government to make it.” A conflicting account was given in this article by James H. Reilly, a swimming director at Rutgers University, who was aboard his fishing boat during the incident. According to Reilly, the *Arauca* was well outside the 3-mile neutrality line when the shot was fired.

“Plan Favours Britain: Nazi’s and American Security Zone,” *The Glasgow Herald*, February 15, 1940 at 9. This article establishes and confirms, by a foreign news source, that the Pan American Security Zone, and the Conference that passed the measure into law, effected a 300-mile security zone around the Americas.

In any event, the shots fired by the HMS *Orion*, by all accounts, were well within the 300-mile zone created by the Pan American Security Zone. The United States’ decision not to protest the actions of the British ship

will not be addressed in this paper. However, it is noteworthy that, by all the records used in the compilation of this paper, the HMS *Orion* is placed no further than 12 miles from the Florida coast when she fired her warning shot at the *Arauca*.

29 *New York Times supra* note 3.

30 *FTLDN supra* note 4, at 2.

31 *Id.*

32 *FTLDN supra* note 14.

33 *Id.*

34 *New York Times supra* note 3.

35 *New York Times supra* note 28.

36 *FTLDN supra* note 10.

The buying power of \$38,451 in 1939 currency had the buying power of \$599,561.74 in 2010. Government Inflation Calculator found at: <http://data.bls.gov/cgi-bin/cpicpl>.

37 The legal intricacies of quasi-in rem jurisdiction and its application hereto will not be discussed, as the primary focus of this piece is the story of the *Arauca*.

38 *FTLDN supra* note 10. The specifics of the neutrality regulations are unknown at this time. However, for the purposes of the *Arauca*’s story, they are not relevant.

39 *New York Times supra* note 3.

40 *FTLDN supra* note 4.

41 *FTLDN supra* note 10.

42 *Id.*

43 *FTLDN supra* note 14.

44 *New York Times supra* note 28. The bond amount for attachments made on ships at this time was typically twice that of the libel action itself.

45 *Id.*

46 *Id.*

47 *Id.*

48 *Id.*

49 “Orion Quits Port Watch: British Cruiser May Need Fresh Fuel Supplies,” *FTLDN*, December 22, 1939 at 1.

50 *Id.*
51 *Id.*
52 *Id.*
53 *Id.*
54 *Id.*

55 “Shore Leave Asked for *Arauca* Crew,” *FTLDN*, December 23, 1939 at 1.

56 *Id.*

57 A photo in the Fort Lauderdale Historical Society archives – unidentified paper – shows the Captain and his first officer decorating a Christmas tree. Whether the crew was allowed to have visitors onboard is unknown. Also, the paper does not caption why a picture was taken.

58 “Claims Against *Arauca* Reach \$138,845 Total,” *FTLDN*, December 26, 1939 at 1.

59 *Id.*

For a complete history of Ledward, Bibby & Co., see the following website: www.red-duster.co.uk/BIBBY4.htm. Accessed: March 23, 2010. This website recounts the entire history of the Bibby company in an extraordinary amount of detail. The company is not central for the purposes of this paper.

\$99,394.48 in 1939 currency had a buying power of \$1,549,845.97 in 2010. Government Inflation Calculator *supra* note 36.

60 *Id.*
61 *Id.*

The *Havelland* left Manila, Phillipines, en route to the United States. The *Havelland* fled to Puntarenas, Costa Rica.

The *Friesland* left Manila, Phillipines, also en route to the United States. The *Friesland* fled to Paita, Peru.

62 *Id.*
63 *Id.*

\$1,000 in 1939 currency had the buying power of \$15,592.88 in 2010. Government Inflation Calculator *supra* note 36.

Grumbacher is now a world-renowned art supplies manufacturer. For a detailed summation of the history of the company, see the following: <http://www.watercolorpainting.com/manufacturers.htm>. Accessed: March 23, 2010.

64 *Id.*

65 “*Arauca* Dockage Fees Announced,” *FTLDN*, December 28, 1939.

The following amounts reflect purchasing power as of 2010: \$100, 1939 – \$1,559.29, 2010; \$50, 1939 - \$779.64, 2010; and \$35, 1939 - \$545.79, 2010. Government Inflation Calculator *supra* note 36.

One source explains that the *Arauca* was in receipt of a bill in October 1940 for dockage fees. The fees amounted to \$7,500, with the above charges per day plus a \$1,221 charge for guards, fencing and lights. \$7,500 in 1939 currency is equal to \$116,111.25. The Hamburg-American Line protested this amount as excessive and the Port reduced the amount to \$20 per day. The final bill amounted to \$5,700 (\$88,244.55). However, when the *Arauca* received new libel actions and was interned for another 10 months, she ran up a new port bill of \$3,540 (\$52,194.77 in 1941 currency). The Maritime Commission paid this bill after seizing the ship.

66 “Broward County’s Ten Best Newspaper Stories for 1939 Listed for Readers,” *FTLDN*, December 30, 1939 at 1.

67 *Id.*

68 “*Arauca* Seaman Is Bored After Visit,” *FTLDN*, February 2, 1940.

69 *Id.*
70 *Id.*
71 *Id.*
72 *Id.*

73 “FBI Investigates *Arauca* Flight to Port Everglades,” *FTLDN*, February 6, 1940, at 1.

74 *Id.*

This statement was made public by the Appropriations Committee on Feb. 6th. The FBI at the time kept most correspondence concerning investigatory activities secret. Thus, not much is known about the depth of the investigation or the time spent with the *Arauca*.

75 “*Arauca* Libel Case Action is Delayed,” *FTLDN*, Unknown date.

Presumably, this libel action was filed at some point in 1940. The exact date, however, is unknown. This article is the first to mention the petroleum company and its \$150,000 action.

Asiatic Petroleum was the first joint-operating company between the Royal Dutch Petroleum Company and Shell. For a history of the company, please see the following website: www.corporatewatch.org/?lid=302. Accessed: April 1, 2010.

76 *Id.*

77 *Id.*

78 While the Hamburg-American Line argued against the British company seeking relief in an American court, Asiatic Petroleum requested the court hear the case unless Hamburg-American could show an avenue for relief in either a British or German court.

79 Later figures confirm that 43 to 44 crewmen were seized from the *Arauca*. Thus, this leads to the conclusion that there must have been between eight and nine passengers aboard the ship.

80 “German Freighter *Arauca*’s Last Passenger Gets Work as Member of Embassy Staff,” *FTLDN*, March 18, 1940, United States Immigrant Inspector of Arrival, December 19, 1939, Port Everglades Passenger List, Microfilm in the collections of the Broward County Historical Commission.

81 *Id.*

Though Eggert’s purpose is unknown, it is clear that his family had close contacts with the Nazi government in Berlin. It may be safe to assume that his business in Mexico was in furtherance of Nazi objectives, though no concrete facts support that conclusion.

82 *Id.*

83 “*Arauca’s Crew Ready for Globe Circling Jaunt to Reich; May leave Next Month*,” *FTLDN*, April 7, 1940, at 1.

84 *Id.*

85 *Id.* For reference, \$400,000 in 1939 had the buying power of \$6,192,600 in 2010; \$300,000 in 1939 had the buying power of \$4,644,540. Government Inflation Calculator *supra* note 36.

86 “*Arauca News Films Sought by Chamber*,” *FTLDN*, May 3, 1940, at 16.

87 *Id.*

88 “*Immigration Man Explains Status of Arauca’s Crew*,” *FTLDN*, June 5, 1940, at 9.

89 *Id.*

90 *Id.* Whether a board of inquiry was routine practice at Port Everglades is unknown.

91 Stout, Wesley W., “*Naval Guns Barked Here*,” *FTLDN*, August 24, 1953. The distance between the *Arauca* and the Potomac was said to be just 100 yards.

92 Burnett, Gene M., *Florida’s Past: People and Events that Shaped the State*, Vol. 2, at 188.

93 There is a full transcript of the speech in the *FTLDN* for March 30, 1941.

94 Here, it is my contention that the President made it a point to see one of the ships that he had already decided to seize.

95 “*U.S. Seizes 28 Italian, 2 Nazi, 35 Danish Ships; French and British Fight Battle Over Convoy; London Reports 5 Fascist War Vessels Sunk*,” *New York Times*, March 31, 1941 at 1, “*U.S. Seizes Arauca’s, 64 Other Ships*,” *Fort Lauderdale Times*, March 31, 1941 at 1.

96 *New York Times supra* note 94.

The act reads:

“Whenever the President, by proclamation

or Executive order, declares a national emergency to exist by reason of actual or threatened war, insurrection or invasion or disturbance or threatened disturbance of the international relations of the United States, the Secretary of the Treasury may make, subject to the approval of the President, rules and regulations governing the anchorage and movement of any vessel, foreign or domestic, in the territorial waters of the United States, may inspect such vessel at any time, place guards thereon and if necessary in his opinion, in order to secure such vessels from damage or injury or to prevent damage or injury to any harbor or waters of the United States or to secure the observance of the rights and obligations of the United States, may take, by and with the consent of the President, for such purposes, full possession and control of such vessels and remove there from the officers and crew thereof and all other persons not specifically authorized by him to go or remain aboard thereof.”

97 *Id.*

98 The Immigration Act of 1924 was in effect at this time. Section 14 read, in pertinent part:

“Any alien who at any time after entering the United States is found to have been at the time of entry not entitled under this Act to enter the United States, or to have remained therein for a longer time than permitted under this Act or regulations made there under, shall be taken into custody and deported in the same manner as provided for in sections 19 and 20 of the Immigration Act of 1917.”

Visas, according to the Statute, appeared to last only 4 months.

99 *Fort Lauderdale Times supra* note 94.

100 I use the number 44 here, as it is the most logical conclusion with the numbers already discussed in this paper. A full passenger list never surfaced for the *Arauca*, thus 8 of 12 seems the most likely number. *The Fort Lauderdale Times* is consistent with 44 crew members, while the *New York Times* published 43 crewmen arrested. This discrepancy may be due to the *New*

York Times not accounting for the Captain, though that is simply speculation.

101 “*Arauca Crew and Captain Jailed Here*,” *Fort Lauderdale Times*, April 1, 1941 at 2.

102 “*Consul Confers With Nazi Crew*,” *Fort Lauderdale Times*, April 1, 1941 at 1.

103 “*Arauca and Crew March to Jail*,” *FTLDN*, April 2, 1941 at 2.

104 Stout, Wesley W. *supra* note 91.

105 *Id.*

106 *Id.* See also “*Jinx Ship, Arauca Leaves Port Everglades*,” Newspaper is unknown, from the collections of the Fort Lauderdale Historical Society.

107 *Id.*

108 *Naval History and Heritage supra* note 2.

109 *Id.*

110 *Id.*

111 *Id.* She was sold on September 12, 1972. See also NavShip Online: Service Ship Photo Archive, <http://www.navsource.org/archives/09/06/0640.htm>. Accessed: March 23, 2010.

112 *Id.*

113 *Id.*

114 *Id.*

115 *Id.*

116 *Id.*

117 *United States v. Knauth*, 183 F. 2d 874 (C.A. 5 1950).

118 *Id.* at 877.

119 *Id.*

82 *Id.*

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