Coral recruitment is a biological process that fuels the resilience and replenishment of reef ecosystems, and is used as an indicator of reef health. Iron is a scarce or limiting nutrient on many atolls of the Pacific, and excess iron, often from shipwrecks or groundings, is believed to be a serious source of pollution leading to toxic cyanobacterial blooms. Benthic cyanobacteria contain numerous toxic compounds known to impact marine life adversely, and dense cyanobacterial blooms are known to decrease coral recruitment on some reefs. I investigated coral recruitment at sites with anthropogenic iron inputs and benthic cyanobacterial blooms on Midway Atoll (Northwest Hawaiian Islands) where intertidal and subtidal metal debris and dump sites provide concentrated sources of iron and other metals not normally present in carbonate reef systems. Benthic cyanobacterial blooms, primarily *Hormothamnion enteromorphoides*, occur seasonally at several Midway sites, covering over 50% of the substrate and growing over live corals. I tested the hypothesis that cyanobacterial blooms associated with metal debris on Midway also inhibit coral recruitment by measuring recruitment rates at two bloom sites, two nearby control sites, and two distant control sites, with 10 pairs of ceramic tiles deployed for 13 months at each site. Contrary to expectations, coral recruitment was significantly higher at both bloom sites than at control sites, and I conclude that *Hormothamnion* does not impact coral recruitment negatively on Midway Atoll. This unexpected result has several possible explanations, with implications for management of metal debris on reefs.