Gaston

An Intellectual Odyssey:
- Ernest B. Gaston and The Fairhope Industrial Association

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Fairhope Seminar
Gaston
16 April 1985

On 4 January 1894, twelve men gathered in the office of Ernest B. Gaston at 312 West Sixth Street, Des Moines Iowa. Most of those present had ties to the Iowa Populist party, and all expressed an interest "in the subject of cooperation." During the preceding months Gaston had corresponded with other reformers about the possibilities for a colony based on Henry George's single tax, and he had written an essay entitled "True Cooperative Individualism" which provided a theoretical framework for his proposed colony. After Gaston presented this essay, those present at the meeting discussed its ideas and approved of them. Furthermore, they appointed a committee of five to draft a constitution and bylaws based on Gaston's ideas, and thus, the Fairhope Industrial Association was formed.[1]

Clearly the Fairhope idea did not spontaneously generate in the minds of Ernest Gaston and his associates. The decision to begin a utopian colony involved a three-part process. First, even before formulating a theory, Gaston ~~must have~~ saw something wrong with Gilded Age society. Second, Gaston needed to undergo an educational experience--reading theoretical works and studying different ways to implement these ideas. And finally, after the educational experience, Gaston ~~must have~~ decided that a utopian community offered the best hope to enact change in the existing social(?) system. Thus, during the years preceding the January 1894 meeting Gaston explored the possibilities for social, economic, and political change, and Fairhope represents the culmination of his intellectual odyssey.

This intellectual odyssey began four years earlier during the winter of 1890. Gaston, who then edited the Suburban Advocate, met weekly with C. H. Merchon, E. D. Smith, W. P. Macy, D. Harrod, and J. P. Meredith to discuss social and economic issues. They called their organization the Investigating Club because they investigated the evils of the competitive

system and sought modes of action to change that system.

For the most part, Americans have viewed their history as generally progressive: life today is better than life one-hundred years ago. Yet Ernest Gaston and his colleagues could not reconcile this progressive view of history with the social realities of their own time. As Henry George wrote , "material progress does not merely fail to relieve poverty--it actually produces it."[2] Even though gross national income expanded so that by the mid-1890s the United States ranked number one in the world, farm prices steadily dropped from a dollar a bushel for wheat in 1870 to eighty cents in 1885 and to sixty cents in the 1890s.[3] Furthermore, industrialization and urbanization did not enrich the workers but instead increased their impoverishment. Thus Gaston himself writes, "the present unfortunate and degrading 'system' forces millions to misery and crime."[4] And while millions live in misery, H. Olerich reveals, "rich parasites are getting more than $1000 a day for doing nothing."[5]

Interestingly, Gaston himself was neither rich nor poor. Born in 1861, son of a minister, Gaston graduated from Drake University and in 1890 lived in the Des Moines suburb, University Place. Essentially, Gaston had a christian, middle class world view, and this world view could not sanction inaction when faced with the inequalities of the Gilded Age. And thus, because he posessed this well-developed social conscience, Gaston needed an outlet for his reform impulse.

During the Gilded Age, however, neither the Republican nor the Democratic parties provided an agenda for reform that addressed the social problems which Gaston perceived. In his book The Populist Moment, Laurence Goodwyn writes, "Sectional, religious, and racial loyalties and prejudices were used to organize the nation's two major parties into vast coalitions that ignored the economic interests of millions."[6] Since the Civil War,

the Republican coalition had evolved into a narrower business party based in the North and supported primarily by the Protestant sects. Meanwhile, the New South Redeemers had asserted control of the Democratic party by rhapsodizing the Lost Cause and emphasizing White Supremacy. Therefore, because both the Republicans and Democrats represented the views of industrialists, and neither had much interest in radical economic reform. In addition, recent third party attempts to gain power--the National Labor Union (1871), the Greenback Party (1876-1884), and the Union Labor Party (1888)--had achieved little success. And thus in 1890, Gaston saw little hope for change by participating in the traditional political process.

The Investigating Club, however, offerred Gaston a school for theoretical exploration, a forum for political discussion, and a workshop to discuss modes of action. With his associates Gaston studied the works of Henry George and Edward Bellamy. Essentially, these authors perceived the need for a change in the Gilded Age economy, but because classical liberalism did not sanction government action on behalf of the poor, George and Bellamy turned to socialistic ideas when shaping their utopias. These socialistic ideas provided George and Bellamy with a language for criticizing the individualistic, competitive system. Furthermore, this psuedo-socialism eventually characterized their utopian alternatives--emphasizing cooperation over competition. In "Utopias for an Urban Age," John L. Thomas writes that Geroge and Bellamy favored a Jeffersonian paradise, "a 'rural republic,' pastoral, small town, run according to village values."[7] Upset with Gilded Age competitiveness, George and Bellamy provided "an alternative model" of growth and development with "a trancendent vision of possibilities."[8]

In his book Progress and Poverty, George advocates common land ownership with a levy to tax away the land's economic rent. Since economic rent

increases as population increases, the community, and not the individual, should receive it because the community itself produced that increased land value. If the community taxed this increased land value for itself, no other taxes would be needed and the basic cause of poverty would disappear. George believed that "with the increase of productive power, rent tends to an even greater increase, thus producing a constant tendency to the forcing down of wages," resulting in poverty.[9] But with the single tax, George theorized that an increase in material progress would still increase land rents, but now these rents would belong to the community and "would then tend to produce greater and greater equality."[10] Furthermore, with this greater economic equality, George supposed, "want and fear of want" would disappear, and all classes could receive "the decencies and refinements of life, and the opportunities of mental and moral development."[11]

Here, Henry George provided reformers such as Gaston with a quick and easy solution for the prevailing social inequities--the single tax. In "Socialism and American Liberalism," Dorothy Ross believes the single tax theory represented a "simple means of restoring the republican utopia."[12] And yet in 1890, Gaston himself did not embrace George's plan. Instead, Gaston and his colleagues in the Investigating Club used George's socialist ideas to critique Gilded Age society. For example, in the Des Moines Daily News, an article reveals the Georgian thoughts of the Investigating Club:

> Wealth is the product of man's labor expended upon the earth, which is God's gift to the race. No man should be allowed to monopolize the natural resources and levy a tribute on his fellow man for the opportunity to labor.[13]

Although Gaston did not fully accept the efficacy of the single tax until three years later, even in 1890 he had absorbed some of George's ideas.

By far, Edward Bellamy's utopian romance Looking Backward produced the greatest impact on Gaston and the Investigating Club. In Looking Backward the hero Julian West falls asleep in 1887 and awakens in the year 2000 encountering an immensely changed world:

> Every quarter contained large open squares filled with trees, among which statues glistened and fountains flashed in the late afternoon sun. Public buildings of a colossal size and an architectural grandeur unparalleled in my day raised their stately piles on every side.[14]

This change came came about because of an industrial evolution in which all the competing industries became integrated into "a single syndicate representing the people, to be conducted in the common interest for the common profit."[15] When both the means of production and the means of distribution became socialized, all of the waste that occurred in the competitive system disappeared, the national income rose significantly, and thus people could lead a more leisurely and aesthetically oriented life. But most important, Julian West learns from his mentor, Doctor Leete, that everyone receives equal pay which thereby eliminates the competitiveness prevalent in the late nineteenth century. Based on both liberty and equity, Bellamy's vision of the future offered Gaston a model which appeared to solve all the Gilded Age problems.

John L. Thomas believes that Bellamy, like Henry George, needed to reconcile the "reality of urban America to his recollection of pastoral simplicity which required the offices of utopia."[16] But unlike Henry George and his single tax theory, Bellamy did not propose a specific plan to enact change. According to Bellamy, we must wait passively for an evolution of economic forms in which society unites cooperatively. Still, in 1890 Gaston eventually chose Bellamy's ideas over George's theory which implies that Gaston decided to passively submit to evolutionary processes. However, when Gaston made his choice factors other than theoretical dis-

tinctions between Henry George and Edward Bellamy influenced him. Because he knew both theorists proposed utopian solutions and because he found the political process essentially closed to such utopian theories, Gaston decided to form a utopian colony. And since Bellamy described his utopia with more detail than George, Gaston chose Bellamy's ideas as a better model for the proposed colony.

Gaston's educational experience did not end with this theoretical analysis. After deciding to start a colony based on Bellamy's principles, Gaston began to study other utopian experiments:

> I have been much interested in the Credit Foncier of Sinaloa and the Kaweah of California.... Have read Owen's 'Integral Cooperation' and the constitution and bylaws of the Credit Foncier. Think both enterprises have made a mistake in 'biting off more than they could chew'....[17]

These two utopian colonies, the Credit Foncier at Tobolobampo bay, Sinaloa Mexico and the Kaweah Cooperative Commonwealth offered Gaston models for his 1890 colony and later showed him what to avoid when devising Fairhope.

In an 1891 letter to Albert K. Owen, founder of the Tobolobampo bay colony, Gaston revealed that he is "a firm believer that all healthful interests of humanity can best be subserved by 'Integral Cooperation.'"[18] This 'Integral Cooperation' represents the theoretical foundation of the colony Owen founded. Agreeing with George, Bellamy, and Gaston, Owen wrote, "We do not have a republican form of government.... The United States has delegated its power to corporations."[19] Owen, therefore, decided to found a Credit Foncier at Tobolobampo bay which would, in his words, "put into practice accepted principles of a cooperative community of farm, factory and commerce."[20] In Integral Cooperation Owen sets forth the plan for his Pacific city which would solve, through cooperation, the problems of production and distribution. Emphasizing in his writings

that the reforms he proposes represent no new breakthroughs, Owen believes his plan would work for "a colony of 500 of a nation of 600,000,000."[21] Finally, after twenty years of promoting the Topolobampo site, Owen in 1886 led the first settlers to Topolobampo bay.

Albert Owen and his efforts to form a colony provided a role model for Gaston in his 1890 cooperative attempt. Unashamed of his eclecticism, Owen chose what he believed to be the best reforms. For example, Owen quotes Henry George, Henry Carey Baird, Wendell Phillips, and Goethe in Integral Cooperation to justify his colonization plan. For Gaston, who also did not want to rely on one specific theorist, Owen's eclecticism when formulating the Credit Foncier perhaps removed some of Gaston's inhibitions about doing the same thing. In addition, though theorists such as George and Bellamy provided solutions to socio-economic problems, Owen served as a model of a man who actually put good theories to work. As Charles E. Randall writes to Gaston, "An ounce of perfcrmance is worth a pound of preaching."[22]

Although Owen acted as his role model, Gaston actually disliked Owen's plan of organization. Established in 1886, the Topolobampo colony suffered from an inadequate water supply, a lack of capital, and from continuous internal disputes. Owen himself left the colony in 1893, and during 1894 the colony began disintegrating. When Gaston began to devise the Fairhope plan in 1893, he learned from the Topolobampo experience and avoided the pitfalls they encountered.

Similarly, Gaston also learned from the Kaweah Cooperative Commonwealth established in 1885 by James J. Martin and Burnette Haskell. These men based their colony plan on Laurence Gronlund's Cooperative Commonwealth--an adaptation of German Socialism to the American scene. After reading Gronlund's book, Martin and Haskell used his ideas of hierachical organi-

zation, election from below/removal from above, and the labor time-check when forming Kaweah. Because Kaweah later attracted many who adhered to Bellamy's Nationalism, Gaston based his colony's plan on the Kaweah organizational scheme. Gaston himself writes, "I am filled with admiration at the admirable plan they have presented," and during the summer of 1890, he attmepted to visit Kaweah by trading advertisements in his paper for a train trip to San Francisco.[23] Yet even though Gaston could not visit the colony, his correspondence with others interested in Kaweah revealed the problems it encountered. For example, after visiting, G. W. Hanson gave Gaston a complimentary description of the colony, but also concluded that colonies in general "are formed with such small means that it requires years of pioneer toil to make them successful.... During these years of hardships, dissensions are liable to creep in."[24] Evidently, during 1390 Kaweah experienced these problems, and T. E. Fogarty revealed that "after all their carefulness and precision they are having trouble about titles to their land."[25] On 25 September 1890 the government made the Kaweah colony site in Tulare California part of Sequoia National Park without reimbursing the colony for improvements. And thus, Gaston writes, "I have followed with sorrow the development of the dissensions in Kaweah. I believe its founders to be men of pure and lofty aims,....but the mind capable of planning is not always capable of executing."[26]

Even though Gaston modelled his 1890 colony on the Kaweah plan, by 1893 Gaston's views of Kaweah, as with Topolobampo, had changed. And when formulating his theory of Cooperative Individualism, Gaston avoided the structural difficulties that doomed both experiments--Kaweah in 1892 and Topolobampo in 1894.

But in 1890, Gaston planned a colony which incorporated Bellamy's ideas and closely resembled the Kaweah Cooperative Commonwealth. In a

letter to Gaston, K. T. Chase asks, "Why do you desire...a colony? Cannot the object sought be gained much sooner in the open world?"[27] Clearly Gaston did not believe so, and there are three reasons why Gaston felt a colony to be necessary. First, as Charles E. Randall writes, a colony constitutes "the most effective way to bring the question of Nationalism prominently before the people...."[28] Second, Gaston believed that the colony would provide an escape from "the evils of the competitive system where a man could work hard, earn a good living in a 'pleasant society,'" and at the same time "have the satisfaction of helping many of our fellow men out of the 'slough of despair.'"[29] And finally, Gaston wished to leave Des Moines and move south to escape the northern winter and grow two crops a year.[30] For these three reasons, Gaston and the members of the Investigating Club organized the National Cooperative Company in the summer of 1890 hoping to establish a colony near Lake Charles, Louisiana by autumn of that year.

The Des Moines Daily News reports on the aims and the business of the National Cooperative Company:

> the production and distribution of wealth; the collection and extraction of raw materials; its fashioning...into commodities; ...the production of food, clothing, shelter, machinery and all articles of convenience; the establishment of proper methods of distribution, transportation and storage; the establishment of just and correct systems of credit account and exchange; ...the arbitration and just settlement of disputes...and the practice...of just systems of social organization; the education of ourselves and our children...to secure the happiness...of every member...and extend in the world at large the idea of universal and just cooperation.[31]

In short, through a utopian colony based on cooperation, Gaston and his associates hoped to solve all the evils of the Gilded Age.

The organizational structure of the National Cooperative Company represents a combination of what Gaston learned during his studies with

the Investigating Club. Essentially, Gaston copied the Kaweah application form asking "Are you or have you ever been a member of any trade, labor or economic organization? Have you read any works on Cooperation, Sociology, Evolution or Economics? Do you understand the cooperative spirit? Will you harmonize with others, correct your faults do your duty?"[32] If Gaston accepted the application, the prospective member needed to place a down payment of $250 on a $500 contribution to the common stock. Although Gaston copied Kaweah's $500 membership fee, he made the down payment equal to $250, compared to Kaweah's $100, because he noted Kaweah suffered from a lack of adequate funding at the outset.[33] Furthermore, Gaston also copied Kaweah's, Gronlund inspired, time-check system. With eight hours constituting a day's work, each worker would receive, as Bellamy suggested, equal pay of thirty cents per hour. Meanwhile, the Cooperative Company would operate its own store where colonists could purchase their necessities with the labor time-check. Although Gronlund's Cooperative Commonwealth outlined this intra-colony, time-check system of commerce, this system also closely resembles the distribution system suggested by Bellamy in which everyone receives equal pay in the form of a credit card--"with which everyone procures at the public storehouses, found in every community, whatever he desires whenever he desires it."[34]

In addition, the Des Moines Daily News also reports that "in the administration of affairs the supreme authority of the company is the membership, and...a majority vote thereof shall be of binding force." Also, the membership holds the power of the "Referendum Imperative Mandate" and the "Initiative" so that they could guard against tyrrany.[35] Here, Gaston and his colleagues attempted to solve the political problems which they perceived on the national level. With the initiative the colonists could be assured the they would be heard, and the referendum offered a way to circum-

vent the sometimes evil interests of those in power. Thus, as John L. Thomas suggests, the utopian vision of Bellamy--put into practice by Gaston with his insistence on economic and political equity--represents a conservation of small-town values such as independence and freedom which reformers perceived as disintegrating during the Gilded Age.[36] This yearning for a moral, preindustrial, simplified system can be seen in the organization of the National Cooperative Company and later with the Fairhope plan.

Originally, Gaston hoped to leave for Louisiana on 1 November 1890, but he quickly encountered difficulties. Although the company had selected a tract near Lake Arthur, Louisiana, Gaston by mid-October had "about given up hope of gaining strength to meet the required payments."[37] Still determined to make a start sometime between November 15 and November 30, Gaston then faced personal financial trouble: "I am considerably involved with property here and must move at least some of it before I can leave."[38] Unable to dispose of his property, Gaston could not acquire the Lake Arthur site, and in December of 1890, he wrote, "Among a hundred or more interested in the movement I know of but two that are really ready with money in hand."[39] Clearly, by the Spring of 1891, Gaston's cooperative, communal quest had failed.

But for Gaston, the year 1890 was not totally wasted. Through the Investigating Club Gaston studied theoretical works, examined other communal experiments, and devised his own utopian colony. His efforts demonstrated a yearn for change--hoping "the savage, foolish and wasteful system of competitive industry shall give place to the kindly, rational and more economic system of cooperation."[40]

Good Transition

During the next three years, Gaston turned his cooperative utopian impulse from communal experiments to the political process. Early in 1890

state and national politics were essentially closed to cooperative ideas, but by the Spring of 1891 Populism had spread to the state of Iowa. The Populist movement offered an avenue for political action which had not existed in 1890. Furthermore, Populism offered a political mode of action ideologically compatible to both George and Bellamy. And finally, the Populist interlude helped to mature Gaston's utopian ideas which emerged in 1893 with his Fairhope plan of True Cooperative Individualism.

In May of 1891 Gaston travelled to Cincinatti to participate in a Populist convention whose purpose was to create the preliminary structure for the Populist party. Populists such as Gaston desired, as Goodwyn writes, "a 'new day for the industrial millions' through the creation of a national farmer-labor coalition."[41] Goodwyn believes Populism can be seen as a national movement culture: "At bottom, Populism was, quite simply, an expression of self-respect. It was not an individual trait, but a collective one, surfacing as a shared hope of millions organized into its cooperative crusade."[42]

In the 1880s Populism began in Texas as a movement to organize farmers into local alliances which, through purchasing cooperatives, would help soften the effects of the crop lien system. These purchasing cooperatives, however, suffered from their inability to get credit from Texas banks. As the monetary theorist behind the Texas Alliance movement, Charles Macune proposed a treasury note plan whereby Alliance members would generate capital by circulating notes among themselves and using them to buy from the cooperative stores. The members of the Texas Alliance, however, did not have the money to initiate this treasury note system. Yet, this experience pointed to an obvious solution to the farmers' economic woes: increase the money supply so that interest rates will decrease and the

cooperatives can be financed. In short, the American monetary system needed alterations so that farmers could achieve equity.

Thus, in the Spring of 1890, members of the Texas Farmers Alliance became travelling lecturers helping initiate alliances throughout the South and West. If farmers had been sufficiently organized in 1890, they could have elected congressmen who favor monetary reform. But in the election of 1890, the Farmers Alliance did not have enough organizational strength to elect significant numbers of pro-reform candidates. In this and later elections, the Republicans and Democrats remained too firmly entrenched for electoral inroads to be made. Therefore, during 1890 and 1891 the momentum among Alliance members for the institution of a third party began growing so that by the summer of 1891 the Populist movement culture had created the People's party as its avenue for reform.

In 1891, Gaston became a reporter for the Farmers Tribune, a reform newspaper edited by General James B. Weaver since the early 1880s. Supporting the third party candidates in the seventh, eighth, tenth, and eleventh districts in 1890, the Farmers Tribune eventually became the leading paper of the Iowa state reform press and continually supported the views of the Farmers Alliance. Weaver, who eventually lost control of the newspaper in 1894, participated in the People's party from its inception in 1891 until its demise in 1896. As the Populist presidential candidate in 1892, Weaver believed in the principles set forth in the Omaha platform. In addition, Ernest Gaston had close contact with Weaver throughout this period. Upon Weaver's death in 1912, Gaston wrote, "It was our privilege to be intimately acquainted with General Weaver for a number of years.... We were near enough to him to know that people never had a truer friend than he...."[43] Thus, during the period from 1891 to 1894,

Gaston entered the political arena at both the state and national level championing the People's party.

In the state of Iowa, initial organizing attempts to create branches of the Farmers Alliance achieved little success. Faced with the opposition of a Republican-run Northern Alliance already in existence, organizers of the Farmers Alliance could not create enough grass-roots support to elect their candidates. Herman Clarence Nixon in his essay on Populism in Iowa reports that in February of 1892 the Northern Alliance had 2400 local chapters while the Farmers Alliance only had 460.[44] Thus, in the state elections of 1891 and 1893 and the national election of 1892, the People's party never elected any of their candidates.

Before the election of 1891, the Farmers Alliance attempted to unite with the Northern Alliance into the third party. But, the Northern Alliance did not support Macune's monetary reforms, would not consolidate, and thus doomed Iowa Populists to three years of electoral frustration. Even with the Iowan Weaver at the head of the 1892 ticket as the presidential nominee, all the congressional attempts failed. In fact, Weaver, who won Iowa congressional seats in 1884 and 1886 as a Greenback candidate, lost one-third of his Iowan support--probably due to the desertion of the Democratic vote--in 1892. Here, Nixon incorrectly attributes Weaver's electoral decline to a focus on the prohibition issue.[45]

Although in the election of 1893 the Populist candidates accumulated a nineteen percent electoral increase over the 1892 election, they still received only six percent of the vote. And while the Populists elected none of their candidates, the Republicans gained significantly controlling both houses of the Iowa legislature.[46] Even with an all-out campaign effort using up most of their funds and an economic depression which their reforms would clearly overcome, the 1893 Iowa Populist campaign in Iowa

failed:[47] the lack of a grass roots, movement culture made the entrenched partisan loyalties impossible to overcome.

Nationally, the election of 1892 represented the high-water mark of the politicized Populist movement. Even though Populism in some states posed a serious challenge to the the major party, the third party advocates never attained positions of real power. Essentially, the Populists failed because their movement culture--created through the Farmers Alliance--never reached the majority of farmers and hardly touched the industrial work force. After 1892 the continual electoral frustrations drove some Populists such as Weaver to advocate the free coinage of silver deemphasizing other cooperative reforms. And in 1896, the People's party fused with the Democratic party with William Jennings Bryan as the presidential nominee basing his campaign on the free silver issue. The landslide victory of the Republican, William McKinley, signalled the defeat of the reformists and the continued dominance of corporate interests in American politics.

During the period up to 1894, Gaston himself wrote for the Farmers Tribune and participated in the undoubtedly definitely frustrating third party movement. In October of 1893 Gaston succeeded James Bellangee as Secretary of the Iowa People's Party Central Committee and thereby maintained his association with Populism until the summer of 1894. But clearly, Gaston did not have a satisfying experience with The Populist party. In 1895 he reflected some of his frustration with the political process when he wrote of "those grand old heroes who have spent the larger part of a lifetime in reform work...urging a new gospel of economic regulations only to be sneered at, jeered at and dubbed 'old cranks' by their neighbors."[48] In 1893 when he began again to start a colony, Gaston must have been tired of those jeers and sneers resulting from his Populist activity.

Gaston's Populist experience, however, did more than reveal his com-

munal impulse; it also refined his utopian vision. Since the Omaha Platform represents the ideology of the Populist movement, an analysis of its contents reveals both the continuity of Gaston's intellectual odyssey and the broadening of his ideas. Nixon writes that the Omaha convention held in July 1892 included "all shades of reform thought--Greenbackers, Allianceists, Knights of Labor, trades unionists, Single taxers, Nationalists, Socialists and Individualists...."[49] Nearly unanimously, they adopted the Omana platform written by Ignatius Donnelly. Essentially, Donnelly and Gaston's Investigating Club perceived the same evils in society: corruption, demoralization, business prostration, land concentration, labor impoverishment, land mortgages, and worker disunity. According to Donnelly, "A vast conspiracy against mankind has been organized on two continents, and it is rapidly taking posession of the world." Therefore, the convention demanded monetary reforms: a flexible national currency, unlimited coinage of silver at a ratio of sixteen to one (silver to gold), an increase in the circulating medium to fifty dollars per capita. a graduated income tax, and a postal savings bank. Furthermore, the convention advocated reforms such as the secret ballot, veterans pensions, immigration restrictions, an eight-hour work day, increased use of the initiative and referendum, no subsidies or aid for private corporations, one term for the president, and direct election of senators.[50]

In his history of modern American reform, Eric T. Goldman accurately asesses the import of the Omaha platform when he writes, "The Populists stressed opportunity rather than sheer liberty."[51] Understanding that liberty in the Gilded Age system meant, for most, the liberty to be poor, Populists with their fiscal reforms attempted to achieve more than freedom; they wanted equity. Similarly, Bellamy's Nationalism and Henry George's single tax theory both provided a vision of an equitable society, and in

1893, frustrated by the Populist's inability to achieve equity, Gaston became a supporter of George's single tax.

In Fairhope, 1894-1954, Paul E. and Blanche R. Alyea write that the single tax features of the Fairhope plan flowed from William Morphy to James Bellangee, to Gaston.[52] Although Morphy organized the Des Moines Single Tax Club, Bellangee served as its president in 1893 when Gaston joined. Like Gaston, participated in the Iowa Populist party serving as its secretary in the term preceding Gaston's. For Bellangee, Gaston and other members of the Fairhope Industrial Association, Populism and the single tax complemented each other. For example, E. A. Ott, a minister and professor at ton's alma mater, Drake University, ran as a congressional candidate in 1892 and for lieutenant governor in 1893 on the Populist ticket. Still, in 1894 Ott became the first vice-president of the Fairhope Industrial Association.

Because Populism and the single tax both assumed that society, as it existed, was evil and because both had as a goal a just and equitable society, men such as Bellangee, Gaston, and Ott could support both. In fact, the Omaha platform echoed Georgia's ideas: "The land including all the natural sources of wealth is the heritage of the people, and should not be monopolized for speculative purposes...."[53] Although Populism in many ways complemented the single tax, Goldman writes, "George was opposed on principle to the Populist demand for extensive governmental controls over economic life."[54] In essence, George believed that the institution of the single tax would be sufficient to destroy all the economic evils. And yet, Gaston in his essay "True Ccoperative Individualism" did not believe, as George did, that the single tax alone could cure the Gilded Age sickness, and he therefore adopted the best ideas from both the single tax and the Populist ideology into his Fairhope plan.

In many respects, Gaston's Fairhope idea resembled his plan for the National Cooperative Company. For example, Gaston considered Fairhope,

> A community...where intelligent men and women, drawn together by common purpose, will strive to make practical applications of the best thoughts of the best minds of all ages to a solution of the problems which threaten today the existence of every nation of the globe[55]

Here, Gaston essentially reiterated the goals of the National Cooperative Company, and by using a nearly identical application form, Gaston hoped to attract to Fairhope the type of person that expressed interest in that 1890 effort.[56] In fact, in the autumn of 1893, Gaston contacted those who had been involved with the Cooperative Company asking them if they would be interested in his new project. Furthermore, with his Fairhope plan Gaston introduced almost no administrative changes. For example, in both Fairhope's and the Cooperative Company's constitutions, Gaston vested supreme authority in the membership through the initiative and referendum.[57] A final continuity in Gaston's thought concerns the race issue. In his striving for social, economic, and political equity, Gaston essentially ignored the plight of blacks. Not until 1894 when he actually prepared to go south did Gaston encounter the race question. And when he did, Gaston adopted a policy of exclusion.[58]

Although similarities between Gaston's two communal efforts abound, the differences between them depict the extent of Gaston's intellectual evolution. For example, in 1890 Mrs. S. A. Armstrong noted that women did not have a stated role in the National Cooperative Company.[59] In 1894 however, Gaston demonstrated his belief in equity--at least among white people--by according full rights in the colony to women.[60] Along with this extension of his utopian philosophy to include women, Gaston's intellectual thought matured in other ways.

Sometime during his experience with the Populist party, Gaston's theoretical range shifted. Although in 1890 he advocated both cooperative production and cooperative distribution, by 1893 Gaston had limited his reform impulse to the area of distribution amd emphasized individualism in production. This theoretical shift occurred for three reasons. First, viewing the failures of the Topolobampo bay colony and the Kaweah Cooperative Commonwealth, Gaston concluded that in communal experiments commune--dictated cooperation might be a bad thing. Second, after joining the Des Moines Single Tax Club in 1893, Gaston began to rely more on the theories of Henry George who did not support total cooperation rather than theories of Edward Bellamy who did. And finally, learning from the Populist ideology, which did not advocate a change in the methods of production, Gaston concentrated on commercial and monetary reforms to achieve equity.

Theorizing on the failures of both the Topolobampo and Kaweah colonies, Gaston wrote that their most grievous error lay in their belief "that 'Society'...is posessed of rights and powers superior to those of its individual components."[61] For example, at Topolobampo Owen restricted freedom of religion while at Kaweah disensions arose because of work assignments. In order to avoid difficulties such as these, Gaston proposed the Law of Equal Freedom: "Every man has the freedom to do all that he wills, provided that he infringes not the equal freedom of any other man,"[62] In addition, noting that at Topolobampo the number of shares you posessed determined the weight of your vote, Gaston decided that Fairhope would operate differently. He wrote, "Every adult member, without regard to sex, having an equal voice in its affairs, Persons will rule instead of Property."[63] Clearly, Gaston successfully eliminated problems other colonies encountered, and thus O. W. Bancroft told him, "you have embodied the good points of the Credit Foncier Colony of Topolobampo...and eliminated the

bad ones...."[64]

By deemphasizing cooperation in the Fairhope plan, Gaston moved further away from Bellamy's utopian ideal. In 1890, Gaston wrote that his National Cooperative Company differed from Bellamy's principle--"From each one according to his ability, to each one according to his need"--by advocating instead that "All will have equal opportunity, and each will be awarded according to his deeds."[65] Yet paradoxically, the organization of the National Cooperative Company instituted equal pay for all work thereby supporting Bellamy's principle of awarding to each according to need. Not until he devised his Fairhope plan did Gaston organize a colony truly according to deed by leaving production to the individual. Here, the single tax theory appeared tailor-made for Gaston's purposes. Understanding that under competition "production is immensely stimulated"[67] and understanding that as production increased land values increase, Gaston saw that competition would enrich the community because those increased land values belong to the community through the single tax.[66] In this instance Gaston accepted competition because the single tax would inevitably achieve an equitable distribution of wealth. Although Gaston liked the idea of competition in production and believed that enforced cooperation must fail, he did see "...a possibility for succesful cooperative production, but it should be done cautiously analyzing each step."[68]

Though supporting individualism in production, Gaston understood that distribution represented a "very large part of the cost to the consumer...." Drawing on Bellamy's theory, Populist ideas, and his knowledge of other communal experiments, Gaston decided to establish "a store or stores at which shall be kept for sale all articles of merchandise for which there shall be sufficient demand."[69] Inspired by the Minburn Cooperative Association and the Marathon Supply Company, both of which had ties with the Iowa

Farmers Alliance, Gaston hoped the store would increase consumption and production through reduced merchandise costs.[70] In addition, Gaston again copied Alliance ideas by setting aside a colony department to act as a purchasing agent "to assist the association members in the disposition of their surplus products to the greatest advantage."[71] In short, through the commercial features of his plan, Gaston enacted on a communal scale what the Populists to do on a national scale--achieve commercial equity.

In another area Gaston again succeeded where Populist reformers failed. Believing that the "national government...has practically given over to a few nonproducers the full control of the financial system" and that these corporate interests had restricted the money supply by adhering to the Gold standard, Gaston decided Fairhope should issue "non-interest bearing obligations" which in Fairhope would be considered legal tender. In Gaston's view, these notes by increasing the money supply would reduce interest rates and promote increased investment and production. Although the Texas Alliance had failed in 1888 when they attempted to issue notes because of a lack of initial funds, Gaston based his monetary reform on an adequate financial basis--members had to contribute $250 to the mercantile department. Thus, through these monetary reforms, Gaston again demonstrated the efficacy of Populist ideas which, although unattainable on a national scale, could be implemented in a small community.

These commercial and monetary reforms essentially reflected a shift in Gaston's thinking. Believing in 1890 that cooperation such as that presented in Bellamy's Looking Backward would solve the socio-economic problems of the Gilded Age, Gaston nearly instituted a colony . colony which probably would have suffered from the dissensions that Topolobampo and Kaweah faced. By 1894 Gaston realized that his "error lies in the assumption that...duty is to society and that society is competent

to measure endowments."[73] Through his association with the Populist party and his study of the single tax, Gaston decided that individualism tempered with cooperation would produce the best results. And , this pragmatic integration of seemingly opposite intellectual trends ensured the success of Fairhope.

Faced with the immorality of the Gilded Age, Gaston, Bellangee, George, Bellamy, and the Populists sought to reinstitute republican values--destroyed by competition--by emphasizing the saving effects of cooperation. Dorothy Ross and John L. Thomas argue that this utopian, psuedo-socialist thought represented a middle class, pre-progressive yearning for equity in a system which tended more and more towards inequality. Unrealistic on a national scale, the utopian theories of George, Bellamy, Gronlund, and the Populists attempted to solve the problems of the present by recreating conditions of the past. Experiments such as those at Topolobampo and Kaweah failed because their utopian ideas, which emphasisized cooperation , could not survive in the hostile, competitive atmsophere of the Gilded Age.

In large part, Fairhope owed its initial success to E. B. Gaston's recognition of the retrogressive and idealistic aspects of pure cooperation. Instituting a modified form of individualism through the single tax, Gaston still hoped that Fairhopers would voluntarily unite into cooperative industries. But in fact, during Fairhope's first fifteen of existence, the plan's cooperative aspects gradually disappeared, and although the community itself did not disintegrate, Fairhope eventually became indistiguishable from the system it desired to change.

Endnotes.

[1]Minutes, Fairhope Industrial Association, January 4, 1894.

[2]Henry George, Significant Paragraphs from Progress and Poverty, With an Introduction by John Dewey, (New York, 1928; 1879). p. 10.

[3]Laurence Goodwyn, The Populist Moment, (Oxford, 1978), p. 69.

[4]H. Olerich to E. B. Gaston, December 20, 1890, Fairhope Single Tax Colony Archives (Hereafter designated FSTC Archives).

[5]H. Olerich to E. B. Gaston, September 30, 1890, FSTC Archives.

[6]Goodwyn, Populist Moment, p. 4.

[7]John L. Thomas, "Utopia for an Urban Age: Henry George, Henry Demarest Lloyd, Edward Bellamy," in Perspectives in American History Volume VI, ed. Donald Fleming, (Cambridge, Massachusettes, 1972), p. 138.

[8]Ibid., p. 136.

[9]George, Progress and Poverty, p. 30.

[10]Ibid., p. 52.

[11]Ibid., p. 63.

[12]Dorothy Ross, "Socialism and American Liberalism: Academic and Social Thought in the 1880s," in Perspectives in American History Volume XI, ed. Donald Fleming, (Cambridge, Massachusettes, 1977), p. 31.

[13]Des Moines Daily News, July 19, 1890.

[14]Edward Bellamy, Looking Backward, with an introduction by R. Jackson Wilson, (New York, 1982; 1888), p. 25.

[15]Ibid., p. 38.

[16]Thomas, "Utopias for an Urban Age," p. 148.

[17]E. B. Gaston to Charles Evan Holt, December 22, 1890, FSTC Archives.

[18]E. B. Gaston to Albert K. Owen, May 31, 1891, FSTC Archives.

[19]Albert K. Owen, quoted in Ray Reynolds, Catspaw Utopia, (El Cajon, California, 1972), p. 17.

[20]Albert K. Owen, Integral Cooperation, (New York, 1885), p. 31.

[21]Ibid., p. 26.

[22]Charles E. Randall to E. B. Gaston, October 11, 1890, FSTC Archives.

[23]W. G. Neimeyer to E. B. Gaston, July 10, 1890, FSTC Archives.

[24]G. W. Hanson to E. B. Gaston, undated, FSTC Archives.

[25]T. E. Fogarty to E. B. Gaston, September 17, 1890, FSTC Archives.

[26]E. B. Gaston to Charles Evan Holt, January 12, 1891, FSTC Archives.

[27]K. T. Chase to E. B. Gaston, September 22, 1890, FSTC Archives.

[28]Charles E. Randall to E. B. Gaston, August 11, 1890, FSTC Archives.

[29]E. B. Gaston to S. A. Hackworth, no date, FSTC Archives.

[30]E. B. Gaston to T. E. Fogarty, November 3, 1890, FSTC Archives.

[31]Des Moines Daily News, July 19, 1890.

[32]Application for membership in the National Ccoperative Company, Ltd., A Joint Stock Company, FSTC Archives.

[33]E. B. Gaston to Charles Evan Holt, December 22, 1890, FSTC Archives.

[34]Bellamy, Looking Backward, p. 11.

[35]Des Moines Daily News, July 19m 1890.

[36]Thomas, "Utopias for an Urban Age," p. 144.

[37]E. B. Gaston to T. H. Jones, October 9, 1890, FSTC Archives.

[38]E. B. Gaston to T. E. Fogarty, November 3, 1890, FSTC Archives.

[39]E. B. Gaston to H. A. Buffington, December 1, 1890, FSTC Archives.

[40]Des Moines Daily News, July 19, 1890.

[41]Goodwyn, The Populist Moment, p. 101.

[42]Ibid., p. 35.

[43]Fairhope Courier, February 16, 1912.

[44]Herman Clarence Nixon, "The Populist Movement in Iowa," in The Iowa Journal of History and Politics, Volume XXIV (January 1926), p. 51.

[45]Ibid., p. 64.

[46]Ibid., pp. 74-75.

[47]Ibid., pp. 72-74.

[48]Fairhope Courier, January 1, 1895.

[49]Nixon, "Populist Movement in Iowa," p. 61.

[50]Omaha Platform of the People's Party, in Norman Pollack, The Populist Mind, (New York, 1967; 1892).

[51]Eric T. Goldman, Rendezvous with Destiny: A History of Modern American Reform, (1952), p. 51.

[52]Paul E. and Blanche R. Alyea, Fairhope, 1894 -1954, (Tuscaloosa, 1956), p. 12.

[53]Omaha Platform of the People's Party, (1892).

[54]Goldman, Rendezvous with Destiny, pp. 58-59.

[55]Ernest B. Gaston, "True Cooperative Individualism," in Fairhope Courier, March 1, 1895; January 15, 1894.

[56]Application for Membership in the Fairhope Industrial Association, FSTC Archives.

[57]Des Moines Daily News, July 19, 1890. Constitution of the Fairhope Industrial Association, Article V, Sec. 1, in Alyea, Fairhope, 1894-1954, Appendix A.

[58]S. A. Hackworth to E. B. Gaston, August 24, 1894, FSTC Archives. See also, Paul M. Gaston, Women of Fair Hope, (Athens, Ga., 1984), pp. 1-18.

[59]Mrs. S. A. Armstrong to E. B. Gaston, September 6, 1890, FSTC Archives.

[60] Fairnope Constitution, Article IV, sec. 2.

[61]E. B. Gaston, "True Cooperative Individualism."

[62]Ibid.

[63]Ibid.

[64]O. W. Bancroft to E. B. Gaston, January 30, 1894, FSTC Archives.

[65]Des Moines Daily News, July 19, 1890.

[66]George, Progress and Poverty, p. 35.

[67]E. B. Gaston, "True Cooperative Individualism."

[68]Fairhope Courier, September 1, 1894.

[69]Fairhope Constitution, Article XII, Sec. 1.

[70]Fairhope Courier, September 19, 1894. Also, E. B. Gaston, "True Cooperative Individualism."

[71]Fairhope Constitution, Article XII, Sec. 4.

[72]E. B. Gaston, "True Cooperative Individualism." Also, Fairhope Courier, September 1, 1894.

[73]Fairhope Courier, September 19, 1894.

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